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## **SENATE BILL 673 Department of Agriculture-Urban Agriculture Grant Program (Gallion)**

### **STATEMENT OF INFORMATION**

**DATE:** February 24, 2021

**COMMITTEE:** Senate Education, Health & Environmental Affairs

**SUMMARY OF BILL:** SB 673 creates an Urban Agriculture Grant Fund to provide grants to nonprofit organizations that distribute funds to urban agriculture producers. The legislation diverts \$400,000 from the unclaimed property fund to increase the viability of urban farming and improve access to urban-grown foods.

**EXPLANATION:** The Department of Budget and Management (DBM) focus is not on the underlying policy proposal being advanced by the legislation, but rather on the diversion of \$400,000 in General Fund revenues.

DBM has the responsibility of submitting a balanced budget to the General Assembly annually, which requires spending allocations for FY 2022 to be within the official revenues estimates approved by the Board of Revenue Estimates in December 2020.

Economic conditions remain precarious as a result of COVID-19, making revenue predictions for the remainder of FY 2021 and FY 2022 highly volatile. Many individuals and households are unemployed or underemployed, with many industry sectors operating at much less than 100% capacity. Federal stimulus programs are providing much needed relief, but the impact of the COVID-19 pandemic continues to present a significant budgetary vulnerability.

The General Assembly and Administration have successfully enacted the Governor's emergency Recovery for the Economy, Livelihoods, Industries, Entrepreneurs, and Families Act (SB 496 RELIEF Act), which provides \$1.2 billion in direct stimulus and tax relief for Maryland working families, small businesses, and those who have lost their jobs as a result of the COVID-19 pandemic. It is incumbent upon us to allow the impact of this unprecedented relief package on the State's economy to take effect. Further mandated spending increases need to be reevaluated within the context of an ongoing pandemic.

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