

Department of Legislative Services
Maryland General Assembly
2013 Session

FISCAL AND POLICY NOTE

Senate Bill 1046 (Senator Benson)
Budget and Taxation

Maryland Consolidated Capital Bond Loan of 2011 - Prince George's County -
Capitol Heights Seat Pleasant Boys and Girls Club Initiative

This bill amends the Maryland Consolidated Capital Bond Loan of 2011 relating to two grants to the Board of Directors of the Prince George's County Boys and Girls Club, Inc. for the acquisition, planning, design, construction, renovation, and capital equipping of specified scoreboards, signs, and stands located in Prince George's County. The bill extends the deadline by one year – from June 1, 2013, to June 1, 2014 – that the grantee has to present evidence that matching funds will be provided. The bill specifies that the grants may not terminate before June 1, 2014.

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 operations of Prince George's County.

Small Business Effect: None.

Analysis

Current Law: Chapter 396 of 2011 (HB 71) authorized a total of up to \$100,000 in matching funds to the Board of Directors of the Prince George's County Boys and Girls Club, Inc. for the acquisition, planning, design, construction, and capital equipping of the scoreboard, signs, and stands located in Prince George's County. Of the total funds,

\$25,000 was authorized specifically for the Capitol Heights and Seat Pleasant Boys and Girls Club field, located in Prince George's County. Matching funds may consist of real property, 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. Chapter 396 authorized two separate grants totaling \$100,000. The bill's changes apply to both grants.

Background: The Prince George's County Boys and Girls Club is a private, nonprofit corporation that provides youth with opportunities to participate in many activities sponsored and conducted by 33 member clubs located throughout the county.

According to the grantee, the grants are being used to purchase a variety of capital improvements and upgrades, including scoreboards, stands, a turf field, and other equipment necessary for sports, fitness, and recreational events and programming under the direction of the club and its partners. The project has been delayed as both the Maryland-National Capital Park and Planning Commission and the Prince George's County Board of Education have ownership interests in the property, and additional coordination has been necessary to ensure that the project suits the needs for use by all parties.

Additional Comments: This bill specifies that *the grant may not terminate before June 1, 2014*; however, the authorization in current law extends six months beyond that date. Moreover, because the Chapter 396 authorization specifies that the proceeds have to be encumbered or expended *no later than December 1, 2014* (and any amount remaining after that date has to be canceled), it is assumed that the later date still controls and that the intent of the bill is not to shorten the timeframe to encumber or expend proceeds. Nevertheless, the Department of Legislative Services advises that the earlier date associated with *termination* should be removed to clarify intent.

Likewise, the Department of Legislative Services advises that clarification on the specific location for the second grant may be necessary.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of General Services, Department of Legislative Services

Fiscal Note History: First Reader - March 19, 2013
ncs/ljm

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