



Maryland Municipal League

The Association of Maryland's Cities and Towns

TESTIMONY

February 18, 2020

Committee: House Environment and Transportation

Bill: House Bill 539 - Local Governments - Resilience Authorities - Authorization

Position: Support with Amendment

Reason for Position:

The Maryland Municipal League supports House Bill 539 with an amendment. This legislation authorizes a municipality or group of local governments to create a resilience authority, which includes a new bonding ability.

A resilience authority that is created under this bill is done so through a local law and is granted certain powers; including the ability to acquire property, construct resilience infrastructure, and collect fees for its services. However, likely the most important for most municipalities is the new authorization to issue and sell bonds to pay for costs associated with the activities of the resilience authority; this would allow for municipalities to increase their overall debt capacity as the resilience bonds would ride along next to the municipal bonds and not contribute towards the municipal debt ceiling used to fund non-resilience related projects.

The one area of concern from MML's perspective is that the definition of "municipality" for the purpose of exercising this new resilience authority has a threshold of 30,000 people in order to qualify. MML has consistently opposed any attempt to statutorily split our membership by any metric whether it be population, area, or budget. There also may be a legal issue with treating municipalities differently based on population; pursuant to section 2 of Article XI-E of the State Constitution, section 4-102 of the Local Government article states that there is one class of municipalities and that every municipality is a member of that class. Please see the reverse side for amendment language.

For these reasons, the League supports House Bill 539 with the described amendment and respectfully requests that the committee report the bill favorably.

(OVER)

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Proposed Amendment

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~~(G) "MUNICIPALITY" MEANS A MUNICIPALITY WITH A POPULATION OF AT LEAST 30,000.~~

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