

Department of Legislative Services
Maryland General Assembly
2024 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 787

(Delegate Buckel, *et al.*)

Ways and Means

Finance

Allegany County - Allegany Regional Recreational Economic Development
Authority - Established

This bill establishes the Allegany Regional Recreational Economic Development Authority in Allegany County. The authority must support the development and construction of regional recreation facilities to benefit residents and the economic development of the county, including indoor and outdoor athletic fields and other facilities designed to create recreational tourism. The authority may (1) manage appropriated funds from Allegany County, Cumberland and Frostburg, and the State; (2) receive donated services from professionals; and (3) supervise, manage, and terminate staff and consultants as necessary. The authority consists primarily of State and local government officials, or their designees. Authority members may not receive compensation but are entitled to reimbursement for expenses. By October 31, 2025, and each October 31 thereafter, the authority must report its activities to the Governor and specified committees of the General Assembly. **The bill takes effect July 1, 2024, and terminates June 30, 2029.**

Fiscal Summary

State Effect: No direct effect. It is assumed that members of the authority can likely provide staff and expense reimbursements with existing resources. Although the bill allows the authority to manage funds appropriated by the State, it does not require any such funds to be appropriated. Revenues are not directly affected.

Local Effect: Participating local authority members can likely provide staff for the authority with existing resources. If not, local expenditures may increase minimally. Although the bill allows the authority to manage funds appropriated by Allegany County, Cumberland, and Frostburg, it does not require any such funds to be appropriated. No direct effect on local revenues.

Small Business Effect: None.

Analysis

Current Law: Chapters 80 and 81 of 2021 established the West North Avenue Development Authority to support a revitalization plan in a target area and buffer zone in Baltimore City. Chapters 466 and 467 of 2023 established the Prince George’s Gateway Development Authority in Prince George’s County to support the development and approval of a comprehensive neighborhood revitalization plan in the “target area” in the county. Both development authorities were provided with similar powers to receive revenues from the State and/or the county and to direct the revenues for certain purposes.

Additional Comments: The authority may use any funds it receives from Allegany County, Cumberland, Frostburg, and/or the State to support the development and construction of regional recreation facilities. Any such expenditures are contingent on funding that is not required by the bill. Therefore, this analysis does not reflect any fiscal effects, such as State and/or local appropriations, increased debt service payments, or property tax revenues, that may result. However, there may be a future expectation of State and/or local funding, which may be significant. For example, Frostburg State University advises that the bill may ultimately lead to the authority managing the university’s remaining planning and design funds for a regional sports complex.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: SB 1134 (Senator McKay) - Rules.

Information Source(s): Allegany County; City of Frostburg; University System of Maryland; Department of Legislative Services

Fiscal Note History: First Reader - February 14, 2024
km/ljm Third Reader - March 18, 2024

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