

5.0 Legislative Actions



5.1 Maryland Higher Education Commission BRAC Fund / MHEC

The proposed legislation will establish the BRAC Fund as a special fund within the Higher Education Commission. This will allow the Commission to address BRAC-related higher education needs.



As a result of the Department of Defense BRAC decision to relocate military personnel, Maryland's economy will be growing directly and indirectly by 40,000 to 60,000 jobs through the next six or more years. These jobs will be created through the transfer of military personnel to military establishments in Maryland, as well as private contractors working with the Department of Defense in these areas. Maryland's higher education community will be challenged to provide appropriate and accessible post-secondary education and workforce training opportunities to meet the needs of these new citizens.

The BRAC Fund will assist institutions with the development of programs and with making programs accessible to meet the needs of relocated BRAC military personnel, their families, and contractors. Funds will be awarded to the institutions through a Request For Proposal (RFP) process. The RFP will solicit proposals which include, but are not limited to, (1) the development of a new regional higher education center or the expansion of an existing center; (2) the development of new academic programs that are developed collaboratively with military establishments to specifically meet the needs of BRAC personnel and their families; (3) the initial provision of faculty and staff to deliver required courses and programs until such faculty can be absorbed into the operating budget of the institution; and (4) the installation of distance education facilities to meet the education needs of BRAC personnel and their families.

5.2 Ensuring Enhanced Use Lease projects mitigate for impacts and comply with other public policy goals / MDOT

This proposed legislation will provide greater flexibility for the State and county governments to negotiate with private commercial developers that propose Enhanced Use Lease (EUL) developments on the military installations. Private commercial developments not on military installations typically are subject to Adequate Public Facility reviews, and pay impact fees or negotiated contributions for needed infrastructure. However, EUL projects — private commercial or industrial developments on military bases — are not subject to all of those requirements. While such planned developments will have a substantial impact on the State's transportation infrastructure, they are not required to contribute to the needed improvements.

EUL projects appear to be subject to State and local property taxes. Where State law establishes a property tax, the collection of such taxes is mandatory by the State or local taxing authority. Under the proposed legislation, a Payment in Lieu of Taxes (PILOT) would





provide flexibility to adjust tax payments to reflect that military installations provide some governmental services, like fire and police protection. This proposed legislation will promote a consistent approach to EULs statewide, allow for the consideration of regional issues, and enhance State and local governments' ability to address public issues related to these developments.

5.3 BRAC Redevelopment and Incentive Zones / DBED

The proposed legislation will provide local jurisdictions with incentives to build public infrastructure (e.g., streets, utilities and parks) in designated revitalization and redevelopment areas and provide incentives to locate BRAC employees to these targeted areas of the State.

The purpose of creating BRAC Zones is to mitigate the impact of the large number of people coming to the State by directing population growth to areas that are served by public transit but have underutilized capacity in terms of housing, public facilities, and infrastructure. In keeping with the principles of Smart Growth, which are to accommodate and encourage growth without contributing to sprawl, the program could include

certain incentives, such as income tax credits, or tax increment financing. In providing these or other incentives, the State can reduce development pressure outside the Priority Funding Areas while providing an incentive for the relocation of BRAC workers to targeted areas using existing State resources.

