

Department of Legislative Services
 Maryland General Assembly
 2022 Session

FISCAL AND POLICY NOTE
Enrolled - Revised

Senate Bill 14

(Senator Elfreth)

Education, Health, and Environmental Affairs

Appropriations

Sustainable Maryland Program and Fund - Establishment

This bill codifies the Sustainable Maryland Program and establishes the Sustainable Maryland Program Fund (SMPF), administered by the University of Maryland Environmental Finance Center (EFC), subject to specified requirements. The purpose of the program is to provide research, access to resources, technical assistance, and certification programs for municipalities to increase sustainability, protect environmental well-being, and ensure economic vitality. The purpose of the fund is to expand and enhance Sustainable Maryland’s promotion and support of communities in the State in the effort to realize environmental, economic, and social sustainability. The Governor must include an appropriation of \$500,000 annually to SMPF beginning in fiscal 2024; this funding is supplemental to any funding that would otherwise be appropriated for the Sustainable Maryland Program. **The bill takes effect July 1, 2022.**

Fiscal Summary

State Effect: No effect in FY 2023. General fund expenditures increase by \$500,000 annually beginning in FY 2024. Special fund revenues and expenditures for SMPF in the University System of Maryland increase correspondingly for authorized purposes. **This bill establishes a mandated appropriation beginning in FY 2024.**

(in dollars)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
SF Revenue	\$0	\$500,000	\$500,000	\$500,000	\$500,000
GF Expenditure	\$0	\$500,000	\$500,000	\$500,000	\$500,000
SF Expenditure	\$0	\$500,000	\$500,000	\$500,000	\$500,000
Net Effect	\$0	(\$500,000)	(\$500,000)	(\$500,000)	(\$500,000)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: Local government revenues and expenditures may increase beginning in FY 2024 from grants received under the bill.

Small Business Effect: Potential meaningful.

Analysis

Bill Summary: In carrying out the powers and duties granted by the bill, the program must work in consultation and collaboration with institutions and organizations in the State, including those specified.

SMPF is established as a special, nonlapsing fund, consisting of money appropriated in the State budget, interest earnings, and any other money from any other source. Expenditures from the fund may be made only in accordance with the State budget. SMPF may be used only for:

- offering training and education to ensure communities are well informed on advances in sustainability science, policy, and practice;
- outreach and engagement to build local capacity and institutionalize sustainability efforts within communities, including specified events and activities;
- developing and expanding the Sustainable Maryland Program;
- improving green community certification tiers with new strategies and actions;
- providing annual community innovation small grants to help communities pilot new innovative strategies;
- recognizing community efforts toward achieving green certification; and
- administrative expenses related to the Sustainable Maryland Program.

Current Law: Sustainable Maryland is not established in State law. In practice, [Sustainable Maryland](#) is a collaborative effort between EFC at the University of Maryland, College Park Campus and the Maryland Municipal League.

State/Local Fiscal Effect: Consistent with the timing of the required mandated appropriation, general fund expenditures increase by \$500,000 annually beginning in fiscal 2024. Assuming funds are received and expended in the same fiscal year, special fund revenues and expenditures for SMPF increase correspondingly for authorized purposes; depending on how EFC chooses to use the funds, expenditures may support additional staff or provide grants to local governments, in addition to other authorized uses.

The program currently consults and collaborates with institutions and organizations in the State, including those specified; thus, codifying those requirements does not materially affect State finances.

Small Business Effect: Small businesses may benefit from grants awarded from SMPF beginning in fiscal 2024, which may be meaningful for a particular small business.

Additional Information

Prior Introductions: Similar legislation was considered in the 2020 legislative session. Specifically, SB 737 of 2020 passed the Senate and was referred to the House Appropriations Committee, but no further action was taken. Its cross file, HB 1520, received a hearing in the House Appropriations Committee, but no further action was taken.

Designated Cross File: HB 100 (Delegate Solomon) - Appropriations.

Information Source(s): University System of Maryland; Department of Budget and Management; Department of Legislative Services

Fiscal Note History: First Reader - January 23, 2022
rh/ljm Third Reader - March 18, 2022
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