

Department of Legislative Services
 Maryland General Assembly
 2007 Session

FISCAL AND POLICY NOTE
Revised

House Bill 773

(Delegate Lafferty, *et al.*)

Environmental Matters

Education, Health, and Environmental Affairs

Task Force on the Future for Growth and Development - Membership and Charge

This bill modifies the charge, membership, and reporting deadline of the Task Force on the Future for Growth and Development in Maryland. The bill also provides that the Governor must designate the chair of the task force.

The bill takes effect July 1, 2007.

Fiscal Summary

State Effect: General fund expenditure increase of \$227,500 in FY 2008 for the Maryland Department of Planning (MDP) to handle the expanded charge of the task force. Future year expenditures are adjusted for inflation and reflect ongoing but reduced activities through December 2010. No effect on revenues.

(in dollars)	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	227,500	133,200	51,200	26,700	0
Net Effect	(\$227,500)	(\$133,200)	(\$51,200)	(\$26,700)	\$0

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

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: In addition to its existing duties, the task force must:

- determine methods to assess the cumulative impacts of proposed development on infrastructure on a regional scale;
- determine the parameters for a State development plan, State transportation plan, and State housing plan and determine how these plans work together with local land use plans;
- identify infrastructure needed for Smart Growth development consistent with population growth;
- assess mechanisms to fund the construction and maintenance of Smart Growth infrastructure; and
- serve as an advisory board to the Governor's Smart Growth Subcabinet, providing advice and guidance at least twice annually through December 31, 2010.

The bill extends the deadline, from December 1, 2007 to December 1, 2008, for the task force to report its findings and recommendations. The bill also adds seven members to the task force.

Current Law: Chapter 381 of 2006 established a 14-member Task Force on the Future for Growth and Development in Maryland, which is staffed by MDP. From among its members, the task force must elect a chair. The task force is charged with:

- studying current land use policies and their impact on growth;
- studying current trends and challenges for municipal corporations and counties as they relate to growth;
- analyzing the capabilities of municipal corporations and counties to plan for future growth and development;
- analyzing the impacts of county development proximate to municipal corporate limits on municipal infrastructure, water resources, and sensitive areas;
- analyzing the impacts of municipal growth and development on county infrastructure, water resources, and sensitive areas;
- identifying regional growth and development issues;
- studying mechanisms to facilitate joint planning to coordinate growth and development between municipal corporations and counties;
- examining the impact of specified sections of the State zoning and planning law (Article 66B) on a local government's ability to establish a floating zone on a property or grant piecemeal rezoning of a specific property; and
- making recommendations to implement law or regulations that further best management practices as they relate to future growth and development in the State.

The task force is required to report its findings and recommendations to the General Assembly and the Governor by December 1, 2007. The task force has no termination date.

Background: Growth management has been a main focus of policy in the past several years. Maryland has had a growth management policy for decades – the Planning Act of 1992 established visions for future growth and attempted to implement growth management in a cooperative manner between the State and local governments.

Governor Glendening’s 1997 legislative initiative – called “Smart Growth” – built upon the Planning Act by restricting State funding to designated priority funding areas. The goal of the Smart Growth initiative is to support and revitalize existing communities by targeting state resources to those areas that are already developed. In 2004, the State established the Priority Places Strategy, intending to build on the State’s Smart Growth efforts, to encourage and promote well-planned development within priority funding areas around the State.

Despite the State’s comprehensive planning and growth management policies, concern was raised in 2006 regarding several large and controversial municipal annexations that had occurred since 2004, primarily on the Eastern Shore. Because municipalities were not required to include future annexation areas in their comprehensive plans, concern was raised that the annexation process did not provide for sufficient public review and planning for annexations and their associated development, often leading to increases in population in areas without adequate public facilities. As a result, the General Assembly adopted legislation in 2006 (Chapter 381) to address these concerns by modifying the municipal annexation process, modifying the requirements for comprehensive plans, and encouraging joint planning between counties and municipalities.

State Expenditures: General fund expenditures could increase by an estimated \$227,459 in fiscal 2008, which reflects a July 1, 2007 implementation date. This estimate reflects the cost of hiring one contractual administrator, three contractual planners, and one contractual secretary within MDP to handle the additional work of the task force resulting from this bill. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Salaries and Fringe Benefits	\$213,409
Equipment and Operating Expenses	<u>14,050</u>
Total FY 2008 State Expenditures	\$227,459
Contractual Positions	5.0

Future year expenditures reflect: • in fiscal 2009, a full salary for one contractual planner and half-year salaries for the remaining contractual employees; • in fiscal 2010, a full salary for one contractual planner only; • in fiscal 2011, a half-year salary for one contractual planner; • 4.5% annual salary increases and 6.8% employee turnover; and • 1% annual increases in ongoing operating expenses. Because the report of the task force is due by December 1, 2008, it is assumed that the only costs incurred beyond December 2008 would be related to the ongoing need for one contractual planner to provide advice and guidance to the Governor's Smart Growth Subcabinet through December 2010. To the extent the task force is expected to conduct the additional work outlined in the bill beyond the deadlines established by the bill, costs would continue into the out-years.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland Department of Planning, Department of Housing and Community Development, Maryland Department of Transportation, Department of Legislative Services

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