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# **Capital Budget Fiscal Briefing**

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**Department of Legislative Services  
Office of Policy Analysis  
Annapolis, Maryland**

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*Analysis of the FY 2019 Maryland Executive Budget, 2018*

# Capital Program

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## Quick Look at Fiscal 2019 Capital Budget and Potential Legislative Considerations

### Fiscal 2019 Capital Budget Totals \$1.733 Billion

- **Debt Components:** \$995.0 million of new general obligation (GO) bonds plus another \$5.2 million of GO bonds recycled from de-authorizations, \$24.0 million of Academic Revenue Bonds (ARB), and \$150.0 million of revenue bonds to be issued by the Maryland Department of the Environment (MDE) to fund various drinking and water quality projects.
- **Pay-as-you-go (PAYGO) Components:** \$20.3 million in general funds includes \$8.9 million for the Sustainable Communities Tax Credit, \$6.0 million budgeted in the Dedicated Purpose Account for repayment of diverted transfer tax funds for the Department of Natural Resources (DNR) Critical Maintenance Program as required by Chapter 10 of 2016, and \$4.9 million for the Public School Construction Program. The PAYGO portion of the capital program is also supported with \$470.2 million in special funds and \$67.9 million in federal funds.

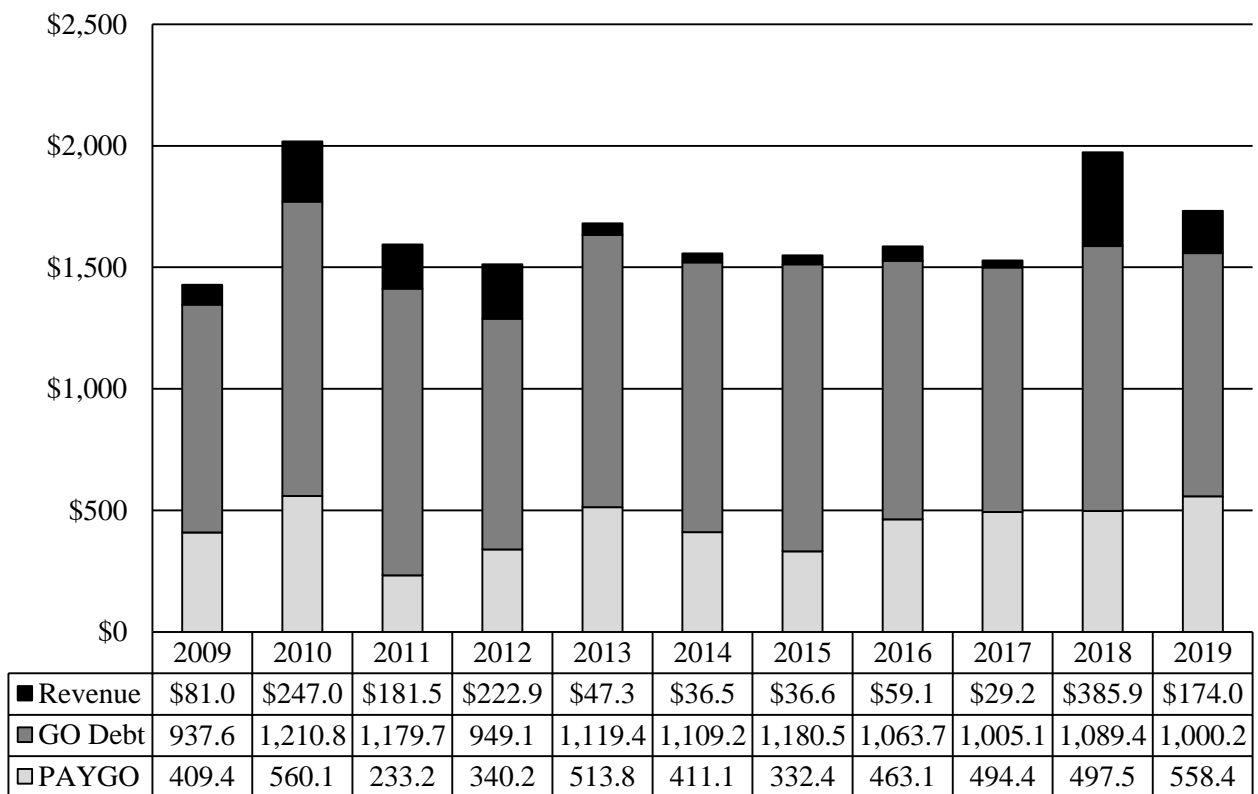
### Funding Highlights and Other Considerations

- **GO Bond Authorization Levels Are Consistent with the Capital Debt Affordability Recommendation but Below Spending Affordability Limits:** Proposed new GO bond authorization amount is \$80.0 million below the level recommended by the Spending Affordability Committee (SAC) for fiscal 2019 and \$500.0 million below the SAC recommendation through the five-year *Capital Improvement Program* (CIP) covering fiscal 2019 through 2023.
- **General Fund Support of the Capital Program Remains Constrained:** The fiscal 2019 baseline assumed the use of \$78.4 million in general funds, as compared to the \$20.3 million in the fiscal 2019 budget as introduced.
- **Mandate Funding Relief:** Several provisions in the Budget Reconciliation and Financing Act (BRFA) of 2018 (SB 187) amend mandates on the capital program, which result in \$58.0 million of general funds that are contingently reduced in the budget.
- **No Funding for Local Initiatives:** Traditionally, the Governor's capital budget includes an earmark for the funding of local initiatives selected by the House of Delegates and the Senate. As introduced, the fiscal 2019 budget provides no funding earmarked, and the 2018 CIP programs no funding for local initiatives through the five-year planning period covering fiscal 2019 through 2023.

## Fiscal 2019 Capital Program

**Exhibit 1** shows the level of capital investment from fiscal 2009 through the proposed fiscal 2019 budget. All funds included, the fiscal 2019 capital program, excluding transportation, totals \$1.733 billion.

**Exhibit 1**  
**Capital Funding by Major Source**  
**Fiscal 2009-2019**  
**(\$ in Millions)**



GO: general obligation  
PAYGO: pay-as-you-go

Source: Department of Budget and Management

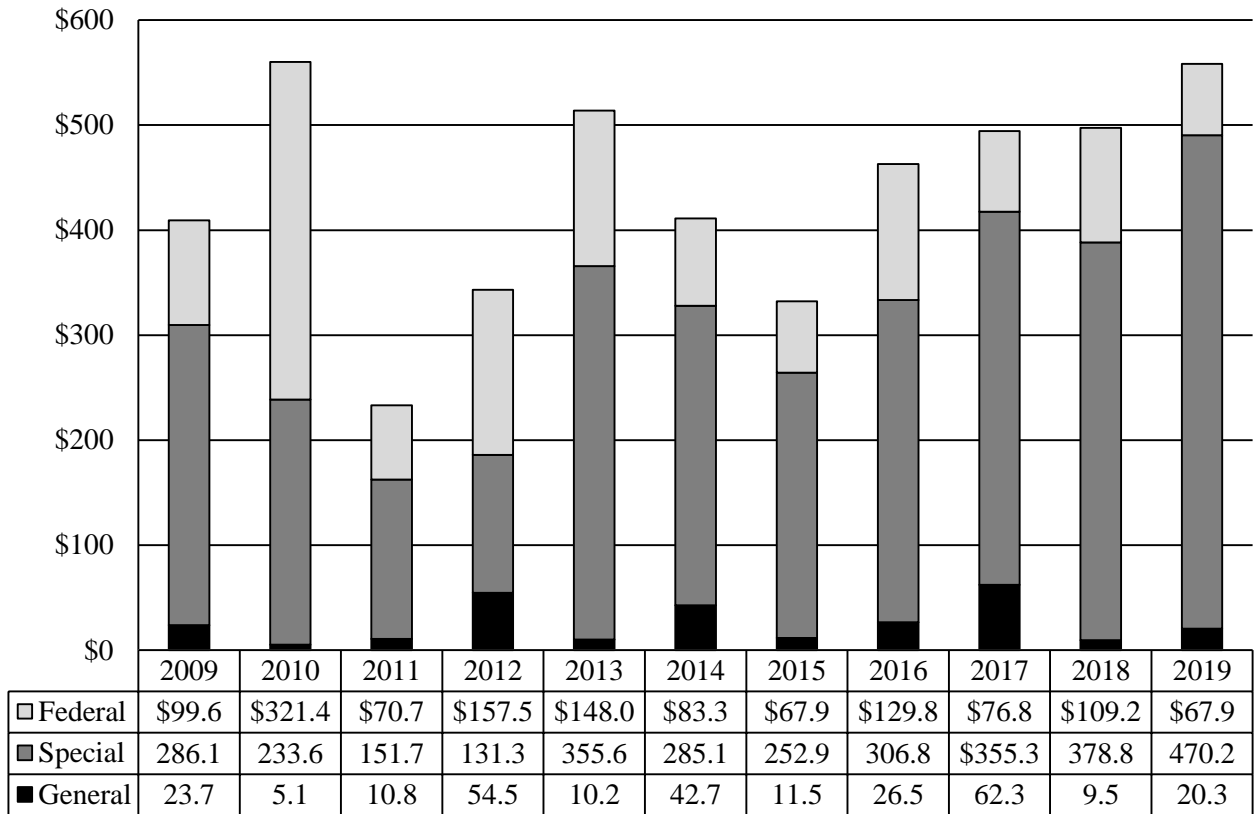
## **Debt Components**

- **GO Bonds:** GO bond authorizations for the 2018 session total \$1.000 billion, comprised of \$995.0 million in new authorizations and \$5.23 million in the reprogramming of de-authorizations proposed in the bill. The budget no longer includes bonds for the Qualified Zone Academy Bond (QZAB) program, which was not re-authorized by Congress.
- **Revenue Bonds for Environmental Water Quality and Drinking Water Programs:** The budget authorizes \$150.0 million of revenue bond debt to be issued by MDE to provide loans to local governments to fund water quality projects administered by MDE through the Water Quality Revolving Loan Fund (WQRLF). Actual issuances will take place when the cash flow needs of approved local government projects require reimbursement by MDE. Since the source of payment for this debt is the principal and interest payments from the loan proceeds, the debt is not considered a debt of the State or counted in the debt affordability calculations. Last session, the budget included \$300.0 million in revenue bond authorization (\$200.0 million for the WQRLF and \$100.0 million for the Drinking Water Revolving Loan Fund (DWRLF)). Recognizing the funds in the budget submission provided MDE the authority to commit financing. In the most recent round of project solicitations, the department received \$1.4 billion in drinking water and water quality funding and financing requests.
- **ARBs:** Additional debt authorizations include \$24.0 million of ARBs for University System of Maryland (USM) projects, which is \$7.0 million less than was authorized last session. The decrease is consistent with language added to Chapter 471 of 2015 (which increased authorization levels by \$20.0 million above what was programmed for fiscal 2016), to accelerate the funding for USM projects. This resulted in the restructuring of planned out-year ARB authorizations to keep the total level of authorizations the same.

## **PAYGO Capital**

**Exhibit 2** shows the level of capital PAYGO investment from fiscal 2009 through the proposed fiscal 2019 budget. The PAYGO component of the capital program, comprised of general, special, and federal fund capital appropriations in the operating budget bill, totals \$558.4 million.

**Exhibit 2**  
**PAYGO Capital Funding**  
**Fiscal 2009-2019**  
**(\$ in Millions)**



PAYGO: pay-as-you-go

Source: Department of Budget and Management

- General Funds:** The use of general funds in support of the capital program is constrained by projected structural budget deficits, which limit the availability of general fund support for the capital program. In total, the budget provides only \$20.3 million in general fund PAYGO, including \$8.9 million for the Sustainable Communities Tax Credit program, \$6.0 million in the Dedicated Purpose Account for repayment of diverted transfer tax funds for the DNR Critical Maintenance Program as required by Chapter 10 of 2016, and \$4.9 million for the Public School Construction Program to replace QZAB funds. As introduced, the Governor’s fiscal 2019 budget includes \$78.3 million in general fund PAYGO, of which \$58.0 million is contingently reduced through various provisions in the BRFA of 2018.

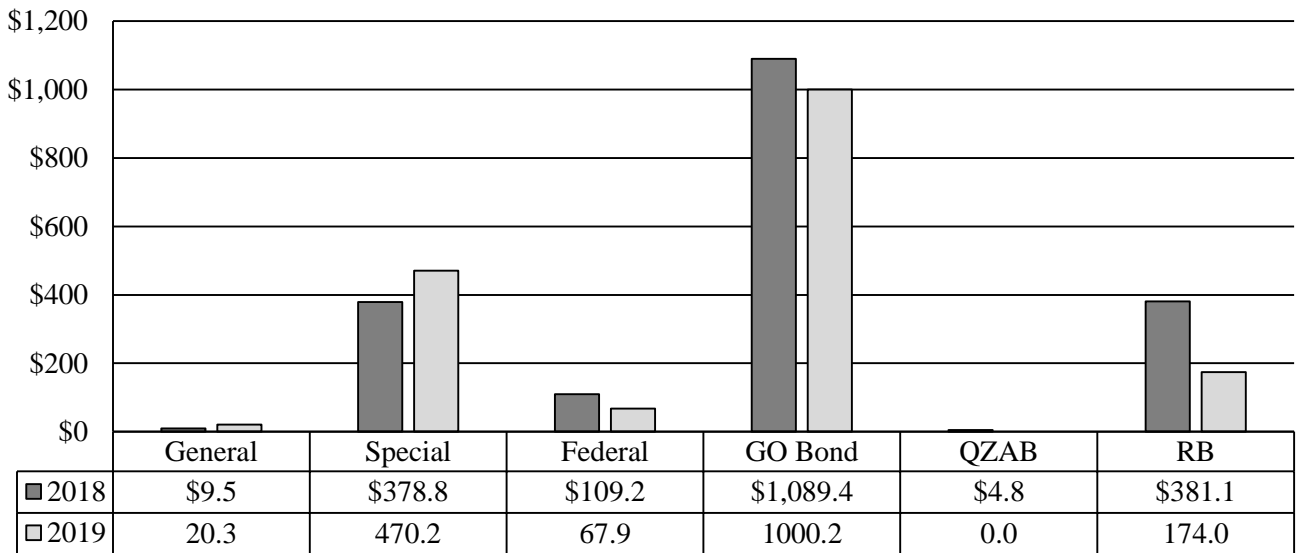
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- **Special Funds:** Comprised primarily of funds from the Bay Restoration Fund (BRF), the WQRLF, the DWRLF, transfer-tax-funded programs, and the Department of Housing and Community Development (DHCD) grant and loan programs, special funds total \$470.2 million.
- **Federal Funds:** The capital program is supported with \$67.9 million of federal funds, much of which supports water quality and drinking water loan program grants and loans, and programs administered by DHCD.

**Fiscal 2019 Compared to Fiscal 2018 Capital Program**

**Exhibit 3** compares fiscal 2018 and the proposed fiscal 2019 capital program funding by major fund source.

**Exhibit 3**  
**Capital Programs by Funding Source Comparison of Fiscal 2018 and 2019**  
 (\$ in Millions)

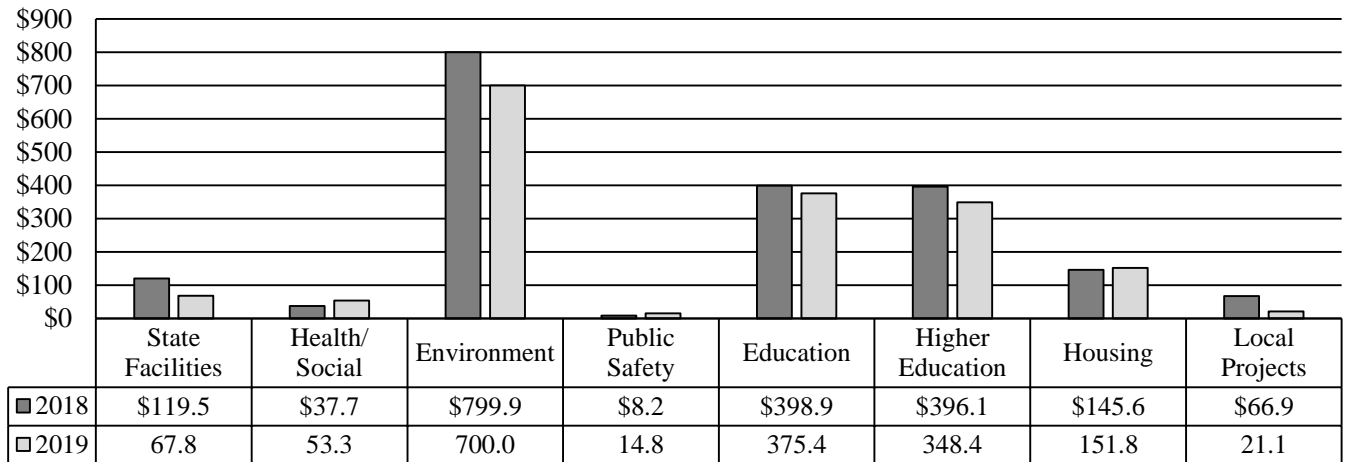


GO: general obligation  
 QZAB: Qualified Zone Academy Bond  
 RB: Revenue Bond

Source: Department of Budget and Management

**Exhibit 4** further illustrates, by major funding category, where the proposed fiscal 2019 capital investments will be targeted as compared to the fiscal 2018 capital program.

**Exhibit 4**  
**Fiscal 2019 Proposed Capital Program Compared to Fiscal 2018 Program**  
**By Major Funding Category**  
 (\$ in Millions)



Source: Department of Budget and Management

**Exhibits 5 and 6** compare programmed funding levels in the 2017 CIP relative to the revised funding levels in the 2018 CIP. **Appendix 1** shows the top funded capital projects and programs for fiscal 2019 by major fund source. **Appendix 2** summarizes the capital program by function, and **Appendix 3** provides a list of the projects included in the proposed fiscal 2019 capital budget.

**Major Investments by Category**

- **State Facilities:** \$20.5 million for the Department of General Services Facility Renewal Program; \$12.0 million to complete the construction of the new Catonsville District Court; \$10.5 million for the Public Safety Communication System (the State’s estimated \$336.0 million investment will conclude in fiscal 2020).
- **Health/Social:** \$19.0 million for the University of Maryland Capital Regional Medical Center (UMCRM), formerly known as the Prince George’s Regional Medical Center (statute mandates the State’s commitment for fiscal 2019 at \$48.0 million – a provision in the BRFA contingently reduces \$29.0 million in general funds budgeted in the Board of Public Works (BPW) and shifts this to fiscal 2021); \$12.0 million for University of Maryland Medical System (\$10 million for the final installment of a \$50.0 million commitment to the construction of a new Ambulatory Care facility and other infrastructure-related projects, and \$2.0 million for infrastructure improvements to the R Adams Cowley Shock Trauma Center); \$5.5 million for private hospitals through the Maryland Hospital Association; and \$5.0 million for the Johns Hopkins Cell Therapy Center.

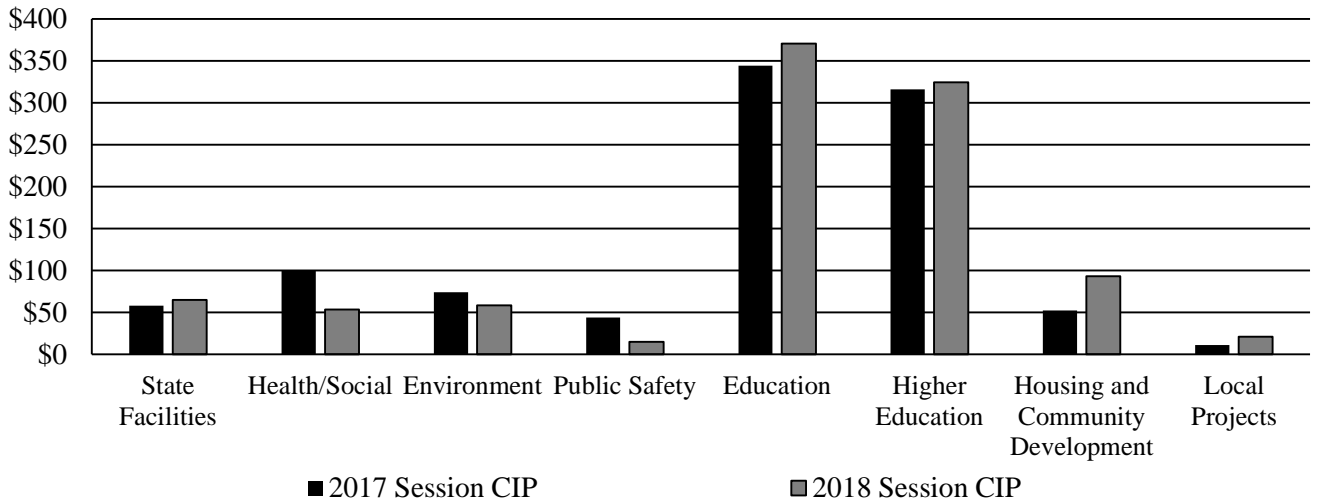
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- ***Environment:*** \$446.0 million for various programs and projects that address water quality, drinking water, and BRF projects; \$58.9 million for Stateside Program Open Space (POS); \$52.4 million for local POS; \$25.0 million for Rural Legacy; \$27.4 for DNR Critical Maintenance and Park Development projects; \$15.0 million for Waterway Improvement Fund projects; and \$49.0 million for the Agricultural Land Preservation Program.
- ***Public Safety:*** \$5.0 million to begin the demolition of buildings at the Baltimore City Correctional Complex. Funding for the replacement of both the men's and women's detention facilities, estimated at \$450.0 million to complete and a central component of the Department of Public Safety and Correctional Services most recent Facility Master Plan, were both removed from the State's capital plan in the 2017 CIP submission. Over the past two years, the populations of both the men's and women's facilities have been moved to other facilities within the complex and to the Jessup Correctional Institute. The budget also provides \$7.3 million for State participation in local jail projects.
- ***Education:*** \$361.5 million for public school construction. This includes \$309.0 million in GO bond funds for the traditional school construction program, which is \$29.0 million more than was programmed in the 2017 CIP. The traditional public school construction program is further enhanced with \$4.9 million in general funds to replace bond funds lost when the U.S. Congress did not re-authorize the QZAB program. In addition, the budget provides \$40.0 million for the Local School Systems with Significant Enrollment Growth and Relocatable Classrooms program, as stipulated in Chapter 665 of 2016. Public school construction funding also includes \$7.6 million for the Aging Schools Program of which \$6.1 is distributed through the formula set forth in Section 5-206 of the Education Article and \$1.5 million is earmarked for the Dr. Roland N. Patterson Building at the KIPP Public Charter School in Baltimore City. The budget also provides \$3.5 million for the Nonpublic Aging Schools Program (funded since fiscal 2014).
- ***Higher Education:*** \$222.4 million for USM (including \$58.7 million to continue the construction funding for the Towson University New Science Facility, \$57.8 million to complete the construction funding for the University of Maryland Baltimore County Interdisciplinary Life Science Building, \$28.4 million to start the construction of a new building at the Southern Maryland Regional Higher Education Center, and \$23.1 million to complete the construction of the Shady Grove Education Center); \$46.1 million to continue the construction funding for the New Student Services Building at Morgan State University; \$60.1 million for the Maryland Higher Education Commission Community College Facilities Grant Program; and \$13.0 million to support capital grants to private colleges.
- ***Housing:*** \$28.5 million for Project Creating Opportunities for Renewal and Enterprise (C.O.R.E.) and \$40.0 million for Rental Housing.
- ***Local Projects:*** The budget provides \$21.1 million for local projects selected by the administration but NO funds for legislator-sponsored local projects.

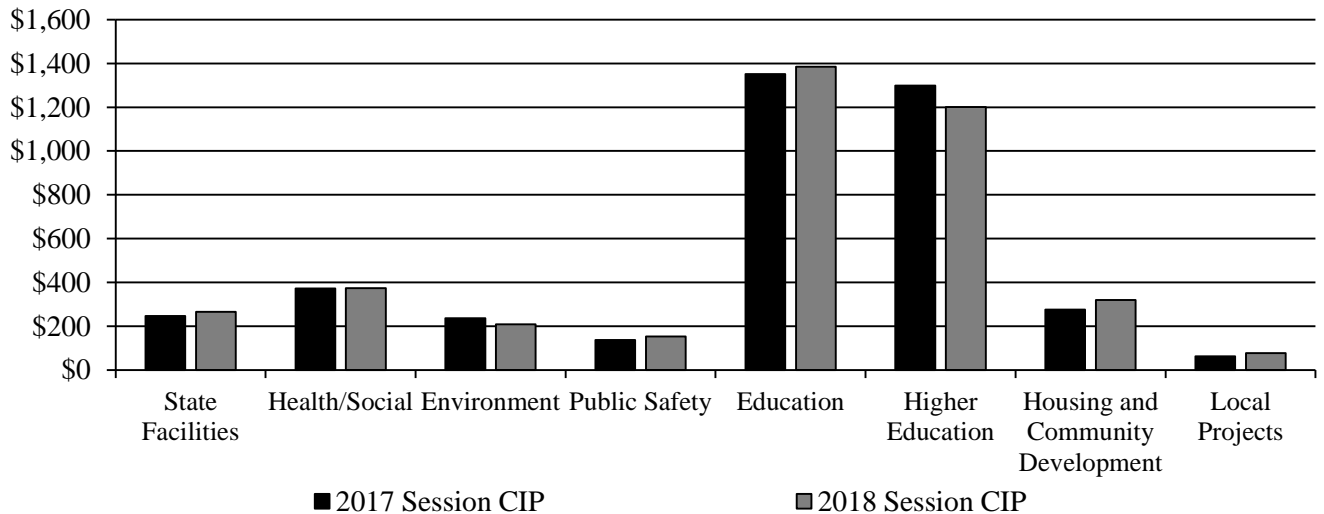


**Exhibit 5**  
**General Obligation Bond Capital Program**  
**Comparison of 2017 vs. 2018 Capital Improvement Program**  
**Fiscal 2019 and Fiscal 2019-2022 Funding by Category – GO Bond Only**  
 (\$ in Millions)

**Fiscal 2019 Only**



**Fiscal 2019-2022**

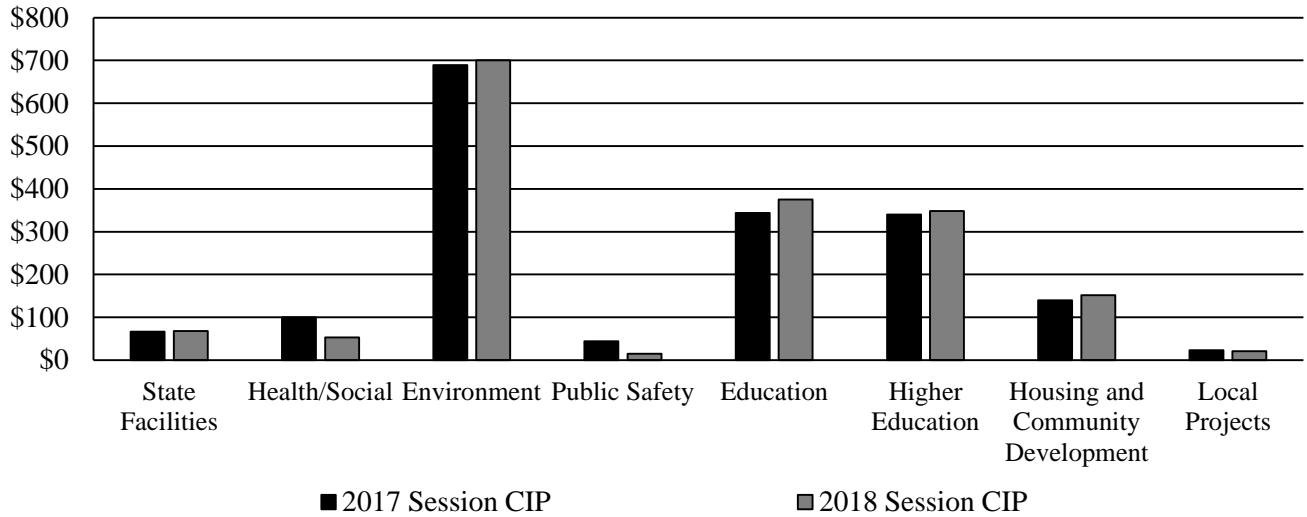


CIP: Capital Improvement Program  
 GO: general obligation

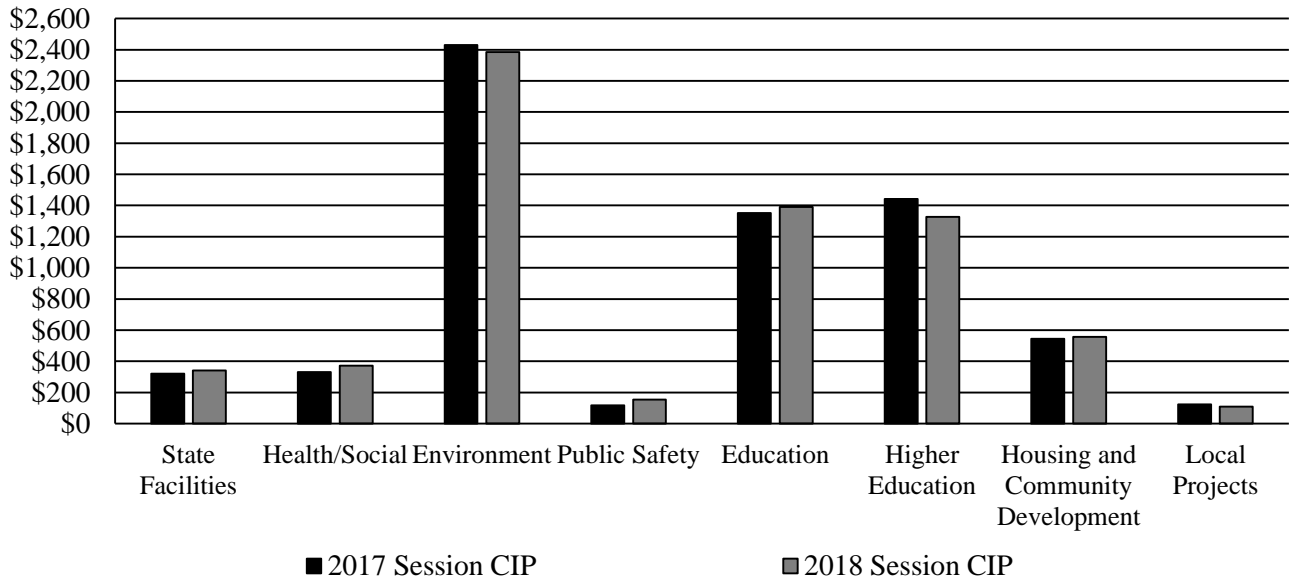
Source: Department of Budget and Management

**Exhibit 6**  
**Capital Program All Funds**  
**Comparison of 2017 vs. 2018 Capital Improvement Program**  
**Fiscal 2019 and Fiscal 2019-2022 Funding by Category – All Funds**  
 (\$ in Millions)

**Fiscal 2019 Only**



**Fiscal 2019-2022**



CIP: Capital Improvement Program

Source: Department of Budget and Management

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The actions of the General Assembly in the two previous sessions produced a number of mandated initiatives, new projects introduced as pre-authorizations, expected acceleration of programmed funding for a number of projects, and expressions of legislative intent. **Exhibit 7** reflects the anticipated impact of these additional pressures and a summary of how the Governor's fiscal 2019 capital budget addressed these pressures within the \$995 million level of GO bonds proposed by the Governor.

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**Exhibit 7**  
**Solving the Problem**  
**(\$ in Millions)**

	<b><u>2018 CIP and</u></b> <b><u>Commitments</u></b>
2017 CIP Programmed GO Bond Commitments	<b>\$995.0</b>
Projects Accelerated/Deferred	\$35.8
Projects Pre-authorized	16.5
Mandates	14.0
Expressions of Intent	29.0
Legislative and Administrative Local Initiatives	15.0
<b><i>Subtotal</i></b>	<b><i>\$110.3</i></b>
<b>Potential Bond Replacement for General Fund PAYGO</b>	<b>\$66.4</b>
<b>Total</b>	<b>\$1,171.7</b>
<b>Significant Reductions</b>	
Transfer Tax Repayment (not bond funded)	-\$31.9
UMMS: University of Maryland Capital Regional Medical Center	-29.0
DJS: New Female Detention Center	-24.3
MHEC: Community College Construction Grant Program	-20.0
MISC: Local Legislative Initiatives	-15.0
DHCD: Mandates funded at CIP level and not mandated levels	-14.0
MES: State Water and Sewer Infrastructure Improvement Fund	-11.6
DPSCS: Demolition of Buildings at BCCC	-11.4
UMCP: New Cole Field House	-10.2
DNR: Oyster Restoration Program	-8.6
DJS: Baltimore City Juvenile Justice Center Education Expansion	-8.1
MISC: Downtown Frederick Hotel and Conference Center	-7.5
DPSCS: Jessup Region Electrical Infrastructure Upgrade	-7.2
MISC: Merriweather Post Pavilion	-7.0
UMCP: School of Public Policy Building	-7.0
MDA: Salisbury Animal Health Laboratory Replacement	-6.7
DPSCS: Maryland Correctional Training Center	-4.8
DoIT: Public Safety Communications System	-4.5
MISC: Sheppard Pratt	-4.4
MPBC: Maryland Public Television Studio "A" Renovation/Addition	-3.1

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	<b><u>2018 CIP and Commitments</u></b>
MISC: Strathmore Hall Performing Arts Center	-3.0
MSP: Barrack "C" Cumberland New Barrack and Garage	-2.7
MISC: Ocean City Convention Center	-0.8
<b>Significant Additions Above CIP and Other Commitments</b>	
BPW: Public School Construction Program	\$29.0
MISC: Administrative Miscellaneous Projects	16.0
MDE: Water Quality and Drinking Water Revolving Loan Program	9.6
BPW: Annapolis Post Office Renovation	6.7
MIL: Freedom Readiness Center	5.5
BPW: Facilities Renewal	5.4
UMB: Central Electric Substrate and Electrical Infrastructure	3.0
DHCD: Homeownership Programs	3.0
BPW: Replacement of Lawyers Mall Underground Infrastructure	2.0
UMBC: Utility Upgrade	1.4
<b>Other</b>	<b>-\$15.5</b>
<b>Net Total Adjustments</b>	<b>-\$176.7</b>
<b>Governor's Proposed GO Bond and General Fund Capital Program</b>	<b>\$995.0</b>

BCCC: Baltimore City Correctional Complex  
 BPW: Board of Public Works  
 CIP: *Capital Improvement Program*  
 DHCD: Department of Housing and Community Development  
 DJS: Department of Juvenile Services  
 DoIT: Department of Information Technology  
 DNR: Department of Natural Resources  
 DPSCS: Department of Public Safety and Correctional Services  
 GO: general obligation  
 MDA: Maryland Department of Agriculture  
 MDE: Maryland Department of the Environment  
 MES: Maryland Environmental Service  
 MHEC: Maryland Higher Education Commission  
 MIL: Military Department  
 MISC: miscellaneous  
 MPBC: Maryland Public Broadcasting Commission  
 MSP: Maryland State Police  
 PAYGO: pay-as-you-go  
 UMB: University of Maryland, Baltimore Campus  
 UMBC: University of Maryland Baltimore County  
 UMCP: University of Maryland, College Park Campus  
 UMMS: University of Maryland Medical System

Note: Numbers may not sum to total due to rounding.

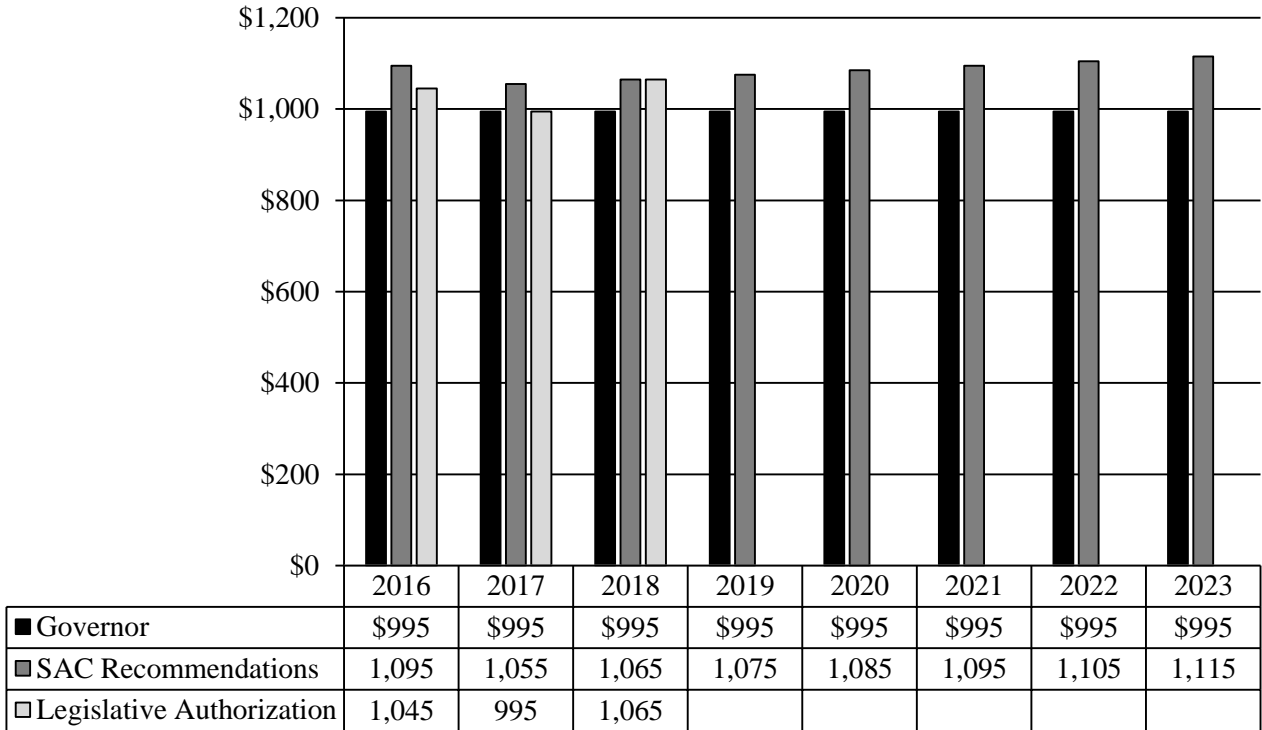
Source: Department of Budget and Management, *Capital Improvement Program*, January 2018

## **Items of Interest**

### **GO Bond Authorization Levels Are Consistent with the Capital Debt Affordability Recommendation but Below Spending Affordability Limits**

As shown in **Exhibit 8**, the level of new GO bond authorization included in the fiscal 2019 capital budget is \$80.0 million below the level recommended by SAC and \$500.0 million below the SAC recommendation through the five-year CIP covering fiscal 2019 through 2023. The 2017 SAC recommendation, the same recommendation made by the committee in each of the two previous reports, limits the growth in new GO bond authorizations at 1% annually based on the \$1.045 billion authorized in the 2015 session resulting in a recommendation of \$1.075 billion for the 2018 session. As illustrated in Exhibit 8, in recent years, the Governor and SAC have not agreed on the level of proposed new GO bond authorizations. In fiscal 2016, for instance, the SAC recommendation was \$100.0 million higher than what was proposed by the Governor; but the final authorization level split the difference, in part, because the capital budget bill included the use of \$48.3 million of bond premium proceeds. For fiscal 2017, again the Governor and SAC disagreed on the authorization level by \$60.0 million. While the final 2016 session authorization level was consistent with the Governor's proposed \$995.0 million, the final authorization level included the recognition that the capital budget was supplemented with \$122.0 million in general funds, which was in keeping with a recommendation made by SAC in its 2015 report, which called for the use of a portion of the then projected general fund balance in the furtherance of infrastructure spending. The amount of general fund support for the capital program was later reduced to \$62.3 million through a reduction made by BPW and other targeted reversions. The final 2017 session authorization was at the higher SAC level of \$1,065 million. **Appendix 4** shows recently recommended and final new GO bond authorization levels.

**Exhibit 8**  
**2018 Capital Improvement Program and SAC Recommended**  
**New General Obligation Bond Authorization Levels**  
**Fiscal 2016-2023**  
**(\$ in Millions)**



SAC: Spending Affordability Committee

Source: Department of Budget and Management, *Capital Improvement Program*, January 2018; Spending Affordability Committee Report, December 2017

The State’s debt affordability limits require debt service costs not to exceed 8.0% of the revenues supporting them. **Exhibit 9** shows that the debt service to revenue affordability ratio forecast using the higher SAC GO bond authorization recommendation is affordable through the planning period.

**Exhibit 9**  
**Debt Service to Revenue Ratios**  
**Fiscal 2018-2023**

<u>Year</u>	<u>\$995 Million Annual Authorizations</u>	<u>2017 SAC Recommended Annual Authorizations</u>
2018	7.81%	7.81%
2019	7.82%	7.82%
2020	7.67%	7.68%
2021	7.68%	7.70%
2022	7.83%	7.87%
2023	7.82%	7.89%

SAC: Spending Affordability Committee

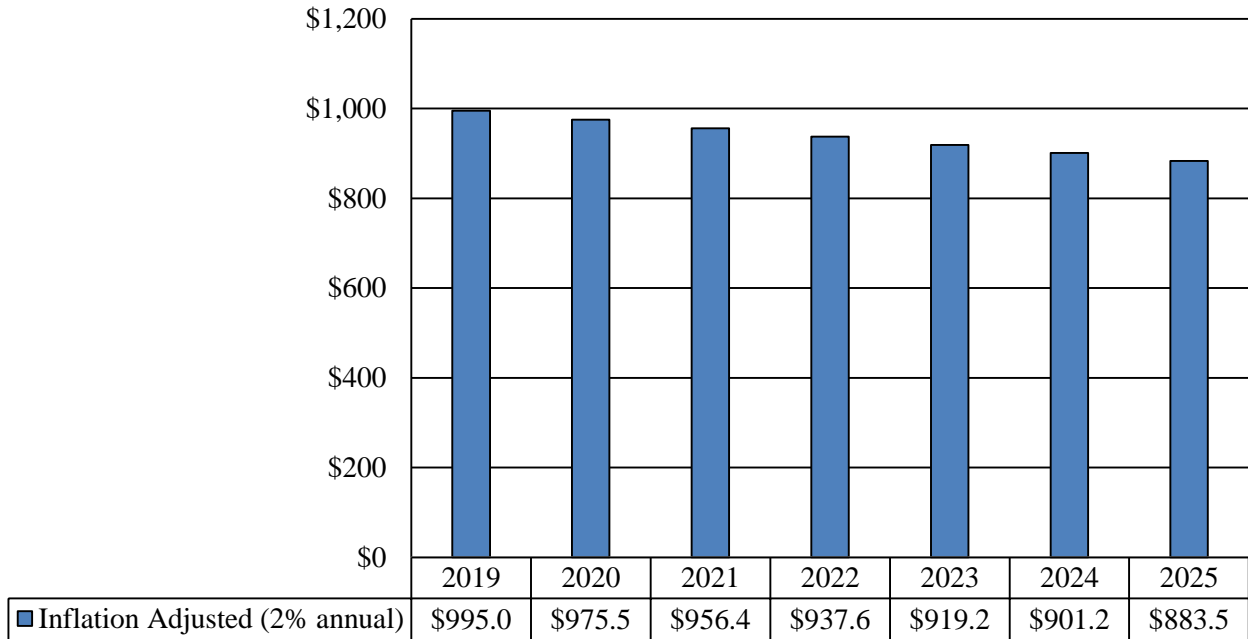
Source: Spending Affordability Committee; Capital Debt Affordability Committee; Department of Legislative Services

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**Inflation in the Construction Market Reduces the Spending Power of Future Authorization Levels**

Past capital budgets have recognized that capital projects are subject to inflationary pressures and that the population of Maryland tends to increase over time. The inflationary pressures can erode capital spending, while additional population tends to increase the demand for projects. When the Capital Debt Affordability Committee (CDAC) increased the capital program's annual escalation to 3% in its 2006 report, it did so to recognize a 2% increase to offset inflation and a 1% increase to provide for increased demand attributable to population growth. As shown in **Exhibit 10**, at a 2% annual construction inflation, the value of \$995 million is effectively reduced to \$919 million by fiscal 2023, a loss of \$76 million. The 2% rate used by CDAC is a conservative measure of annual construction inflation. Regionally, for the period covering calendar 2016 through 2017, construction inflation grew annually at 4.0%.

**Exhibit 10**  
**GO Bond Authorization Levels – Impact of Annual Construction Cost Inflation**  
**Fiscal 2019-2025**  
**(\$ in Millions)**



GO: general obligation

Note: This estimates a 2.0% annual construction inflation rate. Construction inflation increased at an average annual rate of 1.6% for the period covering calendar 2012 through 2015. For the two years covering calendar 2016 through 2017, constructions increased at an average annual rate of 4.0%.

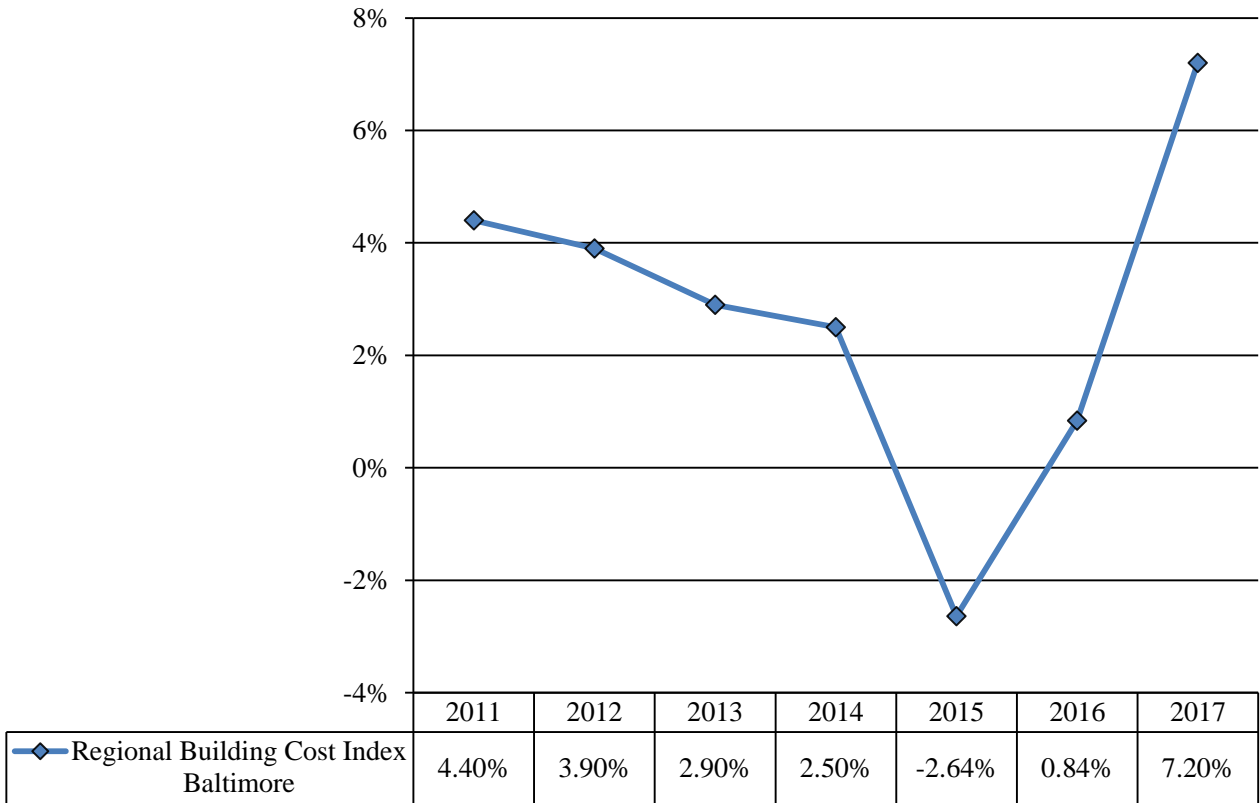
Source: Bureau of Labor Statistics Producer Price Index for Materials and Components of Construction

### Construction Cost Inflation

As shown in **Exhibit 11**, year-over-year regional construction inflation is trending upward. Construction inflation in the Baltimore/Washington region increased at an average annual rate of 4.0% in calendar 2016 and 2017 compared to just 1.6% for the period covering calendar 2012 through 2015. In calendar 2017 alone, regional construction inflation increased 7.2%.



**Exhibit 11  
Annual Construction Cost Inflation  
Calendar 2011-2017**



Source: Bureau of Labor Statistics; Engineering New-Record

- Escalation Rates Used in Cost Estimating:** The State’s capital planning process accounts for the impact of construction inflation in establishing long-term project cost estimates used in the CIP. For projects included in the 2018 CIP, the Department of Budget and Management has set the annual escalation rate at 3.5% calendar 2018 through 2023, an increase of 0.5% over the rate used in last sessions CIP.
- School Construction Project Costs:** From fiscal 2007 through 2015, the Public School Construction Program construction cost allowance only increased at an average annual rate of 1.0%. However, from fiscal 2016 through the rate used by the Interagency Committee on School Construction for projects in the 2018 CIP, the square foot rate increased at an average annual rate of 8.4%.

## GO Bonds for Private Use

The Internal Revenue Code limits the use of tax-exempt bonds for private activity use to no more than 5% of the tax-exempt bonds of any issuance to a maximum of \$15 million per issuance. For this reason, the State traditionally funds capital programs with high levels of private activity use with general fund PAYGO funds. However, it is not unusual in periods of economic difficulty for the State to move programs traditionally funded with general fund PAYGO into the GO bond funded portion of the capital program, which the State has done in recent years. While this allows general funds to be used for other budget priorities, it has resulted in the need for the Treasurer to issue taxable bonds in recent bond issuances, which cost more than tax-exempt bonds.

**Exhibit 12** shows that the fiscal 2019 capital budget includes \$97.5 million in private activity authorizations. Out-year private loan authorizations from fiscal 2018 through 2022 total \$383.0 million. This represents a continued reliance on GO bond funds to support projects and programs that are traditionally supported with general fund PAYGO appropriations. The use of general funds is very limited in the Governor’s fiscal 2019 capital budget program and through the five-year CIP planning period; and to the extent the revenue situation likely precludes the significant use of general funds in the budget, it is most likely that the State will have to fund these private activity programs with taxable debt, which is more expensive than tax-exempt issuances.

**Exhibit 12**  
**Private Activity Authorizations by Department**  
**Fiscal 2019-2023**  
**(\$ in Millions)**

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Total</u>
<b>Private Business Use</b>						
<b>State Agency</b>						
Maryland Public Television	\$0.100	\$8.198	\$0.000	\$0.000	\$0.000	\$8.298
University System of Maryland	0.148	0.039	0.000	0.000	0.000	0.187
<b>Subtotal</b>	<b>\$0.248</b>	<b>\$8.237</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$8.485</b>
<b>Private Loans</b>						
<b>State Agency</b>						
Department of Housing and Community Development	\$78.400	\$48.100	\$63.600	\$63.600	\$63.600	\$317.300
Maryland Department of the Environment	18.850	9.430	9.430	9.430	9.430	56.570
Department of Planning	0.000	0.150	0.150	0.150	0.150	0.600
<b>Subtotal</b>	<b>\$97.250</b>	<b>\$57.680</b>	<b>\$73.180</b>	<b>\$73.180</b>	<b>\$73.180</b>	<b>\$374.470</b>
<b>Total</b>	<b>\$97.498</b>	<b>\$65.917</b>	<b>\$73.180</b>	<b>\$73.180</b>	<b>\$73.180</b>	<b>\$382.955</b>

Note: Numbers may not sum to total due to rounding.

Source: Department of Budget and Management, *Capital Improvement Program*, January 2018

## General Fund Support for the Capital Program and Mandates

**General Fund Support for the Capital Program Remains Constrained:** The fiscal situation continues to limit general fund support of the capital program. As illustrated in **Exhibit 13**, the fiscal 2019 baseline assumed the use of \$78.4 million in general funds as compared to the \$20.3 million in the fiscal 2019 budget as introduced. Three components comprise the majority of the difference:

- **Project C.O.R.E.:** Consistent with the 2017 CIP, the fiscal 2019 baseline assumed \$28.5 million in general fund support for Project C.O.R.E. in Baltimore City. This initiative is GO bond funded at \$28.5 million in the fiscal 2019 budget.
- **Transfer Tax Repayment:** In accordance with Chapter 10 of 2016 and in accordance with the repayment plan established by the Administration in the 2017 CIP, the fiscal 2019 baseline assumed that transfer tax revenues used to fund POS would be augmented with \$37.9 million in general funds. As introduced, \$6.0 million is budgeted in the Dedicated Purpose Account to fund the DNR Critical Maintenance Program.
- **QZAB:** The budget provides \$4.9 million in general funds for the Public School Construction Program to replace GO bonds programmed in the CIP when the U.S. Congress did not re-authorize the QZAB program. The general funds are not bound by the same requirements that governed the federal QZAB program.

**Exhibit 13**  
**Capital PAYGO Program**  
**Fiscal 2019 Allowance, Fiscal 2019 Baseline, and 2017 CIP**  
**(\$ in Millions)**

<u>Fund Type</u>	<u>2017 CIP</u>	<u>2019 Baseline</u>	<u>2019 Allowance</u>	<u>2019 Adjusted Allowance<sup>1</sup></u>	<u>Difference Baseline to Adjusted Allowance</u>
General	\$50.5	\$78.4	\$68.3	\$20.3	-\$58.1
Special	502.7	504.3	476.2	476.2	-28.1
Federal	69.9	77.7	67.9	67.9	-9.8
<b>Total</b>	<b>\$623.1</b>	<b>\$660.4</b>	<b>\$612.40</b>	<b>\$564.40</b>	<b>-\$96.0</b>

CIP: *Capital Improvement Program*

PAYGO: pay-as-you-go

<sup>1</sup> Adjusted to reflect the impact of the Budget Reconciliation and Financing Act.

Note: Numbers may not sum to total due to rounding.

Source: Department of Budget and Management, *Capital Improvement Program*, January 2018

### *Capital Budget Fiscal Briefing*

**Mandate Funding Relief:** Several provisions in the BRFA of 2018 (SB 187) amend mandates on the capital program, which result in \$48.0 million of general funds that are contingently reduced in the budget. **Exhibit 14** shows the how mandates on the capital program are treated in the budget.

- **UMCRMC:** Chapter 13 of 2016, as amended by Chapter 23 of 2017 (the BRFA of 2017), establishes a funding mandate to complete the State's \$208.0 million commitment to UMCRMC. The funding mandate would require \$48.0 million in fiscal 2019. To meet the mandate, the Governor's capital budget includes \$19.0 million in GO bonds and \$29 million in general funds budgeted in BPW. Language in the budget eliminates the general funds contingent upon the enactment of a provision in the BRFA of 2018 altering the mandate.
- **Transfer Tax Repayment Plan:** The 2018 BRFA amends the transfer tax repayment plan established by Chapter 10 of 2016. For fiscal 2019, the repayment plan requires \$21.0 million in general funds comprised of \$6.0 million for the DNR Critical Maintenance Program and \$15.0 million to be distributed through the POS formula. Language in the budget deletes the \$15.0 million to be distributed through the formula contingent upon the enactment of a provision in the BRFA of 2018 altering the mandate. The funds are budgeted in the Dedicated Purpose Account.
- **Housing and Community Development Mandates:** The Governor is mandated to fund the Baltimore Regional Neighborhood Initiative program at \$12.0 million in fiscal 2019. To meet the mandate the capital budget includes \$3.0 million in GO bonds with another \$9.0 million in general funds contingent upon the enactment of a provision in the BRFA of 2018 altering the mandate. The Governor is also mandated to fund the Seed Community Development Anchor Institution Fund at \$5.0 million all of which is eliminated contingent upon the enactment of a provision in the BRFA of 2018 altering the mandate.

**Exhibit 14**  
**Status of Capital Budget Mandates**  
**Fiscal 2019**  
**(\$ in Millions)**

	<b><u>Mandate Amount</u></b>	<b><u>Budget</u></b>	<b><u>Notes</u></b>
University of Maryland Capital Regional Medical Center	\$48,000,000	\$19,000,000	The remaining \$29 million needed to meet the mandate is contingently reduced. The Budget Reconciliation and Financing Act (BRFA) of 2018 shifts the \$29 million to fiscal 2021.
Program Open Space (POS) Repayment	21,000,000	6,000,000	For fiscal 2019, the repayment plan requires \$21.0 million in general funds comprised of \$6.0 million for the Department of Natural Resources Critical Maintenance Program, and \$15.0 million to be distributed through the POS formula. Language in the budget reduces the \$15.0 million to be distributed through the formula contingent upon the enactment of a provision in the BRFA of 2018 altering the mandate. The funds are budgeted in the Dedicated Purpose Account.
Baltimore Regional Neighborhood Initiative	12,000,000	3,000,000	The BRFA of 2018 removes the mandate. The remaining \$9 million needed to meet the mandate is contingently reduced.
Seed Anchor Institution Funds	5,000,000	0	The BRFA of 2018 removes the mandate. The \$5 million needed to meet the mandate is contingently reduced.
Supplemental School Construction	40,000,000	40,000,000	
Aging Schools	6,109,000	7,609,000	Additional funding above the mandate is directed to be used for heating and air conditioning improvements in the Dr. Roland N. Patterson Building at the Knowledge is Power Program Public Charter School.
Local Libraries	5,000,000	5,000,000	

	<u>Mandate Amount</u>	<u>Budget</u>	<u>Notes</u>
Rural Legacy	5,000,000	5,000,000	
Strategic Demolition Fund – Project C.O.R.E Included	28,500,000	28,500,000	
Shelter and Transitional Housing	3,000,000	3,000,000	
African American Heritage	1,000,000	1,000,000	
<b>Total</b>	<b>\$153,609,000</b>	<b>\$112,109,000</b>	

C.O.R.E.: Creating Opportunities for Renewal and Enterprise

Note: Numbers may not sum to total due to rounding.

Source: Department of Budget and Management, *Capital Improvement Program*, January 2018; Budget Reconciliation and Financing Act of 2018

## **Transfer Tax Repayment**

Chapter 10 of 2016 requires the repayment of \$242.2 million in past redirected transfer tax funds by fiscal 2029. The plan provides for the use of general funds as a source of repayment to be expended as special funds in the budget. The components of the repayment plan and the Governor's proposed changes to each are highlighted below. **Exhibit 15** shows the differences in the repayment plan established by the Governor in the 2017 session to that proposed in the 2018 session. In total, the revised plan proposes to defer \$31.9 million in fiscal 2019 and reprograms those funds for future years. The proposed deferral includes \$15.0 million that is reduced contingent upon a provision in the BRFA amending the mandated portion of the funding repayment schedule.

- ***Payback for Fiscal 2006 Transfer Tax (to Be Distributed through the Transfer Tax Formula):*** Chapter 10 requires \$15.0 million in each of fiscal 2019 through 2021 for a total repayment of \$45.0 million. A provision in the BRFA of 2018 amends the repayment schedule by deferring the \$15.0 million required in fiscal 2019 to 2022, essentially moving back by one year the total repayment requirement.
- ***Payback for Fiscal 2006 Transfer Tax for Critical Maintenance/Natural Resources Development Fund:*** Chapter 10 requires that \$6.0 million in each of fiscal 2019 through 2024 and \$4.0 million in fiscal 2025 for a total repayment of \$40.0 million be used to fund the DNR Critical Maintenance and Natural Resources Development Fund projects. The statutory repayment schedule remains unchanged in the fiscal 2019 budget submission.
- ***Payback for Fiscal 2016 to 2018 Transfer Tax (to Be Distributed through the Transfer Tax Formula):*** Chapter 10 requires the repayment of \$152.2 million as follows: one-third by fiscal 2021, two-thirds by fiscal 2025, and the full amount by fiscal 2029. This provision provides for some annual funding flexibility, and the fiscal 2019 budget as introduced programs this in equal installments of \$25.4 million in each of fiscal 2020 and 2021, which is revised from what the Administration programmed in the 2017 session that called for equal annual installments of \$16.9 million in each of fiscal 2019 through 2021.

**Exhibit 15**  
**Transfer Tax Replacement Plan**  
**Comparison of 2017 and 2018 Session Repayment Plan**  
**Fiscal 2018-2029**  
**(\$ in Millions)**

<b>2017 Session</b>							
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023-2029</u>	<u>Total</u>
MARBIDCO	\$2.5	\$2.5					\$5.0
POS (2006)		15.0	\$15.0	\$15.0			45.0
POS (2016-2018)		16.9	16.9	16.9	\$12.7	\$88.8	152.2
Park Development		6.0	6.0	6.0	6.0	16.0	40.0
<b>Total</b>	<b>\$2.5</b>	<b>\$40.4</b>	<b>\$37.9</b>	<b>\$37.9</b>	<b>\$18.7</b>	<b>\$104.8</b>	<b>\$242.2</b>
<b>2018 Session</b>							
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023-2029</u>	<u>Total</u>
MARBIDCO	\$2.5	\$2.5					\$5.0
POS (2006)			\$15.0	\$15.0	\$15.0		45.0
POS (2016-2018)			25.4	25.4	12.7	\$88.8	152.2
Park Development		6.0	6.0	6.0	6.0	16.0	40.0
<b>Total</b>	<b>\$2.5</b>	<b>\$8.5</b>	<b>\$46.4</b>	<b>\$46.4</b>	<b>\$33.7</b>	<b>\$104.8</b>	<b>\$242.2</b>
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023-2029</u>	<u>Total</u>
Difference	\$0.0	-\$31.9	\$8.5	\$8.5	\$15.0	\$0.0	\$0.0

MARBIDCO: Maryland Agricultural and Resource-Based Industry Development Corporation  
 POS: Program Open Space

Source: Department of Budget and Management

**Exhibit 16** shows how the capital programs funded through the transfer tax formula would be funded under three different options.

- **Option A** – reflects the capital program allocation of the full amount of budgeted transfer tax through the formula and \$37.9 million allocated under the repayment assumptions presented by the Governor in the 2017 CIP, which includes \$6.0 million for the DNR Critical Maintenance Program and \$31.9 million allocated through the transfer tax formula.



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- **Option B** – reflects the capital program allocation of the full amount of budgeted transfer tax through the formula and the statutory amount required by Chapter 10 of 2016 for fiscal 2019, including \$6.0 million for the DNR Critical Maintenance Program and \$15.0 million in repayment required to be distributed through the POS formula. Language in the budget deletes the \$15.0 million contingent upon the enactment of a provision in the BRFA of 2018 altering the mandate.
- **Option C** – reflects the Governor’s proposed fiscal 2019 budget, and is comprised of the capital program allocation of the full amount of budgeted transfer tax through the formula and the additional \$6.0 million for the DNR Critical Maintenance Program as required by Chapter 10 of 2016. This illustrates the impact of removing \$31.9 million in repayment allocated under the repayment assumptions presented by the Governor in the 2017 CIP.

**Exhibit 16**  
**Fiscal 2019 Transfer Tax Distribution through Capital Programs**  
**2018 Session Allowance Compared to Plan**  
**(\$ in Millions)**

<u>Program</u>	<u>Option A<sup>1</sup></u>	<u>Option B<sup>2</sup></u>	<u>Option C<sup>3</sup></u>	<u>Difference B to A</u>	<u>Difference C to B</u>
DNR – Land Acquisition and Planning					
Program Open Space – State Share	\$68.8	\$62.0	\$55.9	-\$6.8	-\$6.1
Program Open Space – Local Share	59.6	55.8	52.4	-3.8	-3.4
Rural Legacy Program	21.6	20.8	20.0	-0.8	-0.8
Natural Resources Development Fund	14.4	14.4	14.4	0.0	0.0
Critical Maintenance Program	13.0	13.0	13.0	0.0	0.0
Ocean City Beach Maintenance	1.0	1.0	1.0	0.0	0.0
Maryland Department of Agriculture – Maryland Agricultural Land Preservation Foundation					
	45.9	43.0	40.5	-2.9	-2.6
<b>Distribution for Programs</b>	<b>\$224.3</b>	<b>\$209.9</b>	<b>\$197.2</b>	<b>-\$14.4</b>	<b>-\$12.7</b>

DNR: Department of Natural Resources

<sup>1</sup> Reflects fiscal 2019 with \$15.0 million and \$16.9 million.

<sup>2</sup> Reflects fiscal 2019 with \$15.0 million and without \$16.9 million.

<sup>3</sup> Reflects fiscal 2019 without \$15.0 million and without \$16.9 million.

Source: Department of Budget and Management

## **Pre-authorizations**

The Maryland Consolidated Capital Bond Loan (MCCBL) of 2017 included \$335.8 million of pre-authorizations for funding to be authorized in the MCCBL of 2018. **Exhibit 17** lists these pre-authorizations as well as the amounts included for construction in the 2018 session capital budget bill, as introduced.

## **De-authorizations and Projects Removed from the CIP**

**Appendix 5** shows de-authorizations included in the budget as introduced. In total, the budget reduces prior authorizations by \$5.2 million with the funds recycled and authorized for different purposes, which accounts for the total authorizations of \$1.000 billion in the capital budget bill.

**Exhibit 17**  
**Pre-authorizations Included in MCCBL of 2017 for the 2018 Session**  
**Fiscal 2019**  
**(\$ in Millions)**

<u>Project Title</u>	<u>Preauthorized</u>	<u>Governor Proposed</u>	<u>Difference</u>
BPW: Judiciary New Catonsville District Court	\$12.0	\$12.0	\$0.0
BPW: Annapolis Post Office	1.5	7.5	6.0
MIL: Freedom Readiness Center	4.0	9.1	5.1
MSDE: State Library Resource Center	3.5	3.5	0.0
UMCP: A. James Clark Hall – New Bioengineering Building	3.5	3.5	0.0
UMCP: Brendan Iribe Center for Computer Science and Innovation	0.5	3.4	2.9
UMCP: New Cole Field House	16.9	7.3	-9.6
UMCP: School of Public Policy	9.0	2.0	-7.0
TU: Science Facility	61.7	58.7	-2.9
UMBC: Interdisciplinary Life Sciences Building	56.9	55.2	-1.7
USMO: Shady Grove Educational Center	14.8	14.8	0.0
MHEC: Community College Facilities Grant Program	41.9	41.7	-0.3
MSU: New Student Services Support Building	45.7	45.8	0.1
MES: Infrastructure Improvement Fund	11.9	9.6	-2.3
DJS: New Female Detention Center	22.6	0.0	-22.6
MISC: Rosewood Property Environmental Abatement	5.0	5.0	0.0
MISC: Merriweather Post Pavilion	8.0	1.0	-7.0
MISC: Strathmore Hall	3.0	0.0	-3.0
MISC: Downtown Frederick Hotel and Conference Center	7.5	0.0	-7.5
MISC: Ocean City Convention Center Phase 3	0.8	0.0	-0.8
MISC: Sheppard Pratt at Elkrige	5.1	0.8	-4.4
<b>Total</b>	<b>\$335.8</b>	<b>\$280.8</b>	<b>-\$54.9</b>

Note: Figures reflect funds authorized for the construction phase for each project.

BPW: Board of Public Works  
DJS: Department of Juvenile Services  
MCCBL: Maryland Consolidated Capital Bond Loan  
MES: Maryland Environmental Service  
MHEC: Maryland Higher Education Commission  
MIL: Military Department  
MISC: miscellaneous

MSDE: Maryland State Department of Education  
MSU: Morgan State University  
TU: Towson University  
UMBC: University of Maryland Baltimore County  
UMCP: University of Maryland, College Park Campus  
USMO: University System of Maryland Office

Source: Department of Budget and Management

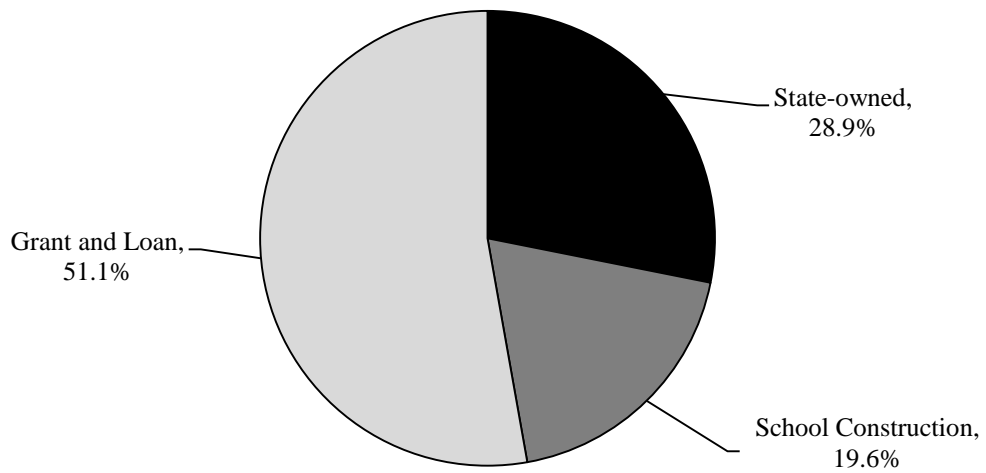
## Historical Funding Patterns

Exhibits 18 and 19 illustrate the distribution of State capital funds for State-owned projects, public school construction, and grant and loan programs.

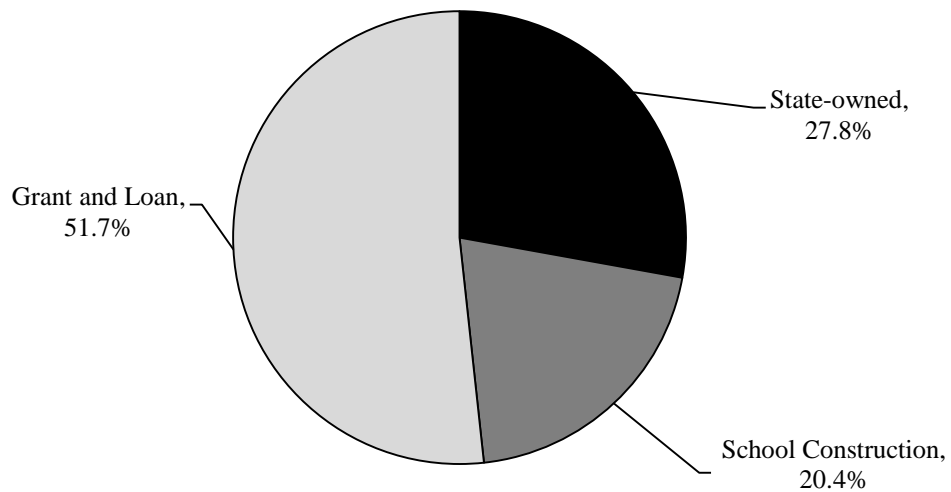
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### Exhibit 18 Funding Shares for State-owned Projects, Public School Construction, and Grant and Loan Programs – All Funds

Fiscal 2014-2018

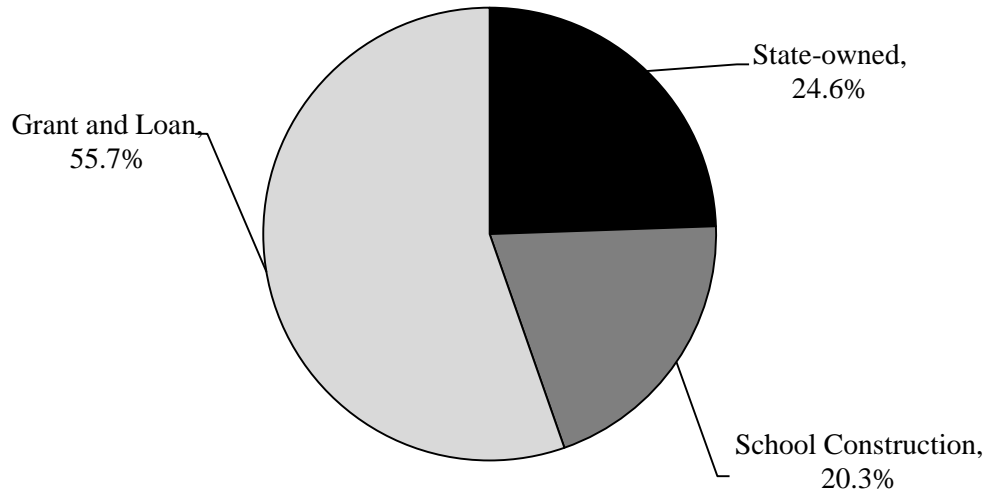


Fiscal 2019-2023



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**Fiscal 2019**

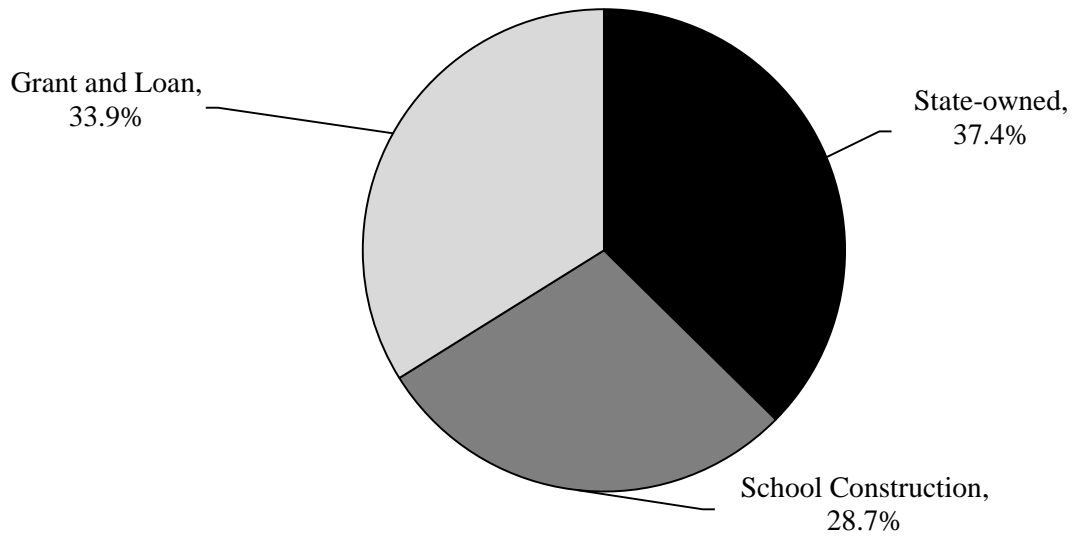


Source: Department of Budget and Management; Department of Legislative Services

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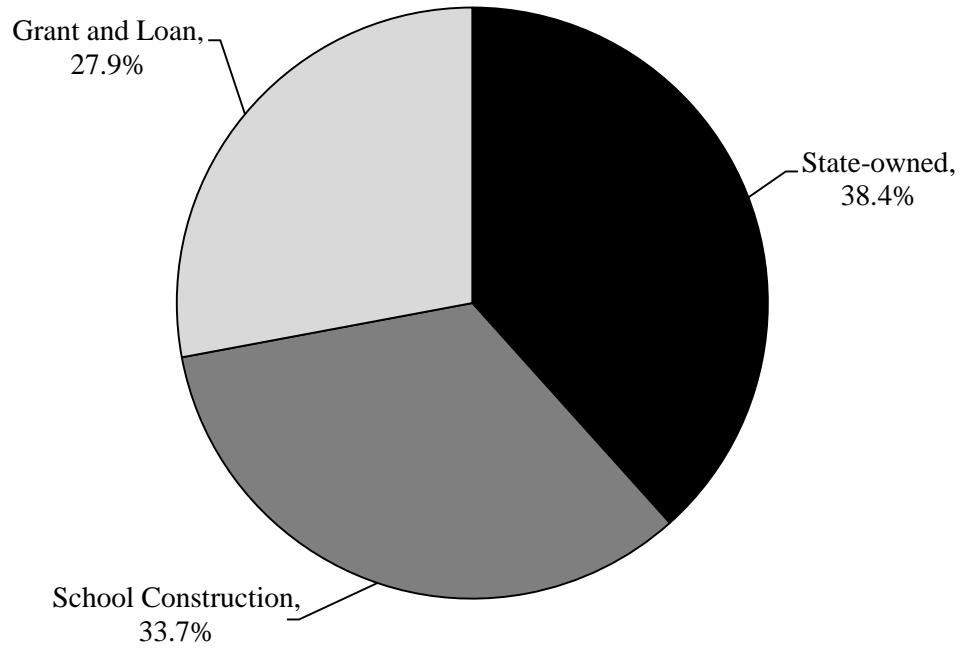
**Exhibit 19**  
**Funding Shares for State-owned Projects, Public School Construction, and Grant and Loan Programs – General Obligation Funds Only**

**Fiscal 2014-2018**

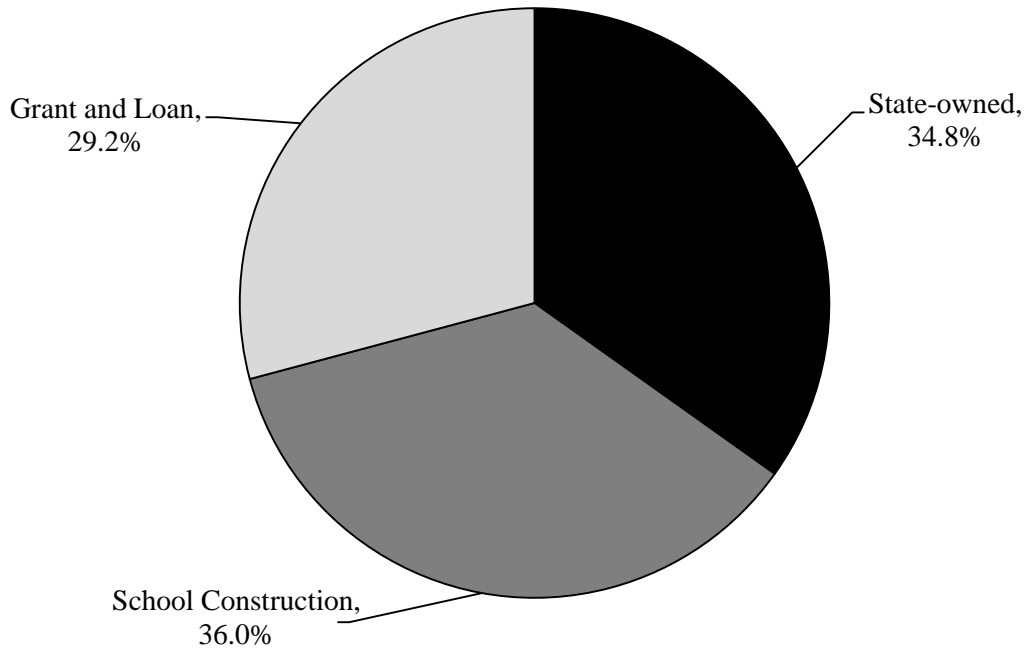


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**Fiscal 2019-2023**



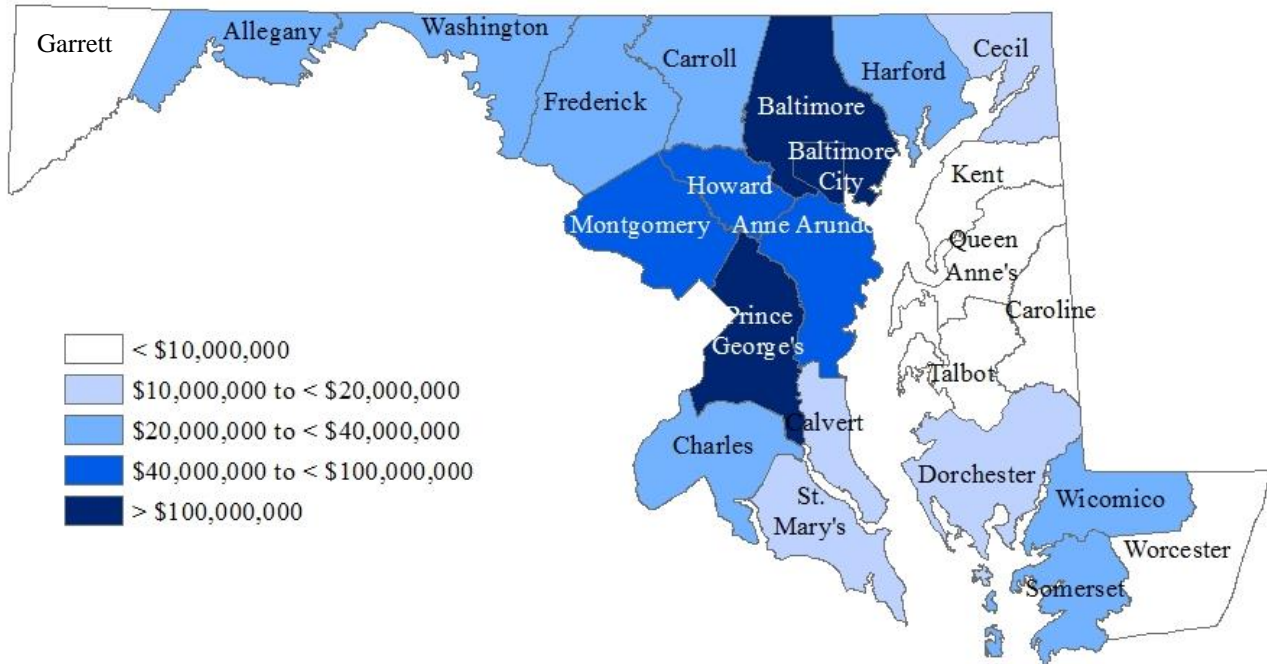
**Fiscal 2019**



Source: Department of Budget and Management; Department of Legislative Services

Exhibits 20, 21, and 22 show the geographical distribution of nontransportation capital funding.

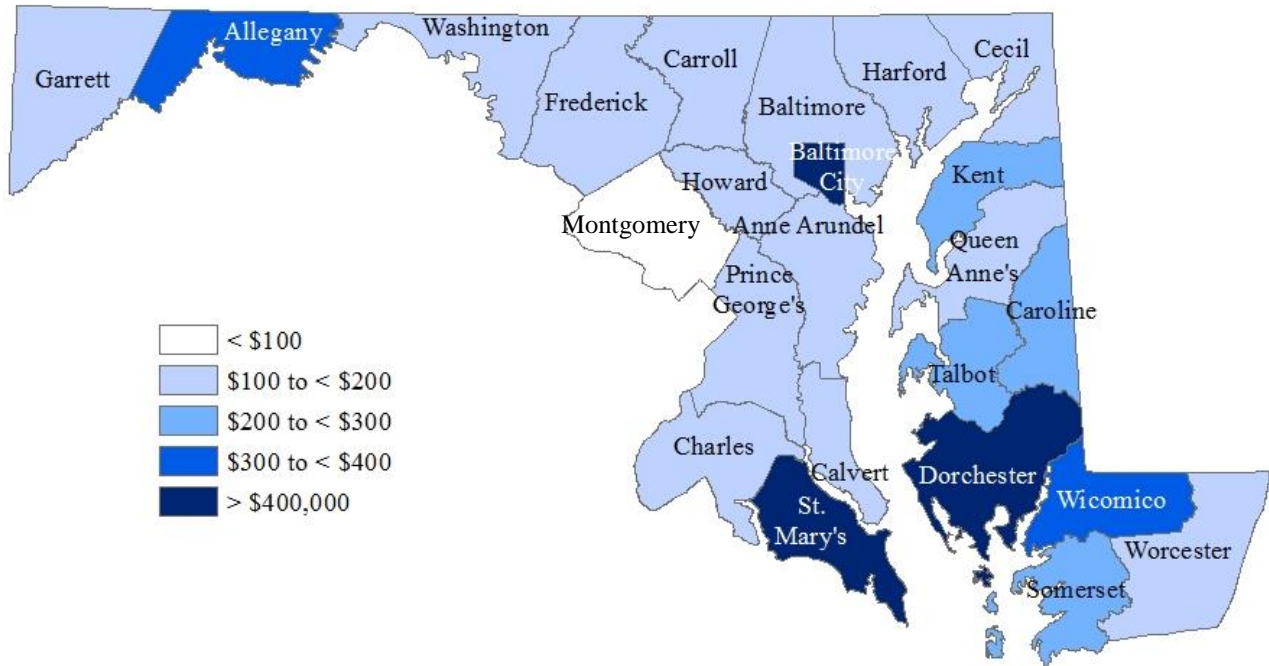
**Exhibit 20**  
**Geographical Distribution of State Nontransportation Capital Funding**  
**Fiscal 2009-2018 Annual Average**



Note: This data represents the sum of capital projects and grant programs included in the operating and capital budgets each fiscal year. It reflects the particular projects anticipated to be funded at the time the budgets were adopted. The actual projects funded and/or the amount of funding for specific projects could have changed depending on which projects were ready to move forward and final costs. The data includes all projects regardless of funding source but excludes State university projects funded with auxiliary revenue bonds. Transportation projects are not included in this data. The county data also does not include funding categorized as “statewide,” which accounts for approximately 30% of the capital program funding for which specific projects are not identified at the time of appropriation.

Source: Department of Legislative Services calculations from the Department of Budget and Management data

**Exhibit 21**  
**Geographical Distribution of State Nontransportation Capital Funding**  
**Fiscal 2009-2018 Annual Average Per Capita**  
**(\$ in Millions)**

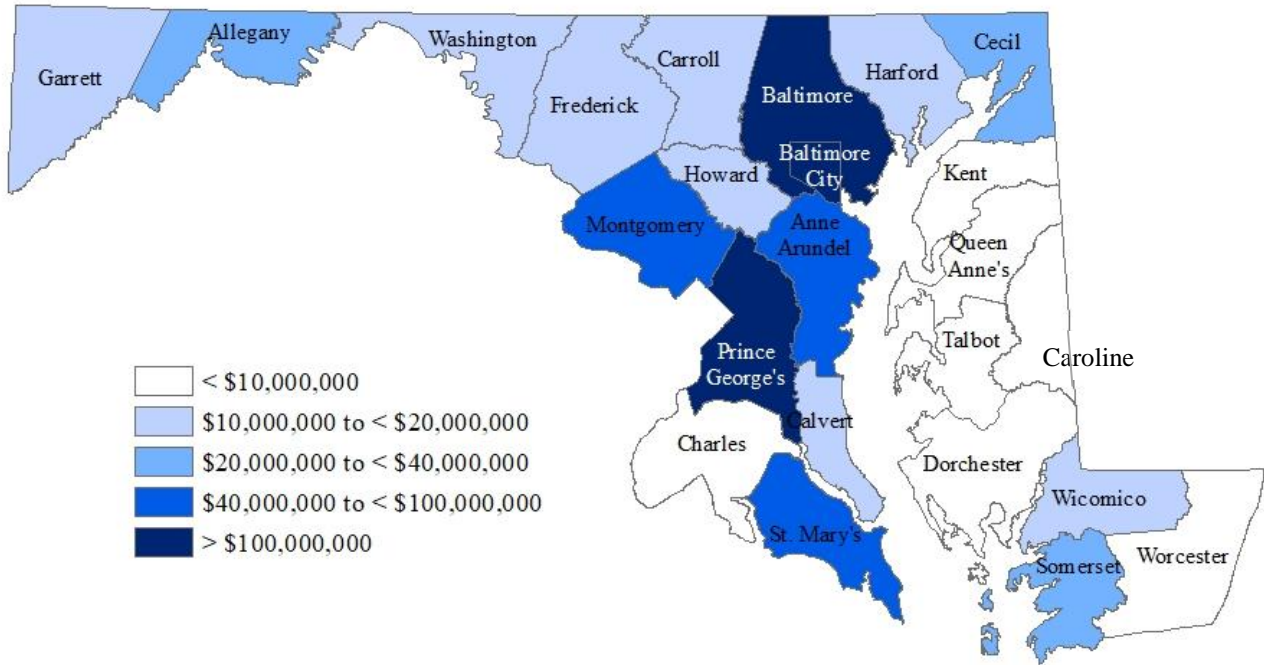


Note: This data represents the sum of capital projects and grant programs included in the operating and capital budgets each fiscal year. It reflects the particular projects anticipated to be funded at the time the budgets were adopted. The actual projects funded and/or the amount of funding for specific projects could have changed depending on which projects were ready to move forward and final costs. The data includes all projects regardless of funding source but excludes State university projects funded with auxiliary revenue bonds. Transportation projects are not included in this data. The county data also does not include funding categorized as “statewide,” which accounts for approximately 30% of the capital program funding for which specific projects are not identified at the time of appropriation.

Source: Department of Legislative Services calculations from the Department of Budget and Management data



**Exhibit 22**  
**Geographical Distribution of State Nontransportation Capital Funding**  
**Fiscal 2019 as Proposed by the Governor**

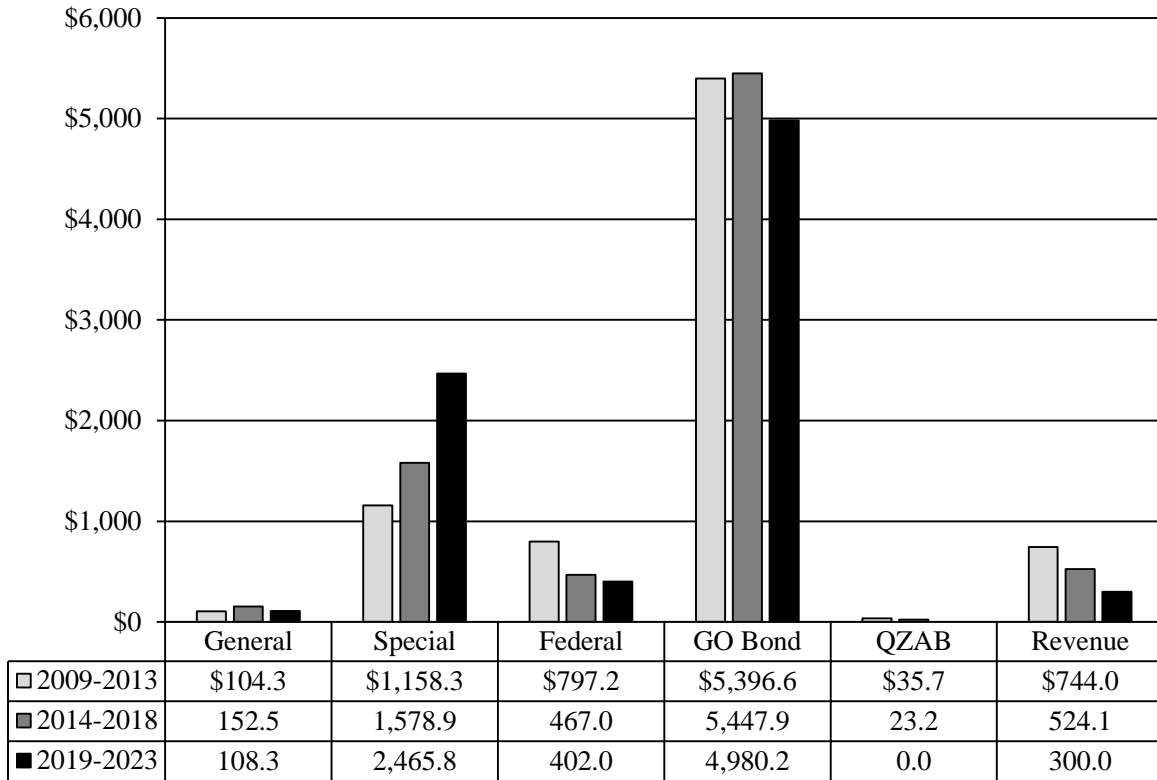


Note: This data represents the sum of capital projects and grant programs included in the fiscal 2019 operating and capital budgets and reflects the particular projects anticipated to be funded at the time the budget is adopted. The data includes all projects regardless of funding source but excludes State university projects funded with auxiliary revenue bonds. Transportation projects are not included in this data. The county data also does not include funding categorized as “statewide,” which accounts for approximately 30% of the capital program funding for which specific projects are not identified at the time of appropriation.

Source: Department of Legislative Services calculations from the Department of Budget and Management data

**Exhibit 23** compares the programmed levels by source in the State’s five-year CIP relative to the actual funding for the two previous five-year periods.

**Exhibit 23**  
**Capital Program by Funding Source Comparison – All Funds**  
**Fiscal 2009-2013; Fiscal 2014-2018; and Fiscal 2019-2023**  
 (\$ in Millions)

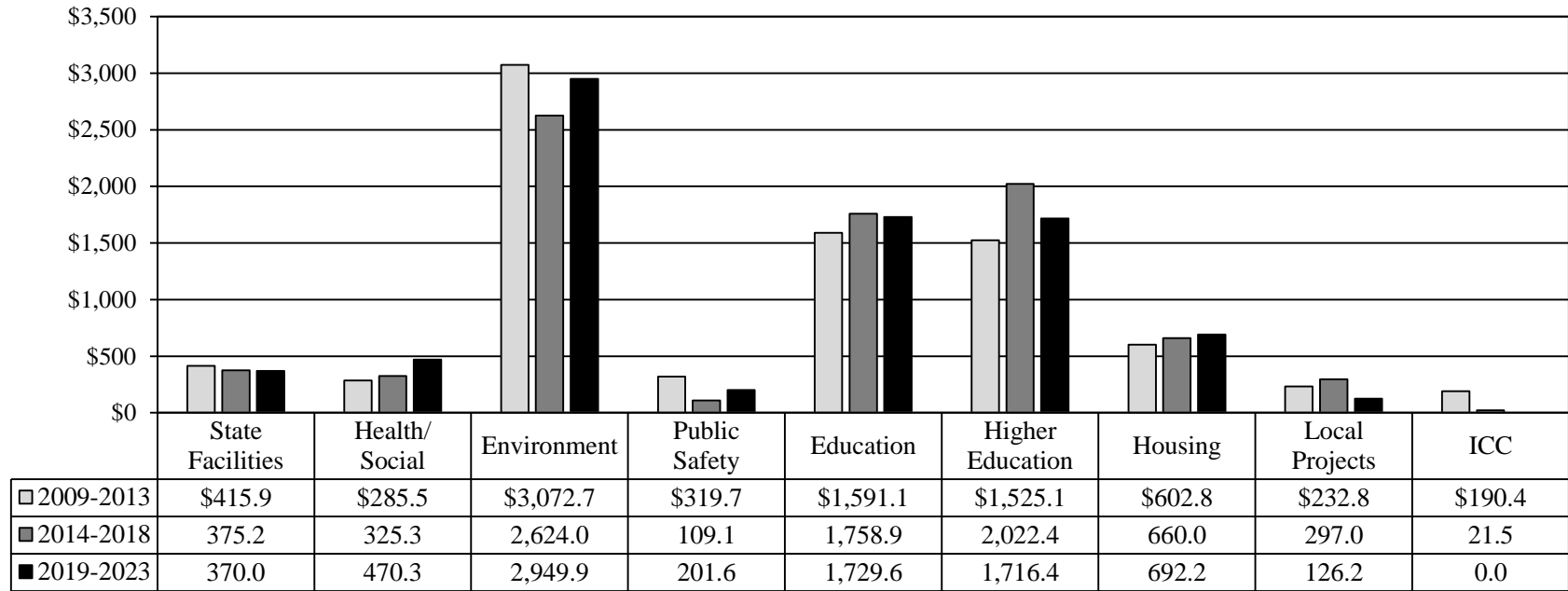


GO: general obligation  
 QZAB: Qualified Zone Academy Bond

Source: Department of Budget and Management

**Exhibits 24 and 25** compare programmed funding levels by category in the State’s five-year CIP relative to actual funding for the two previous five-year periods.

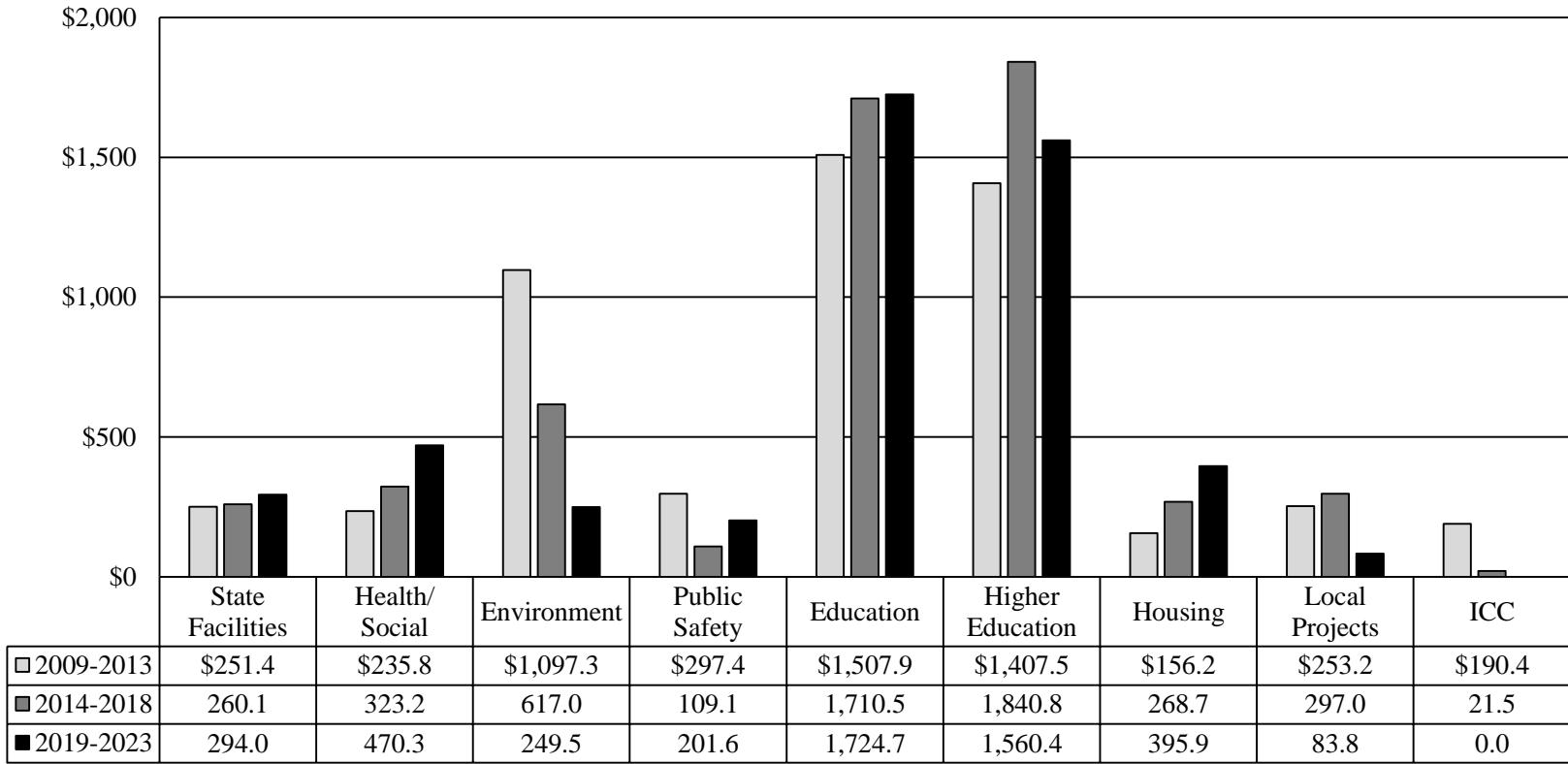
**Exhibit 24**  
**Capital Programs by Major Funding Category – All Funds**  
**Fiscal 2009-2013; Fiscal 2014-2018; and Fiscal 2019-2023**  
**(\$ in Millions)**



ICC: InterCounty Connector

Source: Department of Budget and Management

**Exhibit 25**  
**Capital Programs by Major Funding Category – GO Funds**  
**Fiscal 2009-2013; Fiscal 2014-2018; and Fiscal 2019-2023**  
**(\$ in Millions)**



GO: general obligation  
 ICC: InterCounty Connector

Source: Department of Budget and Management

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**Appendix 1  
Top Funded Capital Programs and Projects – All Funds  
Fiscal 2019 as Introduced  
(\$ in Millions)**

<u>Project Title</u>	<u>GO Bond</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	<u>Total Funds</u>
BPW: Public School Construction Program	\$309.0	\$0.0	\$4.9	\$0.0	\$0.0	\$313.9
MDE: Maryland Water Quality Revolving Loan Fund	13.2	150.0	0.0	110.4	33.0	306.6
MDE: Bay Restoration Fund	0.0	0.0	0.0	70.0	0.0	70.0
UMBC: Interdisciplinary Life Sciences Building	57.8	5.0	0.0	0.0	0.0	62.8
TU: Science Facility	58.7	2.0	0.0	0.0	0.0	60.7
MHEC: Community College Facilities Grant Program	60.1	0.0	0.0	0.0	0.0	60.1
DNR: Program Open Space – State	0.0	0.0	0.0	55.9	3.0	58.9
DNR: Program Open Space – Local	0.0	0.0	0.0	52.4	0.0	52.4
MDA: Agricultural Land Preservation Program	0.0	0.0	0.0	49.0	0.0	49.0
MSU: New Student Services Support Building	46.1	0.0	0.0	0.0	0.0	46.1
DHCD: Rental Housing Program	20.0	0.0	0.0	15.5	4.5	40.0
BPW: Supplemental Capital Grant Program	40.0	0.0	0.0	0.0	0.0	40.0
MDE: Maryland Drinking Water Revolving Loan Program	5.7	0.0	0.0	16.9	10.3	32.8
DHCD: Strategic Demolition and Smart Growth Impact Fund	28.5	0.0	0.0	0.0	0.0	28.5
USMO: Southern Maryland Regional Higher Education Center	28.4	0.0	0.0	0.0	0.0	28.4
DNR: Rural Legacy Program	5.0	0.0	0.0	20.0	0.0	25.0
USMO: Shady Grove Educational Center – Biomedical Sciences and Engineering Education Building	23.1	0.0	0.0	0.0	0.0	23.1
BPW: Facilities Renewal Program	20.5	0.0	0.0	0.0	0.0	20.5
UMMS: Capital Region Medical Center	19.0	0.0	0.0	0.0	0.0	19.0
USMO: Capital Facilities Renewal Program	0.0	17.0	0.0	0.0	0.0	17.0
DNR: Waterway Improvement Program	0.0	0.0	0.0	12.5	2.5	15.0
MDE: Bay Restoration Fund Septic System Program	0.0	0.0	0.0	15.0	0.0	15.0

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<u>Project Title</u>	<u>GO Bond</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	<u>Total Funds</u>
DNR: Natural Resources Development Fund	0.0	0.0	0.0	14.4	0.0	14.4
DHCD: Homeownership Programs	12.0	0.0	0.0	1.5	0.0	13.5
DNR: Critical Maintenance Program	0.0	0.0	6.0	7.0	0.0	13.0
BPW: New Catonsville District Court	12.0	0.0	0.0	0.0	0.0	12.0
DoIT: Public Safety Communication System	10.5	0.0	0.0	0.0	0.0	10.5
DHCD: Housing and Building Energy Programs	1.0	0.0	0.0	8.4	0.7	10.1
UMMS: Neonatal Intensive Care Unit and Outpatient Center Building	10.0	0.0	0.0	0.0	0.0	10.0
<b><i>Subtotal: Top Funded Programs and Projects</i></b>	<b><i>\$780.6</i></b>	<b><i>\$174.0</i></b>	<b><i>\$10.9</i></b>	<b><i>\$448.8</i></b>	<b><i>\$54.0</i></b>	<b><i>\$1,468.3</i></b>
<b><i>Subtotal: Other Funded Programs and Projects</i></b>	<b><i>\$219.6</i></b>	<b><i>\$0.0</i></b>	<b><i>\$9.4</i></b>	<b><i>\$21.4</i></b>	<b><i>\$13.8</i></b>	<b><i>\$264.3</i></b>
<b>Total</b>	<b>\$1,000.2</b>	<b>\$174.0</b>	<b>\$20.3</b>	<b>\$470.2</b>	<b>\$67.8</b>	<b>\$1,732.6</b>
<b>De-authorizations as Introduced</b>	<b>-\$5.2</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>-\$5.2</b>
<b>Grand Total</b>	<b>\$995.0</b>	<b>\$174.0</b>	<b>\$20.3</b>	<b>\$470.2</b>	<b>\$67.8</b>	<b>\$1,727.4</b>

BPW: Board of Public Works  
 DHCD: Department of Housing and Community Development  
 DNR: Department of Natural Resources  
 DoIT: Department of Information Technology  
 GO: general obligation  
 MDA: Maryland Department of Agriculture  
 MDE: Maryland Department of the Environment

MHEC: Maryland Higher Education Commission  
 MSU: Morgan State University  
 TU: Towson University  
 UMBC: University of Maryland Baltimore County  
 UMMS: University of Maryland Medical System  
 USMO: University System of Maryland Office

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Appendix 2  
Capital Program Summary for the 2019 Session

<u>Function</u>	<u>Bonds</u>		<u>Current Funds (PAYGO)</u>			<u>Total</u>
	<u>General Obligation</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	
<b>State Facilities</b>						<b>\$67.8</b>
Facilities Renewal	\$22.5	\$0.0	\$0.0	\$0.0	\$0.0	
State Facilities Other	42.4	0.0	0.0	0.0	2.8	
<b>Health/Social</b>						<b>\$53.3</b>
Health Other	\$9.6	\$0.0	\$0.0	\$0.0	\$0.0	
Health State Facilities	0.4	0.0	0.0	0.0	0.0	
Private Hospitals	43.3	0.0	0.0	0.0	0.0	
<b>Environment</b>						<b>\$700.0</b>
Agriculture	\$13.5	\$0.0	\$0.0	\$50.0	\$0.0	
Energy	0.0	0.0	0.0	2.1	0.0	
Environment	22.7	150.0	0.5	220.3	43.3	
Maryland Environmental Service	9.6	0.0	0.0	0.0	0.0	
Natural Resources	12.5	0.0	6.0	164.2	5.5	
<b>Public Safety</b>						<b>\$14.8</b>
Local Jails	\$7.3	\$0.0	\$0.0	\$0.0	\$0.0	
State Corrections	5.2	0.0	0.0	0.0	0.0	
State Police	2.3	0.0	0.0	0.0	0.0	
<b>Education</b>						<b>\$375.4</b>
Education Other	\$10.4	\$0.0	\$0.0	\$0.0	\$0.0	
School Construction	360.1	0.0	4.9	0.0	0.0	
<b>Higher Education</b>						<b>\$348.4</b>
Community Colleges	\$60.5	\$0.0	\$0.0	\$0.0	\$0.0	
Morgan State University	46.5	0.0	0.0	0.0	0.0	
Private Colleges/Universities	13.0	0.0	0.0	0.0	0.0	
St. Mary's College	6.0	0.0	0.0	0.0	0.0	
University System	198.4	24.0	0.0	0.0	0.0	
<b>Housing and Community Development</b>						<b>\$151.8</b>
Housing	\$86.8	\$0.0	\$0.0	\$33.5	\$16.2	
Housing Other	6.1	0.0	8.9	0.3	0.0	
<b>Local Projects</b>						<b>\$21.1</b>
Local Project Administration	\$21.1	\$0.0	\$0.0	\$0.0	\$0.0	
<b>De-authorizations</b>						<b>-\$5.2</b>
De-authorizations	-\$5.2	\$0.0	\$0.0	\$0.0	\$0.0	
<b>Total</b>	<b>\$995.0</b>	<b>\$174.0</b>	<b>\$20.3</b>	<b>\$470.2</b>	<b>\$67.8</b>	<b>\$1,727.4</b>

*Capital Budget Fiscal Briefing*

<u>Function</u>	<b>Bonds</b>		<b>Current Funds (PAYGO)</b>			<u>Total</u>
	<u>General Obligation</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	
<b>Fiscal 2018 Deficiencies</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$2.5</b>	<b>\$3.2</b>	<b>\$5.7</b>
<b>Transportation CTP</b>	<b>\$710.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$840.6</b>	<b>\$1,128.9</b>	<b>\$2,679.5</b>
<b>Grand Total</b>	<b>\$1,705.0</b>	<b>\$174.0</b>	<b>\$20.3</b>	<b>\$1,313.4</b>	<b>\$1,199.9</b>	<b>\$4,412.6</b>

CTP: *Consolidated Transportation Program*

PAYGO: pay-as-you-go



**Appendix 3  
Capital Program for the 2018 Session as Introduced**

<u>Budget Code</u>	<u>Project Title</u>	<u>Bonds</u>		<u>Current Funds (PAYGO)</u>			<u>Total Funds</u>
		<u>General Obligation</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	
	<b>State Facilities</b>						
DE0201A	BPW: Facilities Renewal Program	\$20,540,000	\$0	\$0	\$0	\$0	\$20,540,000
DE0201B	BPW: Annapolis Post Office	8,209,000	0	0	0	0	8,209,000
DE0201C	BPW: Lawyer's Mall	2,000,000	0	0	0	0	2,000,000
	Underground Infrastructure						
DE0211A	BPW: New Catonsville District Court	12,019,000	0	0	0	0	12,019,000
DE0211B	BPW: Shillman Building Conversion	985,000	0	0	0	0	985,000
DH0104A	MD: Freedom Readiness Center	9,428,000	0	0	0	0	9,428,000
FB04A	DoIT: Public Safety Communication System	10,500,000	0	0	0	0	10,500,000
RP00A	MPBC: Maryland Public Television Transmission Systems Replacement	1,156,000	0	0	0	2,847,000	4,003,000
RP00B	MPBC: Studio A Renovation and Addition	100,000	0	0	0	0	100,000
	<b>Subject Category Subtotal</b>	<b>\$64,937,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,847,000</b>	<b>\$67,784,000</b>
	<b>Health/Social</b>						
DA07A	MDOA: Senior Centers Capital Grant Program	\$1,600,000	\$0	\$0	\$0	\$0	\$1,600,000
MA01A	MDH: Community Health Facilities Grant Program	5,529,000	0	0	0	0	5,529,000
MA01B	MDH: Federally Qualified Health Centers Grant Program	2,500,000	0	0	0	0	2,500,000

Budget Code	Allowance Project Title	Bonds		Current Funds (PAYGO)			Total Funds
		General Obligation	Revenue	General	Special	Federal	
ML10A	MDH: Clifton T. Perkins Hospital North Wing Renovations	375,000	0	0	0	0	375,000
RQ00A	UMMS: Capital Region Medical Center	19,000,000	0	0	0	0	19,000,000
RQ00B	UMMS: Neonatal Intensive Care Unit and Outpatient Center Building	10,000,000	0	0	0	0	10,000,000
RQ00C	UMMS: R Adams Cowley Shock Trauma Center Phase II	2,000,000	0	0	0	0	2,000,000
ZA00U	MISC: Johns Hopkins University Maryland Center for Cell Therapy Manufacturing	5,000,000	0	0	0	0	5,000,000
ZA00V	MISC: Kennedy Krieger Institute Comprehensive Autism Center	750,000	0	0	0	0	750,000
ZA00AC	MISC: Medstar Franklin Square Hospital	1,000,000	0	0	0	0	1,000,000
ZA01A	MISC: Atlantic General Hospital Corporation	1,303,000	0	0	0	0	1,303,000
ZA01B	MISC: Calvert Health System	1,727,000	0	0	0	0	1,727,000
ZA01C	MISC: Holy Cross Health, Inc.	500,000	0	0	0	0	500,000
ZA01D	MISC: Howard County General Hospital, Inc.	220,000	0	0	0	0	220,000
ZA01E	MISC: MedStar Good Samaritan Hospital	1,000,000	0	0	0	0	1,000,000
ZA01F	MISC: Mt. Washington Pediatric Hospital, Inc.	750,000	0	0	0	0	750,000
	<b>Subject Category Subtotal</b>	<b>\$53,254,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$53,254,000</b>

Budget Code	Allowance Project Title	Bonds		Current Funds (PAYGO)			Total Funds
		General Obligation	Revenue	General	Special	Federal	
	<b>Environment</b>						
DA1302	MEA: Jane E. Lawton Program	\$0	\$0	\$0	\$850,000	\$0	\$850,000
DA1303	MEA: State Agency Loan Program	0	0	0	1,200,000	0	1,200,000
KA0510A	DNR: Natural Resources Development Fund	0	0	0	14,356,000	0	14,356,000
KA0510B	DNR: Critical Maintenance Program	0	0	6,000,000	7,000,000	0	13,000,000
KA0510C	DNR: Program Open Space – State	0	0	0	55,932,004	3,000,000	58,932,004
KA0510D	DNR: Program Open Space – Local	0	0	0	52,387,825	0	52,387,825
KA05A	DNR: Community Parks and Playgrounds	2,500,000	0	0	0	0	2,500,000
KA05B	DNR: Rural Legacy Program	5,000,000	0	0	20,017,704	0	25,017,704
KA0906A	DNR: Ocean City Beach Maintenance	0	0	0	2,000,000	0	2,000,000
KA1401A	DNR: Waterway Improvement Program	0	0	0	12,500,000	2,500,000	15,000,000
KA1402A	DNR: Coastal Resiliency Program	4,725,000	0	0	0	0	4,725,000
KA1701A	DNR: Oyster Restoration Program	270,000	0	0	0	0	270,000
LA1111A	MDA: Agricultural Land Preservation Program	0	0	0	48,976,142	0	48,976,142
LA1205A	MDA: Salisbury Animal Health Laboratory Replacement	4,975,000	0	0	0	0	4,975,000
LA1213A	MDA: Tobacco Transition Program	0	0	0	999,000	0	999,000
LA15A	MDA: Maryland Agricultural Cost Share Program	8,500,000	0	0	0	0	8,500,000

Budget Code	Allowance Project Title	Bonds		Current Funds (PAYGO)			Total Funds
		General Obligation	Revenue	General	Special	Federal	
UA0104	MDE: Hazardous Substance Cleanup Program	0	0	500,000	0	0	500,000
UA0111	MDE: Bay Restoration Fund	0	0	0	70,000,000	0	70,000,000
UA0112	MDE: Bay Restoration Fund Septic System Program	0	0	0	15,000,000	0	15,000,000
UA0114	MDE: Energy Water Infrastructure Program	0	0	0	8,000,000	0	8,000,000
UA01A	MDE: Maryland Drinking Water Revolving Loan Program	5,650,000	0	0	16,880,000	10,300,000	32,830,000
UA01B	MDE: Maryland Water Quality Revolving Loan Fund	13,200,000	150,000,000	0	110,400,000	33,000,000	306,600,000
UA01C	MDE: Mining Remediation Program	500,000	0	0	0	0	500,000
UA01D	MDE: Water Supply Financial Assistance Program	3,303,000	0	0	0	0	3,303,000
UB00A	MES: Infrastructure Improvement Fund	9,590,000	0	0	0	0	9,590,000
	<b>Subject Category Subtotal</b>	<b>\$58,213,000</b>	<b>\$150,000,000</b>	<b>\$6,500,000</b>	<b>\$436,498,675</b>	<b>\$48,800,000</b>	<b>\$700,011,675</b>
	<b>Public Safety</b>						
QS0101A	DPSCS: Jessup Regional Electrical Infrastructure Upgrade	\$229,000	\$0	\$0	\$0	\$0	\$229,000
QT04A	DPSCS: Demolition of Buildings Baltimore City Correctional Complex	4,980,000	0	0	0	0	4,980,000
WA01A	DSP: New Cumberland Barrack and Garage	2,300,000	0	0	0	0	2,300,000
ZB02A	DPSCS: Anne Arundel County Central Holding and Processing Center	2,035,000	0	0	0	0	2,035,000

Budget Code	Project Title	Allowance	Bonds		Current Funds (PAYGO)			Total Funds
			General Obligation	Revenue	General	Special	Federal	
ZB02B	DPSCS: Calvert County Detention Center Inmate Program Space Addition	500,000	0	0	0	0	500,000	
ZB02C	DPSCS: Montgomery County Pre-Release Center	1,618,000	0	0	0	0	1,618,000	
ZB02D	DPSCS: Prince George's County Correctional Center	2,448,000	0	0	0	0	2,448,000	
ZB02E	DPSCS: St. Mary's County Adult Detention Center Upgrade	731,000	0	0	0	0	731,000	
	<b>Subject Category Subtotal</b>	<b>\$14,841,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$14,841,000</b>	
	<b>Education</b>							
DE0202A	BPW: Aging Schools Program	\$7,609,000	\$0	\$0	\$0	\$0	\$7,609,000	
DE0202B	BPW: Public School Construction Program	309,000,000	0	4,900,000	0	0	313,900,000	
DE0202C	BPW: Nonpublic Aging Schools Program	3,500,000	0	0	0	0	3,500,000	
DE0202D	BPW: Supplemental Capital Grant Program	40,000,000	0	0	0	0	40,000,000	
RA11A	MSLA: Public Library Grant Program	5,000,000	0	0	0	0	5,000,000	
RA11B	MSLA: State Library Resource Center	4,831,000	0	0	0	0	4,831,000	
RE01A	MSD: Veditz Building Renovation	586,000	0	0	0	0	586,000	
	<b>Subject Category Subtotal</b>	<b>\$370,526,000</b>	<b>\$0</b>	<b>\$4,900,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$375,426,000</b>	
	<b>Higher Education</b>							
RB21A	UMB: Central Electrical Substation and Electrical Infrastructure Upgrade	\$8,564,000	\$0	\$0	\$0	\$0	\$8,564,000	

Budget Code	Allowance Project Title	Bonds		Current Funds (PAYGO)			Total Funds
		General Obligation	Revenue	General	Special	Federal	
RB22A	UMCP: A. James Clark Hall New Bioengineering Building	3,608,000	0	0	0	0	3,608,000
RB22B	UMCP: Brendan Iribe Center for Computer Science and Innovation	3,900,000	0	0	0	0	3,900,000
RB22C	UMCP: New Cole Field House	7,289,000	0	0	0	0	7,289,000
RB22D	UMCP: School of Public Policy Building	2,000,000	0	0	0	0	2,000,000
RB24A	TU: Science Facility	58,744,000	2,000,000	0	0	0	60,744,000
RB26A	FSU: Education Professions and Health Sciences Center	2,000,000	0	0	0	0	2,000,000
RB27A	CSU: Percy Julian Building Renovations for the College of Business	1,634,000	0	0	0	0	1,634,000
RB31A	UMBC: Interdisciplinary Life Sciences Building	57,799,000	5,000,000	0	0	0	62,799,000
RB31B	UMBC: Utility Upgrades and Site Improvements	1,360,000	0	0	0	0	1,360,000
RB36A	USMO: Shady Grove Educational Center – Biomedical Sciences and Engineering Education Building	23,114,000	0	0	0	0	23,114,000
RB36B	USMO: Southern Maryland Regional Higher Education Center	28,365,000	0	0	0	0	28,365,000
RB36RB	USMO: Capital Facilities Renewal Program	0	17,000,000	0	0	0	17,000,000
RC00A	BCCC: Liberty Campus Loop Road and Entrance Improvements	365,000	0	0	0	0	365,000

Budget Code	Allowance Project Title	Bonds		Current Funds (PAYGO)			Total Funds
		General Obligation	Revenue	General	Special	Federal	
RD00A	SMCM: Academic Building and Auditorium	3,600,000	0	0	0	0	3,600,000
RD00B	SMCM: Campus Infrastructure Improvements	2,405,000	0	0	0	0	2,405,000
RI00A	MHEC: Community College Facilities Grant Program	60,095,000	0	0	0	0	60,095,000
RM00A	MSU: New Health and Human Services Building Phase I	461,000	0	0	0	0	461,000
RM00B	MSU: New Student Services Support Building	46,060,000	0	0	0	0	46,060,000
ZA00X	MICUA: Johns Hopkins University Pinkard Building	2,667,000	0	0	0	0	2,667,000
ZA00Y	MICUA: Loyola University of Maryland New Academic Building	2,667,000	0	0	0	0	2,667,000
ZA00Z	MICUA: Washington College New Academic Building	2,667,000	0	0	0	0	2,667,000
ZA00AN	MISC: Stevenson University Rosewood Property Environmental Abatement	5,000,000	0	0	0	0	5,000,000
	<b>Subject Category Subtotal</b>	<b>\$324,364,000</b>	<b>\$24,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$348,364,000</b>
	<b>Housing and Community Development</b>						
DB01A	HSMCC: Leonard Calvert House Exhibit	\$350,000	\$0	\$0	\$0	\$0	\$350,000
DB01B	HSMCC: Historic St. Mary's Commission Pavilion	277,000	0	0	0	0	277,000
DW0108A	MDOP: Patterson Center Renovations	3,887,000	0	0	0	0	3,887,000

Budget Code	Allowance Project Title	Bonds		Current Funds (PAYGO)			Total Funds
		General Obligation	Revenue	General	Special	Federal	
DW01112	MDOP: Sustainable Communities Tax Credit	0	0	8,905,935	0	0	8,905,935
DW0111A	MDOP: African American Heritage Preservation Grant Program	1,000,000	0	0	0	0	1,000,000
DW0111B	MDOP: Maryland Historical Trust Capital Grant Fund	600,000	0	0	0	0	600,000
DW0111C	MDOP: Maryland Historical Trust Capital Revolving Loan Fund	0	0	0	300,000	0	300,000
SA2402A	DHCD: Community Development Block Grant Program	0	0	0	0	9,000,000	9,000,000
SA24A	DHCD: Baltimore Regional Neighborhoods Initiative	3,000,000	0	0	0	0	3,000,000
SA24B	DHCD: Community Legacy Program	6,000,000	0	0	0	0	6,000,000
SA24C	DHCD: Neighborhood Business Development Program	3,300,000	0	0	2,200,000	0	5,500,000
SA24D	DHCD: Strategic Demolition and Smart Growth Impact Fund	28,500,000	0	0	0	0	28,500,000
SA2514A	DHCD: MD-BRAC Preservation Loan Fund	0	0	0	2,500,000	0	2,500,000
SA25A	DHCD: Homeownership Programs	12,000,000	0	0	1,500,000	0	13,500,000
SA25B	DHCD: Housing and Building Energy Programs	1,000,000	0	0	8,350,000	700,000	10,050,000
SA25C	DHCD: Partnership Rental Housing Program	6,000,000	0	0	0	0	6,000,000
SA25D	DHCD: Rental Housing Program	20,000,000	0	0	15,500,000	4,500,000	40,000,000



Allowance		Bonds		Current Funds (PAYGO)			
<u>Budget Code</u>	<u>Project Title</u>	<u>General Obligation</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	<u>Total Funds</u>
SA25E	DHCD: Shelter and Transitional Housing Facilities Grant Program	3,000,000	0	0	0	0	3,000,000
SA25F	DHCD: Special Loan Programs	4,000,000	0	0	3,400,000	2,000,000	9,400,000
	<b>Subject Category Subtotal</b>	<b>\$92,914,000</b>	<b>\$0</b>	<b>\$8,905,935</b>	<b>\$33,750,000</b>	<b>\$16,200,000</b>	<b>\$151,769,935</b>
	<b>Local Projects</b>						
ZA00A	MISC: Annapolis Flood Mitigation	\$750,000	\$0	\$0	\$0	\$0	\$750,000
ZA00B	MISC: Arthur Perdue Stadium Improvements	580,000	0	0	0	0	580,000
ZA00C	MISC: A Wider Circle Community Services Center	500,000	0	0	0	0	500,000
ZA00D	MISC: Baltimore Museum of Art	250,000	0	0	0	0	250,000
ZA00E	MISC: Baltimore Recreational Centers Renovations	400,000	0	0	0	0	400,000
ZA00F	MISC: Center Stage	250,000	0	0	0	0	250,000
ZA00G	MISC: Charles E. Smith Communities Facility Improvements	250,000	0	0	0	0	250,000
ZA00H	MISC: Chesapeake Grove Senior Housing and Intergenerational Center	1,000,000	0	0	0	0	1,000,000
ZA00I	MISC: Compass Regional Hospice	250,000	0	0	0	0	250,000
ZA00J	MISC: Cumberland Plaza Redevelopment and Perkins Building	420,000	0	0	0	0	420,000
ZA00K	MISC: Downtown Columbia Cultural Arts Center	500,000	0	0	0	0	500,000

Budget Code	Allowance Project Title	Bonds		Current Funds (PAYGO)			Total Funds
		General Obligation	Revenue	General	Special	Federal	
ZA00L	MISC: Downtown Partnership of Baltimore	500,000	0	0	0	0	500,000
ZA00M	MISC: Dulaney High School Athletic Fields	150,000	0	0	0	0	150,000
ZA00N	MISC: East Baltimore Biotechnology Park	250,000	0	0	0	0	250,000
ZA00O	MISC: Ellicott City Flood Mitigation	750,000	0	0	0	0	750,000
ZA00P	MISC: Hagerstown Revitalization	750,000	0	0	0	0	750,000
ZA00Q	MISC: Helping Up Mission	500,000	0	0	0	0	500,000
ZA00R	MISC: Hillel Student Center	1,000,000	0	0	0	0	1,000,000
ZA00S	MISC: Hippodrome Foundation	250,000	0	0	0	0	250,000
ZA00T	MISC: Historic Annapolis	1,000,000	0	0	0	0	1,000,000
ZA00W	MISC: Lexington Market	500,000	0	0	0	0	500,000
ZA00AA	MISC: Maryland State Fairgrounds	750,000	0	0	0	0	750,000
ZA00AB	MISC: Maryland Zoo in Baltimore	3,500,000	0	0	0	0	3,500,000
ZA00AD	MISC: Melvin J. Berman Hebrew Academy	150,000	0	0	0	0	150,000
ZA00AE	MISC: Merriweather Post Pavilion	1,000,000	0	0	0	0	1,000,000
ZA00AF	MISC: National Aquarium in Baltimore	1,000,000	0	0	0	0	1,000,000
ZA00AG	MISC: New Professional Soccer Stadium	250,000	0	0	0	0	250,000
ZA00AH	MISC: New Spire Arts	250,000	0	0	0	0	250,000
ZA00AI	MISC: NorthBay Environmental Education Center	200,000	0	0	0	0	200,000
ZA00AJ	MISC: Roberta's House	250,000	0	0	0	0	250,000

Allowance		Bonds		Current Funds (PAYGO)			
Budget Code	Project Title	General Obligation	Revenue	General	Special	Federal	Total Funds
ZA00AK	MISC: Ronald McDonald House	500,000	0	0	0	0	500,000
ZA00AL	MISC: Salisbury Revitalization	500,000	0	0	0	0	500,000
ZA00AM	MISC: Sheppard Pratt Hospital	750,000	0	0	0	0	750,000
ZA00AO	MISC: Thomas Kennedy Memorial Park	100,000	0	0	0	0	100,000
ZA00AP	MISC: Westminster Rescue Mission	250,000	0	0	0	0	250,000
ZA00AQ	MISC: Woodbourne Center Vocational Program	380,000	0	0	0	0	380,000
ZA00AR	MISC: YMCA Senior Center	500,000	0	0	0	0	500,000
	<b>Subject Category Subtotal</b>	<b>\$21,130,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$21,130,000</b>
	<b>Current Year Nontransportation Total</b>	<b>\$1,000,179,000</b>	<b>\$174,000,000</b>	<b>\$20,305,935</b>	<b>\$470,248,675</b>	<b>\$67,847,000</b>	<b>\$1,732,580,610</b>
	<b>De-authorizations</b>						
ZF00	De-authorizations as Introduced	-\$5,179,000	\$0	\$0	\$0	\$0	-\$5,179,000
	<b>Subject Category Subtotal</b>	<b>-\$5,179,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>-\$5,179,000</b>
	<b>Adjusted Nontransportation Total</b>	<b>\$995,000,000</b>	<b>\$174,000,000</b>	<b>\$20,305,935</b>	<b>\$470,248,675</b>	<b>\$67,847,000</b>	<b>\$1,727,401,610</b>
	<b>Transportation CTP</b>	<b>\$0</b>	<b>\$710,000,000</b>	<b>\$0</b>	<b>\$840,654,474</b>	<b>\$1,128,948,000</b>	<b>\$2,679,602,474</b>
	<b>Current Year Grand Total</b>	<b>\$1,000,179,000</b>	<b>\$884,000,000</b>	<b>\$20,305,935</b>	<b>\$1,310,903,149</b>	<b>\$1,196,795,000</b>	<b>\$4,412,183,084</b>
	<b>Fiscal 2018 Deficiencies</b>						
RP00A	MPBC: Maryland Public Television Transmission Systems Replacement	\$0	\$0	\$0	\$0	\$3,000,000	\$3,000,000

Allowance		Bonds		Current Funds (PAYGO)			
Budget Code	Project Title	General Obligation	Revenue	General	Special	Federal	Total Funds
KA0510A	DNR: Natural Resources Development Fund	0	0	0	2,543,348	200,000	2,743,348
	<b>Subject Category Subtotal</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,543,348</b>	<b>\$3,200,000</b>	<b>\$5,743,348</b>
	<b>Grand Total</b>	<b>\$1,000,179,000</b>	<b>\$884,000,000</b>	<b>\$20,305,935</b>	<b>\$1,313,446,497</b>	<b>\$1,199,995,000</b>	<b>\$4,417,926,432</b>

BCCC: Baltimore City Community College  
 BPW: Board of Public Works  
 CSU: Coppin State University  
 CTP: Consolidated Transportation Program  
 DHCD: Department of Housing and Community Development  
 DNR: Department of Natural Resources  
 DPSCS: Department of Public Safety and Correctional Services  
 DoIT: Department of Information Technology  
 DSP: Department of State Police  
 HSMCC: Historic St. Mary's City Commission  
 FSU: Frostburg State University  
 MD: Military Department  
 MD-BRAC: Maryland Base Realignment and Closure  
 MDA: Maryland Department of Agriculture  
 MDE: Maryland Department of the Environment  
 MDH: Maryland Department of Health  
 MDOA: Maryland Department of Aging  
 MDOP: Maryland Department of Planning

MEA: Maryland Energy Administration  
 MES: Maryland Environmental Service  
 MHEC: Maryland Higher Education Commission  
 MICUA: Maryland Independent College and University Association  
 MISC: miscellaneous  
 MPBC: Maryland Public Broadcasting Commission  
 MSD: Maryland School for the Deaf  
 MSLA: Maryland State Library Agency  
 MSU: Morgan State University  
 PAYGO: pay-as-you-go  
 SMCM: St. Mary's College of Maryland  
 TU: Towson University  
 UMB: University of Maryland, Baltimore Campus  
 UMBC: University of Maryland Baltimore County  
 UMCP: University of Maryland, College Park Campus  
 UMMS: University of Maryland Medical System  
 USMO: University System of Maryland Office

Note: General obligation (GO) bond totals include \$4.83 million of Qualified Zone Academy Bonds not counted under the limit for new GO bond authorizations for the 2017 session.

Source: Department of Budget and Management

*Capital Budget Fiscal Briefing*

**Appendix 4**  
**Comparison of CDAC, SAC, Governor's Request Final Legislative Authorization**  
**1999-2018 Session**  
**(\$ in Millions)**

<u>Session</u>	<u>CDAC</u>	<u>SAC</u>	<u>Governor's Request</u>	<u>Final</u>
1999	\$445	\$445	\$445	\$445
2000	460	460	460	460
2001	475	475	475	505 <sup>1</sup>
2002	520	720	731	720 <sup>2</sup>
2003	740	740	740	740
2004	655	655	655	655
2005	670	670	670	670
2006	690	690	690	690
2007	810	810	810	810
2008	935	935	935	935
2009	1,110	1,110	1,110	1,110
2010	1,140	1,140	1,140	1,140
2011	925	925	925	925
2012	1,075	1,075	1,075	1,075
2013	1,075	1,075	1,075	1,075
2014	1,160	1,160	1,160	1,160 <sup>3</sup>
2015	1,170	1,095	995	1,045 <sup>4</sup>
2016	995	1,055	995	995 <sup>5</sup>
2017	995	1,065	995	1,065
2018	995	1,075	995	n/a

CDAC: Capital Debt Affordability Committee

SAC: Spending Affordability Committee

<sup>1</sup> CDAC was reconvened in March 2001 and increased the limit to \$505 million.

<sup>2</sup> SAC increased the \$520 million CDAC recommendation to make room for \$200 million of previously funded projects with pay-as-you-go funds to be de-authorized and funded with general obligation (GO) bonds.

<sup>3</sup> Although the General Assembly concurred with the recommendation to increase the 2014 session authorization by \$75 million, SAC recommended against increasing out-year authorizations by \$75 million annually.

<sup>4</sup> The General Assembly did not authorize new GO bonds to the \$1,095 million limit and instead constrained the limit to \$1,045 million, although \$48 million in bond premium was used to supplement State capital spending.

<sup>5</sup> The General Assembly did not authorize new GO bonds to the \$1,055 million limit and instead constrained the limit to the Governor's recommendation of \$995 million, although this included the use of \$122 million in general funds to supplement the capital program later reduced to \$63 million through the actions of the Board of Public Works and the decision by the Administration to not appropriate \$48 million of general funds restricted in the State Reserve fund for capital purposes.

Source: 2017 *Capital Debt Affordability Committee Report* and the 2018 *Capital Improvement Program*

**Appendix 5**  
**GO Bond De-authorizations and Other Changes**  
**2018 Maryland Consolidated Capital Bond Loan**

<u>Chapter Law</u>	<u>Agency</u>	<u>Project Title</u>	<u>Amount</u>	<u>Rationale</u>
Chapter 483 of 2010	MDE	Water Supply Financial Assistance Program – Charles County Water Supply System	-\$350,000	Funds terminated June 1, 2017
Chapter 444 of 2012	UMBC	New Performing Arts and Humanities Facility	-1,000,000	Project complete
Chapter 424 of 2013	MDH	Spring Grove Hospital Center	-400,000	Project canceled
Chapter 424 of 2013	CSU	Pedestrian Bridge – ADA Improvements	-652,000	Project complete
Chapter 424 of 2013	UMBC	New Performing Arts and Humanities Facility	-114,891	Project complete
Chapter 463 of 2014	SMCM	Anne Arundel Hall Reconstruction	-279,125	Funds not needed to complete project
Chapter 463 of 2014	MISC	Eastern Shore Food Hub	-500,000	Project on hold
Chapter 463 of 2014	MISC	National Sailing Hall of Fame	-250,000	Project on hold
Chapter 463 of 2014	CSU	New Science and Technology Center	-223,724	Funds not needed to complete project
Chapter 495 of 2015	SMCM	Anne Arundel Hall Reconstruction	-409,260	Funds not needed to complete project
Chapter 27 of 2016	MISC	National Sailing Hall of Fame II	-1,000,000	Project on hold
<b>Total</b>			<b>-\$5,179,000</b>	

ADA: Americans with Disabilities Act  
 CSU: Coppin State University  
 GO: general obligation  
 MDE: Maryland Department of the Environment  
 MDH: Maryland Department of Health  
 MISC.: miscellaneous  
 SMCM: St. Mary’s College of Maryland  
 UMBC: University of Maryland Baltimore County

Source: SB 186/HB 162