# **Department of Legislative Services**

Maryland General Assembly 2022 Session

#### FISCAL AND POLICY NOTE Enrolled - Revised

Senate Bill 1009 Budget and Taxation (Senator Zucker)

Appropriations

#### **Prior Authorizations of State Debt - Alterations**

This bill modifies authorizations of State debt in prior year capital budgets by extending deadlines for expending or encumbering funds, removing matching fund requirements, renaming grant recipients, and/or altering the purpose for which funds may be used. 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 also prohibits the Maryland Historical Trust (MHT) from requiring a specified grantee to convey or grant a perpetual easement. **The bill takes effect June 1, 2022.** 

## **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.

## Analysis

**Bill Summary:** Several prior authorizations of State debt are consolidated into an omnibus bill. The types of modifications to 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, when a matching fund is required, a grantee must present evidence of the matching fund to the Board of Public Works within two years of the

authorization for State debt, and the matching fund must be certified prior to the grantee's expending or encumbering State funds. Chapter 576 of 2021 repealed matching fund certification requirements for legislative bond initiative and miscellaneous capital grants authorized in the 2019 and 2020 capital budget bills. Matching funds are generally not required for legislative bond initiative and miscellaneous capital grants authorized in the 2021 capital budget bill (Chapter 63).

Generally, and if applicable, specified grantees must convey a perpetual preservation easement to MHT as specified in the annual capital budget bill.

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.

## **Additional Information**

Prior Introductions: None.

**Designated Cross File:** None.

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

Fiscal Note History:	First Reader - March 15, 2022
km/ljm	Third Reader - April 6, 2022
	Revised - Amendment(s) - April 6, 2022
	Enrolled - May 4, 2022
	Revised - Amendment(s) - May 4, 2022

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

Current Project Name	Current Jurisdiction	Year of Initial <u>Authorization</u>	<u>Change(s)</u>
Southern Maryland Carousel Project (2012)	Charles County	2012	Deadline <sup>1</sup>
Baltimore County – War of 1812 Historic Sites	Baltimore County	2013	Deadline <sup>1</sup>
1 Martin Street Renovation	Anne Arundel County	2014	Deadline <sup>1</sup> Removal of match <sup>2</sup>
Baltimore Design School	Baltimore City	2014	Removal of match <sup>2</sup> Removal of easement requirement <sup>3</sup>
Silver Spring Learning Center Expansion	Montgomery County	2015	Deadline <sup>1</sup> Removal of match <sup>2</sup>
Landover Hills Town Hall	Prince George's County	2015	Deadline <sup>1</sup> Removal of match <sup>2</sup>
Southern Maryland Carousel (2015)	Charles County	2015	Deadline <sup>1</sup>
Maryland Food Bank	Statewide	2015	Deadline <sup>1</sup>
Community Action Council Food Bank Facility	Howard County	2016	Purpose Removal of match <sup>2</sup>
Southern Maryland Carousel (2017)	Charles County	2017	Deadline <sup>1</sup>
Madison Fields Therapeutic Equestrian Center	Montgomery County	2017	Removal of match <sup>2</sup>
Project Genesis: New Beginnings, Inc. Community Center	Baltimore County	2017	Purpose Grantee Removal of match <sup>2</sup>
Carroll County Veterans Independence Project	Carroll County	2018	Removal of match <sup>2</sup>
Hollins Market	Baltimore City	2018	Grantee Removal of match <sup>2</sup>

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<b>Current Jurisdiction</b>	Year of Initial <u>Authorization</u>	Change(s)
Charles County	2019	Purpose
		Grantee
		Removal of match <sup>2</sup>
Charles County	2020	Purpose
		Grantee
		Removal of match <sup>2</sup>
Prince George's County	2021	Purpose
		Grantee
Prince George's County	2021	Purpose
		Grantee
Prince George's County	2021	Purpose
Anne Arundel County	2021	Purpose
		Grantee
Charles County	2021	Grantee
Prince George's County	2021	Purpose
	Charles County Charles County Prince George's County Prince George's County Prince George's County Anne Arundel County Charles County	Current JurisdictionAuthorizationCharles County2019Charles County2020Charles County2021Prince George's County2021Prince George's County2021Prince George's County2021Charles County2021Charles County2021Charles County2021Charles County2021

<sup>1</sup> Extends the deadline to expend or encumber funds.
<sup>2</sup> Removes the requirement that the grantee raise matching funds; makes technical changes to certification requirements as appropriate.
<sup>3</sup> Prohibits the Maryland Historical Trust from requiring a grantee that receives funds from the grant to convey or grant a perpetual easement.

Note: Other, purely technical, changes to prior authorizations are not reflected above.

Source: Department of Legislative Services