

Department of Legislative Services
Maryland General Assembly
2021 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 339

(The President)(By Request - Departmental - Commerce)

Judicial Proceedings

**Department of Commerce - Sister-State Relationships - Maintenance and
Development**

This departmental bill transfers the lead responsibility for maintenance and development of sister-state relationships from the Secretary of State (SOS) to the Office of International Trade within the Department of Commerce (Commerce). **The bill takes effect July 1, 2021.**

Fiscal Summary

State Effect: The bill aligns statute with prior Board of Public Works (BPW) action, as discussed below, and does not materially affect State finances or operations.

Local Effect: None.

Small Business Effect: Commerce has determined that this bill has minimal or no impact on small business (attached). The Department of Legislative Services concurs with this assessment.

Analysis

Current Law: The purpose of the Office of International Trade is to promote the development of international business activities and opportunities in the State. With special emphasis on exports, the office must encourage businesses in the State to increase international trade activities through specified means, such as initiating and organizing foreign trade missions to and from foreign countries and participating in trade fairs, in cooperation with local governments and the private sector.

Background: The Sister-State Relationship Program was established in 1980 to provide a government-to-government forum for the promotion of international cooperation and understanding. Currently, Maryland has established sister-state relationships with 18 countries. The program was originally administered by the predecessor agency to Commerce, then administered contractually by a private entity and then, later, SOS. More information is available on Commerce's [website](#).

State Fiscal Effect: BPW eliminated the International Division within SOS at its July 1, 2020 meeting. The two staff assigned to the Sister-State Relationship Program within that division were subsequently reassigned to Commerce's Office of International Trade to administer the program there. The transferred staff were funded by utilizing existing vacant positions within Commerce. Commerce advises that other minimal costs associated with the transfer have already been incurred and that ongoing costs associated with the program are minimal and absorbable within existing budgeted resources. As such, the bill aligns statute with prior BPW action and does not otherwise materially affect State finances or operations.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Department of Commerce; Secretary of State; Department of Legislative Services

Fiscal Note History: First Reader - January 11, 2021
rh/vlg

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ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Department of Commerce – Sister-State Relationships –
Maintenance and Development

BILL NUMBER: SB 339

PREPARED BY: Michael Siers

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL
BUSINESS

OR

WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL
BUSINESSES

PART B. ECONOMIC IMPACT ANALYSIS

The proposed legislation changes the agency managing the Maryland Sister-State Relationship Program from the Office of the Secretary of State to the Maryland Department of Commerce's Office of International Investment and Trade. This proposed bill is in response to budget consolidation moves that eliminated the Office of the Secretary of State's International Division and reassigned the two staff who manage the Maryland Sister-State Relationship to the Department of Commerce. Although the staff are part of the Department of Commerce, the program remains legislatively assigned to the Office of the Secretary of State. Therefore, this legislation completes the transfer of the program to the Department of Commerce. Because this legislation has no further impact on the program, it will have minimal to no impact on Maryland small businesses.