

Department of Legislative Services  
Maryland General Assembly  
2020 Session

FISCAL AND POLICY NOTE  
Third Reader - Revised

Senate Bill 1081

(Senator Peters)

Budget and Taxation

Appropriations

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Prior Authorizations of State Debt - Alterations

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This bill modifies authorizations of State debt in prior year capital budgets by extending matching fund deadlines, removing or altering matching fund requirements, extending deadlines for expending or encumbering funds, modifying or removing certification requirements, renaming grant recipients, altering project locations, altering the purpose for which funds may be used, or authorizing the reimbursement of grantees for specified debt or expenses. In some cases, altering the purpose of grant funds merely adds greater specification for how the funds may be used; in other cases, grant funds may be reassigned to an entirely different purpose. **The bill takes effect June 1, 2020.**

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Fiscal Summary

**State Effect:** The bill modifies the conditions under which State grant funds may be used. These changes do not materially affect State finances.

**Local Effect:** None, unless the grantee is a local government.

**Small Business Effect:** None.

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Analysis

**Bill Summary/Background:** Several prior authorizations of State debt are consolidated into an omnibus bill, which is consistent with actions taken at the 2008, 2009, 2010, 2012, and 2013 sessions and, most recently, the 2019 session. Prior to the 2008 session, individual prior authorization bills were passed by the General Assembly. In the 2011 and 2014 through 2018 sessions, most were amended into the capital budget.

The types of modifications to the prior authorizations of State debt that have been consolidated into the bill are shown in **Appendix 1**, by current project name, jurisdiction for the current project, and the year of the initial authorization.

**Current Law:** In general, a grantee must present evidence of a matching fund to the Board of Public Works within two years of the authorization for State debt. The matching fund must be certified prior to the grantee's expending or encumbering State funds.

Chapter 153 of 2003 established a seven-year limitation on the authority to spend an appropriation for a capital expenditure and a seven-year limitation on the authorization for State debt unless otherwise provided in an enabling act. The Act applies to all debt authorized on or after June 1, 1997.

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### **Additional Information**

**Prior Introductions:** None.

**Designated Cross File:** None.

**Information Source(s):** Board of Public Works; Department of Legislative Services

**Fiscal Note History:** First Reader - March 17, 2020  
rh/ljm Third Reader - March 18, 2020  
Revised - Amendment(s) - March 18, 2020

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**Appendix 1 – Modifications to Prior Authorizations Consolidated into the Bill**

<b><u>Current Project Name</u></b>	<b><u>Jurisdiction</u></b>	<b><u>Year of Initial Authorization</u></b>	<b><u>Change(s)</u></b>
Blue Whale Recycling Plant	Allegheny County	2019	Purpose Grantee
Arundel Volunteer Fire Department Community Center	Anne Arundel County	2017	Purpose Grantee Deadline <sup>2</sup>
Lloyd Keaser Community Center	Anne Arundel County	2018	Removal of match <sup>4</sup>
Carmel Community Reaching Out Center	Baltimore City	2018	Reimbursement <sup>5</sup>
HARBEL Community Building	Baltimore City	2018	Removal of match <sup>4</sup>
Harvey Johnson Community Center	Baltimore City	2018	Removal of match <sup>4</sup>
International Black Fire Fighters Museum	Baltimore City	2016	Removal of match <sup>4</sup>
Langston Hughes Community, Business and Resource Center	Baltimore City	2018	Purpose Grantee
ManneqART Facility	Baltimore City	2017	Location <sup>6</sup> Removal of match <sup>4</sup>
Shake and Bake Family Fun Center	Baltimore City	2017	Deadline <sup>2</sup>
Glenn L. Martin Maryland Aviation Museum	Baltimore County	2018	Purpose
Parkville High School Turf Field	Baltimore County	2019	Removal of match <sup>4</sup>
Pikesville High School Artificial Turf Field	Baltimore County	2019	Purpose Removal of match <sup>4</sup>
Friendsville Veterans Memorial	Garrett County	2016	Deadline <sup>2</sup>
Jericho Road Stone Bank Barn	Harford County	2019	Altered match amount
Community Action Council Food Bank Facility	Howard County	2014	Purpose Grantee
Damascus High School Athletic Facilities	Montgomery County	2016	Deadline <sup>1,2</sup>
Damascus Volunteer Fire Department	Montgomery County	2015	Purpose
The Writer's Center	Montgomery County	2015	Reimbursement <sup>5</sup>

<u>Current Project Name</u>	<u>Jurisdiction</u>	<u>Year of Initial Authorization</u>	<u>Change(s)</u>
Boys and Girls Club Sports Park	Prince George's County	2018	Purpose Grantee Removal of match <sup>4</sup>
Cheverly American Legion Post 108	Prince George's County	2013	Deadline <sup>1</sup> Removal of match <sup>4</sup>
City of District Heights Senior Day Facility Expansion	Prince George's County	2013	Deadline <sup>1</sup>
Huntington Heritage Society	Prince George's County	2019	Purpose Grantee
Maryland Intergenerational Family Life Center	Prince George's County	2018	Purpose Grantee Removal of match <sup>4</sup>
Riverdale Park Station Pedestrian Improvements	Prince George's County	2017	Purpose
Route 1 Baltimore Avenue Revitalization	Prince George's County	2017	Purpose
Upper Marlboro Welcome Center	Prince George's County	2019	Purpose
Chesapeake Bay Maritime Museum	Talbot County	2019	Purpose
Boonsboro Parking Lot	Washington County	2019	Certification <sup>3</sup>
Smithsburg Town Hall Tower	Washington County	2018	Removal of match <sup>4</sup>
YMCA Hagerstown	Washington County	2019	Purpose Certification <sup>3</sup>
Maryland Food Bank	Statewide	2015	Purpose
Program Open Space – Stateside – Prior Funds Replacement	Statewide	2014	Purpose Grantee

<sup>1</sup>Extends the deadline to expend or encumber funds.

<sup>2</sup>Extends the deadline to present evidence that a matching fund will be provided.

<sup>3</sup>Modifies the requirement for certifying matching funds by allowing the matching fund to include in-kind contributions and/or previously expended funds.

<sup>4</sup>Removes the requirement that the grantee raise matching funds; makes technical changes to certification requirements as appropriate.

<sup>5</sup>Authorizes the grantee to be reimbursed for expenses or debt incurred on or before a specified date.

<sup>6</sup>Alters the location of the project to be within Howard County.