

COURTNEY WATSON
Legislative District 9B
Howard County

Economic Matters Committee

Subcommittees

Banking, Consumer Protection,
and Commercial Law

Property and Casualty Insurance

Vice Chair, Democratic Caucus



Annapolis Office
The Maryland House of Delegates
6 Bladen Street, Room 350
Annapolis, Maryland 21401
410-841-3077 · 301-858-3077
800-492-7122 Ext. 3077
Courtney.Watson@house.state.md.us

THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

February 18, 2020

Hon. Delegate Kumar P. Barve
Chair, Environment and Transportation Committee
Hon. Delegate Dana M. Stein
Vice Chair, Environment and Transportation Committee
House Office Building, Room 251
6 Bladen Street
Annapolis, MD 21401

Re: HB-539 Local Government – Resilience Authorities - Authorization

SPONSOR: Delegate Courtney Watson

POSITION: Support with Amendments

Good afternoon Chairman Barve, and members of the Environment and Transportation Committee,

Thank you for allowing me to present House Bill 539. This bill would enable counties and municipalities to create “resilience authorities” for the purpose of issuing bonds to help fund critical resilience-related infrastructure projects.

From Annapolis to Ellicott City and from Easton to Baltimore, Maryland is threatened by the rapid impacts of climate change and sea level rise. Protecting our communities, small businesses, and historic structures is paramount. County and municipal governments are most responsible for building the vast majority of resilience-related infrastructure - yet the cost of these projects **are often too great to build as quickly as our communities need**. We must act now and empower local governments with the tools they need to protect our communities.

Annapolis faces increasing sunny-day flooding at the City Dock, Ellicott City saw two devastating flood events caused by 1000-year-storms, and Baltimore experiences ever-increasing temperatures from city streets and buildings. While the impacts of climate change have worsened over the last decade, our counties and municipalities have been on the front lines of planning to mitigate these effects.

Resiliency means different things for different communities, and HB-539 provides enough flexibility for communities to build what is best for the unique challenges they face. In Ellicott

City, this means funding the Safe and Sound Flood Mitigation Plan, which involves multiple projects and as much as \$100 million. In Annapolis, the City Dock Action Plan includes raising the City Dock and building flood barriers and more effective stormwater systems.

With much of the financial burden to build this infrastructure resting on our localities, this bill would enable counties and municipalities to create “resilience authorities” to issue bonds to serve as the vehicle to fund critical projects.

HB-539 accomplishes three things: first, it lays out the structure in which a county’s and/or a municipality’s local governing body may create a “Resilience Authority.” Second, the bill allows localities to direct General Fund revenue to a “Resilience Authority,” regardless of whether there is a charter provision prohibiting such fund dedication. Finally, this bill provides for accountability and transparency by requiring Authorities to report annually to the budget and environmental committees. This bill also makes it clear that Authorities cannot acquire land by eminent domain and do not have the authority to establish taxes.

To be clear: nothing in this bill grants an Authority the ability to levy a tax - and no Authority has the ability to charge fees unless directly authorized by the local governing body under which the Authority is created.

After working with various stakeholders, Senator Elfreth and I will be offering an amendment that:

- Removes the 30,000 population limit for cities to create a “Resilience Authority.”
- Clarifies the bonds issued by an Authority are not specifically “revenue” bonds.
- Clarifies the process under which a joint authority would be created.
- Replaces “legislative body of a local government” with “local governing authority” wherever applicable in the bill.
- Clarifies where debt is transferred upon the termination of an Authority.

This bill ensures Maryland remains a national leader in preparing ourselves for the impending crisis presented by climate change and sea level rise.

Our panel today consists of:

- Steuart Pittman, County Executive, Anne Arundel County
- Gavin Buckley, Mayor of Annapolis
- Dan Nees, Senior Fellow, University of Maryland Center for Global Sustainability

Additionally, HOB-539 is supported by:

- Calvin Ball, County Executive, Howard County
- Drew Jabin, Maryland Association of Counties
- Bill Jorch, Maryland Municipal League

- Kristen Harbeson, Maryland League of Conservation Voters and six other Maryland environmental organizations
- Josh Kurtz, The Nature Conservancy

I respectfully request a favorable report so we may give our localities the tools they need to address this issue. Thank you for your consideration.