# **Department of Legislative Services**

Maryland General Assembly 2013 Session

#### FISCAL AND POLICY NOTE Revised

(Delegates Griffith and Gaines)

House Bill 1473 Appropriations

#### Creation of a State Debt - Prince George's County - Arthur & Mary E. Ridgley, Sr. Museum Phase I

This bill changes the grantee and purpose of a grant specified in the Maryland Consolidated Capital Bond of 2011. The bill specifies that the \$150,000 in matching funds is for the Board of Directors of the Prince George's Arts and Humanities Council (PGAHC), Inc. for the planning, repair, renovation, reconstruction, and capital equipping of the PGAHC Creative Business Incubator (CBI), and not for the Board of Directors of the Mildred Ridgley Gray Charitable Trust, Inc. for the planning, repair, and renovation of the Arthur & Mary E. Ridgley Sr. Museum.

In addition, the bill specifies that matching funds may consist of in-kind contributions but repeals the authorization for matching funds to consist of real property. The bill also extends the deadline – from June 1, 2013, to June 1, 2015 – for the Board of Directors of PGAHC, as grantee to present evidence that a matching fund will be provided. Likewise, the bill specifies that the proceeds of the loan may not terminate before June 1, 2015.

The bill takes effect June 1, 2013.

### **Fiscal Summary**

State Effect: The bill does not materially affect State finances or operations.

**Local Effect:** The bill does not directly affect the finances or operation of Prince George's County.

Small Business Effect: None.

### Analysis

**Current Law:** Chapter 396 of 2011 (HB 71) authorized up to \$150,000 in matching funds to the Board of Directors of the Mildred Ridgley Gray Charitable Trust, Inc. for the planning, design, repair, and renovation of the Arthur & Mary E. Ridgley Sr. Museum. Matching funds may consist of real property, but they may not consist of in-kind contributions or funds expended prior to the June 1, 2011 effective date of Chapter 396. The grantee has until June 1, 2013, to *present evidence* that matching funds will be provided; however, the proceeds of the loans must be expended or encumbered by the Board of Public Works by December 1, 2014. If any funds remain unexpended or unencumbered after December 1, 2014, the amount of the unexpended or unencumbered authorizations must be canceled.

**Background:** PGAHC is an independent nonprofit organization designated by the Prince George's County government to coordinate financial support, provide integrated leadership, and advocacy for the local arts and creative communities through grants, technical assistance, programs, and value-added partnerships. Its areas of focus are arts and economic development and arts and education. PGAHC offers workshops and professional development for art teachers and school administrators. PGAHC is also committed to supporting creative entrepreneurship and arts and cultural organizations to achieve their artistic, programmatic, educational, community, and operational goals. PGAHC hopes that its CBI will expand the traditional arts incubator model to focus on job creation, sustainable marketing, technical assistance, and business planning that moves ideas from conception to thriving creative business.

According to documentation for a request for \$75,000 in matching funds in the fiscal 2014 capital budget (SB 1023/HB 1479 of 2013), PGAHC has been located in its current operating space for more than 15 years, but now it needs a larger and more functional space. The Office of Central Services, supported by the Office of the County Executive, has granted PGAHC space within the existing County Service Building in Hyattsville. The building is 50 to 60 years old, and it is currently being reconstructed and renovated by Central Services.

It is unknown why the grantee and the purpose of the project are being changed.

Additional Comments: It is unclear whether PGAHC or Prince George's County owns the building in which CBI will be located.

## **Additional Information**

Prior Introductions: None.

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Cross File: None.

**Information Source(s):** Department of Legislative Services

Fiscal Note History:First Reader - March 7, 2013ncs/ljmRevised - Updated Information - March 19, 2013

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