

**MARYLAND DEPARTMENT OF THE ENVIRONMENT**

**Shari T. Wilson, Secretary**

**BILL NO:** Senate Bill 1058

**COMMITTEE:** Education, Health, and Environmental Affairs

**POSITION:** Oppose

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**TITLE:** Reorganization of State Government – Consolidating the Department of the Environment into the Department of Natural Resources

**BILL ANALYSIS:** SB 1058 would consolidate the Department of the Environment into the Department of Natural Resources; abolishing the Department of the Environment by June 30, 2010.

This bill includes no specific details as to how such a merger would take place. It requires the Secretary of Budget and Management, in conjunction with the Secretary of Natural Resources and the Secretary of the Environment, to develop and submit to the Legislative Policy Committee a comprehensive and practicable plan for the consolidation of all powers, duties, functions, and staff of the departments, officers, and units administered in the Department of the Environment and the Department of Natural Resources on or before November 1, 2009.

**POSITION AND RATIONALE:** The Department opposes Senate Bill 1058. The bill states that the implementation plan shall establish a target percentage budget reduction of 20% of the total combined general funds originally appropriated in fiscal year 2010 for the Department of the Environment and the Department of Natural Resources. It is highly unlikely that any small scale consolidation of administrative functions resulting from the agency merger might result in such a savings. Absent significant elimination of programmatic functions, the amount of staff and work that need to be done to achieve current agency functions would remain unchanged. For example, the only positions required to be eliminated by this legislation are the Secretary and Deputy Secretary of MDE. However, the DNR Secretary would still need a lead(s) to provide oversight for the Environmental operations.

Prior history with other such governmental reorganizations would suggest that any cost savings are illusionary, and in fact the proposal will result in additional cost (millions of dollars in an effort to implement) with no

increases in effectiveness or efficiency. For example, the consolidation plan requires an inventory of all capital facilities operated by MDE and DNR, and the provisions for the consolidation of the facilities and all satellite operations. If this provision were to move forward it would likely result in a tremendous one time expense for the State. In 2002 MDE moved from its Broening Highway location to its current location at Montgomery Park, at an estimated cost of \$6 million dollars. MDE estimates that if MDE and DNR were required to consolidate their facilities, the one time costs would be \$7.9 million (IT costs, contractual moving costs, equipment replacement, etc.).

**FOR MORE INFORMATION,**  
**CONTACT LISA NISSLEY**  
**410-260-6301 ANNAPOLIS**  
**410-537-3812 BALTIMORE**