

The biggest of the five-bill package re-organizes state economic development activity and creates a new Secretary of Commerce.

By: Bryan P. Sears

ANNAPOLIS — Maryland will soon have a new commerce secretary charged with leading economic development efforts in the state.

The legislation is part of a package of five bills that stem from recommendations of the Maryland Economic Development and Business Climate Commission, more commonly known as the Augustine Commission after its chairman Norman Augustine. Gov. Larry Hogan signed the legislation and about 350 other bills into law during a Tuesday ceremony.

The biggest of five Augustine Commission bills creates a so-called super-secretary of commerce who would oversee all economic development efforts in the state as well as a sub-cabinet of agencies focused on improving service to businesses in Maryland, according to Department of Business and Economic Development Secretary R. Michael Gill.

Gill said the new position and the under-cabinet are not just the creation of more bureaucracy.

“I can see where someone’s first reaction is that this is creating new boxes to do the same stuff,” Gill said. “This is more about culture than just creating another department.”

Gill said the intent is to establish a new attitude of customer service to businesses where the focus will be on prompt, knowledgeable responses to businesses, which are the state’s customers.

“Having a secretary of commerce is really saying that economic development is not just another department,” Gill said. “Economic Development is part of our DNA.”

Other Augustine Commission bills signed into law include:

An advisory commission that include business leaders to advise the state on the effect new regulations would have on small business.

“Apprenticeship Maryland,” a workforce development program for young people.

A new customer service training program that focuses on state employees who interact with businesses and the public.

A task force focusing on how to improve how inventions are moved from universities to the marketplace. The organization will have a focus on recommending changes to some ethics rules that limit these transfers.

While Hogan ran a campaign on creating a better business environment in Maryland, the creation of what became known as the Augustine Commission came last spring, before the election, from House Speaker Michael E. Busch and Senate President Thomas V. Mike Miller Jr.

“These were the five bills the commission recommended and we said we were going to pass them and we did exactly that,” said Senate President Thomas V. Mike Miller Jr.

Busch called the bills “substantial legislation.”

“We think they are going to have a positive impact on economic development over the next decade,” said Busch. “We hope to continue along that line.”

The commission continues its work this year looking at the business tax structure in the state. A report with recommendations is expected later this year.

“The Augustine Commission’s report is a blueprint for how we can improve Maryland’s business climate. While the five bills signed by the governor today are the direct result of the commission’s recommendations, most of the 32 recommendations — including the call for more customer service training — don’t require legislation,” said Erin Montgomery, a Hogan spokeswoman. “The governor looks forward to receiving the next set of recommendations, most of which will focus on Maryland’s tax policy.”

The five bills that passed were part of 32 recommendations that stemmed from a series of commission meetings with business and education leaders around the state.

Gill said he will be looking to incorporate other commission recommendations over the next several months.

Unrelated to the Augustine Commission measures, but also signed into law by Hogan, was a bill sought by Tesla Motors Inc. The luxury electric car maker won another battle to bypass auto dealers as Hogan signed a bill allowing Tesla to sell directly to consumers.

The new law permits manufacturers and distributors with “only electric or nonfossil-fuel-burning vehicles” to be authorized as auto dealers, according to a statement from the governor’s office. Known as the Tesla bill, it takes effect Oct. 1, allowing approved manufacturers to operate as many as four locations.

Tesla Chief Executive Officer Elon Musk has been working to ease restrictions on its direct-sales system in states including Texas and Michigan. New Jersey Gov. Chris Christie signed legislation in March that reversed a law preventing Tesla from bypassing dealers in the state.