



Legislation Details (With Text)

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**On agenda:**    **Final action:** 1/11/2010  
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**Title:** Fiscal Forecast - Informational Hearing

FOR the purpose of requesting the Honorable Chairs of the Baltimore City Senate and House Delegations to the 2009 Maryland General Assembly, the Executive Director of the Maryland Association of Counties, the Executive Director of the Maryland Municipal League, and the Director of Finance to brief the City Council on the fiscal condition of the State budget, projected budget shortfalls, and the impact of State budget deficits on the programs, projects, and functions of local government.

**Sponsors:** Rochelle Spector, James B. Kraft, Stephanie President Rawlings-Blake, Nicholas C. D'Adamo, Bill Henry, President Young, William H. Cole, IV, Helen L. Holton, Agnes Welch, Warren Branch, Mary Pat Clarke, Robert Curran, Edward Reisinger, Sharon Green Middleton

**Indexes:** Fiscal Forecast, Resolution

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**Attachments:** 1. 08-0078R - 1st Reader.pdf

Date	Ver.	Action By	Action	Result
1/11/2010	0	City Council	Withdrawn	
10/30/2008	0	The City Council	Referred for a Report	
10/27/2008	0	City Council	Assigned	
10/27/2008	0	Budget and Appropriations/Committee of the Whole	Scheduled for a Public Hearing	
10/27/2008	0	City Council	Introduced	

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INTRODUCTORY\*

CITY OF BALTIMORE  
COUNCIL BILL        R  
(Resolution)

Introduced by: Councilmembers Spector, Kraft, President Rawlings-Blake

A RESOLUTION ENTITLED

A COUNCIL RESOLUTION concerning  
**Fiscal Forecast - Informational Hearing**

FOR the purpose of requesting the Honorable Chairs of the Baltimore City Senate and House Delegations to the

2009 Maryland General Assembly, the Executive Director of the Maryland Association of Counties, the Executive Director of the Maryland Municipal League, and the Director of Finance to brief the City Council on the fiscal condition of the State budget, projected budget shortfalls, and the impact of State budget deficits on the programs, projects, and functions of local government.

Recitals

The news of a projected \$432 million budget shortfall at the State level has led to speculation about the effects on the budgets of local governments. Local leaders are concerned that diminished State coffers could lead to increases in local taxes, severe cuts to services, and the shifting of State budget obligations, such as the \$622 million cost of teachers' pensions, from the State to local governments.

To a degree, Baltimore City's fiscal interests have been protected by membership in the Maryland Association of Counties (MACo) and the Maryland Municipal League (MML). MACo's Board of Directors supports a State budget reconciliation position that, in part, "recognizes the nexus between the State's fiscal stability and its counties' fiscal health." That "a responsible State budget reconciliation must envision a workable plan to expeditiously resolve the State's ongoing budget imbalance." And that "the State fiscal plan must not include structural or permanent adjustments to the existing fiscal relationship between the State and its counties."

MML, an organization controlled and maintained by city and town governments in which the City also enjoys an active membership, is seeking to protect the fiscal integrity of its members by introducing legislation in the 2009 Maryland General Assembly to establish a task force to study the revenue needs of municipalities and to examine potential alternative revenues. In addition, MML will either introduce or support legislation that provides new revenue sources for cities and towns.

The possible shift of the tax burden from the State to local government is counter to the goal of both member organizations. In particular, the possible shift of teachers' pension fund costs would have serious fiscal implications for the budgets of the City and surrounding counties:

- Anne Arundel County: \$38 million
- Baltimore City: \$61 million
- Baltimore County: \$78 million
- Carroll County: \$19 million
- Harford County: \$25 million
- Howard County: \$45 million

In order to approximate the State's fiscal condition and the resultant impact on local revenue, it is imperative that the City Council actively engage the expertise of local government organizations, legislative leadership, and City personnel able to provide the best current fiscal information, historical budgetary prospective, and accurate fiscal forecast and reconcile the results of this preliminary forecast with the final State Budget following the conclusion of the 2009 session of the Maryland General Assembly.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BALTIMORE, That the Honorable Chairs of the Baltimore City Senate and House Delegations to the 2009 Maryland General Assembly, the Executive Director of the Maryland Association of Counties, the Executive Director of the Maryland Municipal League, and

the Director of Finance are requested to brief the City Council on the fiscal condition of the State budget, projected budget shortfalls, and the impact of State budget deficits on the programs, projects, and functions of local government.

AND BE IT FURTHER RESOLVED, That there will be a follow-up hearing to reconcile the fiscal forecast with final State Budget decisions following the conclusion of the 2009 Maryland General Assembly.

AND BE IT FURTHER RESOLVED, That the Honorable Members of the Maryland Delegation to the 110th Congress are invited to participate in the fiscal forecast and budget reconciliation briefings.

AND BE IT FURTHER RESOLVED, That the Commissioners, Directors, and Executive Directors of major departments of Baltimore City Government are requested to attend the briefings.

AND BE IT FURTHER RESOLVED, That a copy of this Resolution be sent to the Mayor, the Honorable Members of the Maryland Delegation to the 110th Congress, the Honorable Chairs and Members of the Baltimore City Senate and House Delegations to the 2009 Maryland General Assembly, the Executive Director of the Maryland Association of Counties, the Executive Director of the Maryland Municipal League, the Director of Finance, the Commissioners, Directors, and Executive Directors of the City of Baltimore, and the Mayor's Legislative Liaison to the City Council.

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