

Department of Legislative Services
 Maryland General Assembly
 2000 Session

FISCAL NOTE
Revised

Senate Bill 788 (Senator Hafer)
 Economic and Environmental Affairs

Garrett County - Deep Creek Lake

This bill requires payments to Garrett County from the Deep Creek Lake Recreation Maintenance and Management Fund in the Department of Natural Resources (DNR), establishes a Deep Creek Lake Policy and Review Board, repeals the Deep Creek Lake Advisory and Review Committee, and provides for the development of a recreation and land use plan for Deep Creek Lake.

The bill takes effect June 1, 2000.

Fiscal Summary

State Effect: Special fund revenue decrease of an estimated \$141,200 annually. Special fund expenditure increase of \$6,800 in FY 2001 and \$3,600 in FY 2002 for the development and implementation of the plan.

(in dollars)	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
SF Revenues	(\$141,200)	(\$141,200)	(\$141,200)	(\$141,200)	(\$141,200)
SF Expenditures	6,800	3,600	0	0	0
Net Effect	(\$148,000)	(\$144,800)	(\$141,200)	(\$141,200)	(\$141,200)

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

Local Effect: Increase in revenues of an estimated \$141,200 annually from the fund. No effect on expenditures.

Small Business Effect: None.

Analysis

Bill Summary: The bill:

- requires DNR, at the end of each quarter of the fiscal year, to pay 25% of the total revenue collected from specified sources to the Board of the County Commissioners of Garrett County;
- establishes a ten-member Deep Creek Lake Policy and Review Board and describes its composition and duties;
- provides that unless there is an agreement between the Secretary and the board, the fee for issuance and processing of specified permits may not be changed;
- provides that before DNR and the board may change any fee for the issuance and processing of specified permits, the Secretary must hold a public hearing in Garrett County and must publish notice of the hearing in two newspapers of general circulation in Garrett County at least 30 days before the hearing;
- provides that a person may apply to DNR for a lake and buffer use permit and that a person aggrieved by a DNR decision regarding such a permit may seek judicial review of the decision;
- requires the Secretary and the board to prepare a plan that provides for the wise use, protection, and management of the natural and recreational resources of Deep Creek Lake;
- provides that DNR may consult with the Department of the Environment and the Department of Business and Economic Development in preparing the plan and on any other matters relating to the lake;
- authorizes DNR to adopt regulations relating to the lake that are necessary to protect the public health and safety, natural resources and the environment, or implement the plan;
- states that it is the intent of the General Assembly that the Secretary, with the consent of the board, issue the plan in the form of a proposed regulation within one year of the effective date of the bill;
- requires the Secretary, if the regulations relate to the content of the adoption and implementation of a plan or specified proposed fees, to submit a draft of the regulations to the board for its review and consent before regulations are proposed; and
- requires DNR, in consultation with the Deep Creek Lake Policy and Review Board to report to the Governor, specified committees of the General Assembly and the General Assembly by December 1, 2002 on: (1) the implementation of the plan; (2) regulations adopted as a result of the bill; (3) revenues to and expenditures from the fund; and (4) any recommendations for the program created by the bill.

Current Law: The Deep Creek Lake Recreation Maintenance and Management Fund in DNR is used for the maintenance and management of recreational facilities and services that are related to Deep Creek Lake in Garrett County. DNR must pay all fees collected for boat

launching at Deep Creek Lake State Park and all funds collected from lake and buffer use permits, contracts, grants, and gifts as a result of the Deep Creek Lake management program into the fund. Before DNR may establish or increase any fees for the issuance and processing of specified licenses or permits, the Secretary must hold a public hearing in Garrett County and must publish notice of the hearing in two newspapers at least 30 days before the hearing.

The Deep Creek Lake Advisory and Review Committee must review and advise the Secretary on all matters that relate to the fund and the Deep Creek Lake Management Program. The committee may review and make recommendations to the Secretary on budgetary matters. The Secretary must submit a budget to the General Assembly for approval. The funds contributed to DNR from the Pennsylvania Electric Company for capital improvements must be deposited in the fund and spent in accordance with the approved development plan.

Background: DNR is in settlement to purchase Deep Creek Lake. Currently, the power company that owns the lake pays DNR \$340,000 annually to manage the lake. Gross revenues from permits and fees totaled \$565,000 in fiscal 1999. There is currently no provision for any of that revenue to go to Garrett County.

State Revenues: Special fund revenues will decrease by an estimated \$141,200 annually due to the bill's requirement that 25% of the revenues collected from specified sources that are currently paid into the fund must be paid to the Board of County Commissioners of Garrett County. This estimate is based on fiscal 1999 gross revenues of \$565,000. It assumes that total revenues will continue at the fiscal 1999 level.

State Expenditures: Special fund expenditures will increase by an estimated \$6,800 in fiscal 2001 and \$3,600 in fiscal 2002 to develop and implement the land use and recreation plan, as required by the bill. These estimates include costs related to travel, mail and postage, advertising public notices, and printing. The estimates assume that the plan will be implemented by the end of fiscal 2002. It is assumed that DNR could comply with the bill's reporting requirements using existing budgeted resources.

Local Revenues: The Board of County Commissioners of Garrett County will receive 25% of the revenue collected into the fund resulting from the collection of fees for boat launching, and all funds collected from lake and buffer use permits, contracts, grants, and gifts as a result of the management program. Based on fiscal 1999 revenues of \$565,000, Garrett County revenues could increase by an estimated \$141,200 annually, assuming that total revenues remain constant over time.

Additional Information

Prior Introductions: None.

Cross File: HB 733 (Delegate Edwards) - Environmental Matters.

Information Source(s): Department of Natural Resources, Garrett County, Department of Legislative Services

Fiscal Note History: First Reader - March 1, 2000
mld/jr Revised - Enrolled Bill - April 25, 2000
Revised - Clarification - May 17, 2000

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