

Department of Legislative Services
 Maryland General Assembly
 2018 Session

FISCAL AND POLICY NOTE
 First Reader

House Bill 1471 (Delegate M. Washington)
 Economic Matters

Workgroup to Study Design Industry Impacts in Maryland

This bill establishes the Workgroup to Study Design Industry Impacts in Maryland. The Department of Commerce (Commerce), with assistance from the Morgan State University (MSU) School of Architecture and Planning, must provide staff for the workgroup. By December 31 each year, the workgroup must report its findings, recommendations, and actions implemented under the bill to the Governor and the General Assembly. **The bill takes effect July 1, 2018, and terminates June 30, 2022.**

Fiscal Summary

State Effect: General fund expenditures increase by up to \$60,000 annually from FY 2019 through FY 2022. Any expense reimbursements for workgroup members are assumed to be minimal and absorbable within existing budgeted resources. Revenues are not affected.

(in dollars)	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	60,000	60,000	60,000	60,000	0
Net Effect	(\$60,000)	(\$60,000)	(\$60,000)	(\$60,000)	\$0

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

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The workgroup must, among other requirements:

- study relevant design policy issues and projects;
- develop a design-in-all-policies framework for policymakers and stakeholders in the public and private sectors in the State; and
- examine and make recommendations regarding how design-driven innovation may be incorporated into the decision-making processes of State and local governmental units and private sector small- and medium-sized enterprises that interact with governmental units.

The framework developed by the workgroup must assist public and private sector policymakers and stakeholders to employ a design thinking and an evidence-informed policy approach for excellence and innovation and meet other specified requirements.

Particular tasks for the workgroup include:

- studying the job markets for design industries in the State;
- identifying gaps in public and private sector programs relating to design industries in the State;
- collecting and compiling data on how design has had an impact on innovation in the State; and
- developing recommendations on (1) the State adoption of a design-driven innovation policy and (2) the need for a permanent design commission for the State, its structure, and its relationship with other governmental units.

A member of the workgroup may not receive compensation as a member of the workgroup but is entitled to reimbursement for travel and related expenses.

The Secretary of Commerce may recommend to the Governor or the General Assembly that the workgroup be continued, at the expiration of its term, as a permanent design policy review board for the State.

Current Law/Background: No statewide entity exists for the purpose of studying design industry impacts as specified in the bill.

The MSU School of Architecture and Planning addresses, from an interdisciplinary perspective, the social, environmental, physical, economic, and political issues that shape urban communities and form. The school offers several undergraduate and graduate programs in design-related fields.

State Expenditures: The workgroup creates a multi-year administrative and research commitment. Therefore, general fund expenditures increase by up to \$60,000 annually from fiscal 2019 through 2022 for Commerce to hire a consultant to staff the workgroup, conduct the required studies and analyses, develop the policy framework, and complete four annual reports. MSU can provide assistance as needed with existing staff and resources.

Any expense reimbursements for workgroup members are assumed to be minimal and absorbable within existing budgeted resources.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Commerce; Morgan State University; Maryland Independent College and University Association; Maryland Association of Counties; Department of Legislative Services

Fiscal Note History: First Reader - March 5, 2018
mm/rhh

Analysis by: Stephen M. Ross

Direct Inquiries to:
(410) 946-5510
(301) 970-5510