

MARYLAND DEPARTMENT OF THE ENVIRONMENT

Shari T. Wilson, Secretary

BILL NO: Senate Bill 153

COMMITTEE: Education, Health, and Environmental Affairs

POSITION: Oppose

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

BILL ANALYSIS:

SB 153 would consolidate the Department of the Environment into the Department of Natural Resources; abolishing the Department of the Environment by June 30, 2012.

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, 2011.

POSITION AND RATIONALE:

The Department opposes Senate Bill 153. 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 2012 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 needs 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 minimal, and in fact the proposal could 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.).

Additionally, the Governor considered this concept in preparing the FY12 Budget, and felt there were some efficiencies to be gained by combining aquaculture functions now housed at DNR, MDE, and MDA, but decided against a complete merger.

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