

Department of Legislative Services
 Maryland General Assembly
 2022 Session

FISCAL AND POLICY NOTE
 Third Reader - Revised

Senate Bill 913

(Senator Bailey)

Budget and Taxation

Appropriations

Board of Public Works - Historic Sotterley - Operating Grant

This bill requires the Governor to include, in each of fiscal 2024 through 2026, a specified appropriation in the annual budget bill for the Board of Public Works (BPW) to provide an operating grant to the Board of Trustees of Historic Sotterley, Inc. for the design, construction, repair, renovation, reconstruction, and general operations and expenses of Historic Sotterley. Specifically, the Governor must include \$350,000 in fiscal 2024, \$375,000 in fiscal 2025, and \$400,000 in fiscal 2026. The grant funds must be expended for the authorized purposes by June 30, 2026. However, if unused funds appropriated for the grant remain in the custody of BPW on June 30, 2026, BPW must transfer the funds to the Board of Trustees of Historic Sotterley, Inc. and report the status of the funds to the General Assembly. By June 30 annually, BPW must report to the General Assembly on the grant. **The bill takes effect June 1, 2022, and terminates June 30, 2026.**

Fiscal Summary

State Effect: No effect in FY 2022 or 2023. General fund expenditures increase by \$350,000 in FY 2024, \$375,000 in FY 2025, and \$400,000 in FY 2026, reflecting the mandated appropriation. Revenues are not affected. **This bill establishes a mandated appropriation in FY 2024 through 2026.**

(in dollars)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	0	350,000	375,000	400,000	0
Net Effect	\$0	(\$350,000)	(\$375,000)	(\$400,000)	\$0

Note: () = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: BPW provides miscellaneous grants to private nonprofit organizations, including the Historic Annapolis Foundation, the Maryland Zoo in Baltimore, and the Western Maryland Scenic Railroad, as provided in the annual budget. As introduced, the fiscal 2023 allowance for BPW includes \$8.3 million for grants to private nonprofits, including a new grant totaling \$1.8 million for the Justice Thurgood Marshall Center. Supplemental Budget No. 4 adds another \$500,000 to BPW's fiscal 2023 allowance for general fund operating grants to the West North Avenue Development Authority and the Signal 13 Foundation.

Prior-year capital budget bills have authorized State capital grants to the Board of Trustees of Historic Sotterley, Inc. for the acquisition, planning, design, construction, repair, renovation, reconstruction, site improvement, and capital equipping of Sotterley Plantation, located in St. Mary's County. Most recently, the Maryland Consolidated Capital Bond Loans of 2020 and 2016 authorized grants of \$50,000 and \$100,000, respectively, subject to specified matching fund requirements. In addition, the Budget Reconciliation and Financing Act of 2015 (Chapter 489) authorized the transfer of \$50,000 from the Special Fund for Preservation of Cultural Arts in Maryland as a grant to the Board of Trustees of Sotterley Plantation Museum.

State Expenditures: As discussed above, the bill mandates a total of \$1.1 million in operating grant funding for Historic Sotterley, Inc. over three fiscal years (\$350,000 in fiscal 2024, \$375,000 in fiscal 2025, and \$400,000 in fiscal 2026), to be administered by BPW. Thus, general fund expenditures for BPW increase by \$350,000 in fiscal 2024, \$375,000 in fiscal 2025, and \$400,000 in fiscal 2026. BPW can otherwise administer the grant with existing budgeted resources.

Additional Information

Prior Introductions: None.

Designated Cross File: HB 602 (Delegate Crosby, *et al.*) - Appropriations.

Information Source(s): St. Mary's County; Department of Budget and Management; Board of Public Works; Department of Legislative Services

Fiscal Note History:
js/mcr

First Reader - March 7, 2022

Third Reader - April 6, 2022

Revised - Amendment(s) - April 6, 2022

Revised - Budget Information - April 6, 2022

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