
Capital Budget Fiscal Briefing

**Department of Legislative Services
Office of Policy Analysis
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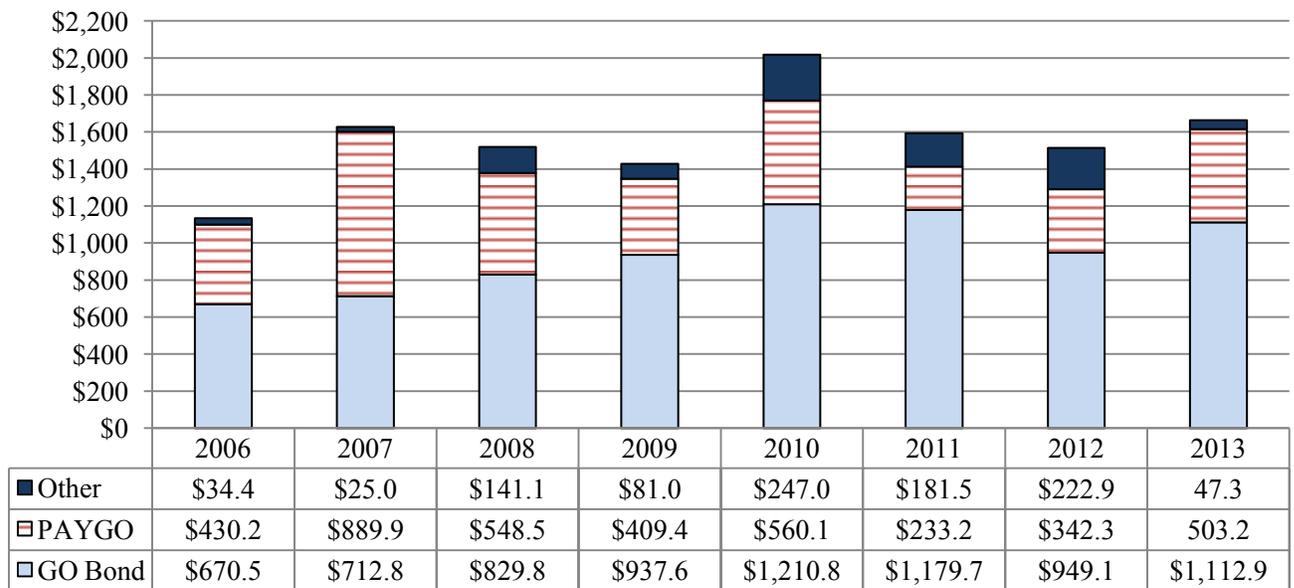
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Analysis of the FY 2013 Maryland Executive Budget, 2012

Capital Program

Exhibit 1 shows the level of capital investment from fiscal 2006 through the proposed fiscal 2013 budget. All funds included, the fiscal 2013 capital program totals \$1.66 billion and is fairly consistent with the more recent annual capital program funding levels. The highest level of capital funding was reached in fiscal 2010 which included elevated levels of debt funding to relieve pressure on the operating budget. This included the use of general obligation (GO) bonds to replace special fund transfers from capital accounts and accommodate programs traditionally funded with pay-as-you-go (PAYGO) funds. In addition, fiscal 2010 included \$180 million of revenue bond authorizations for enhancements to the State’s largest wastewater treatment plants and \$70 million of Program Open Space bonds backed by future transfer tax revenues. Capital funding in fiscal 2010 was also enhanced with the receipt of one-time federal funds provided through the American Recovery and Reinvestment Act of 2009 (ARRA), primarily in the housing and environment programs. Elevated GO bond authorizations levels for operating budget relief continued in fiscal 2011, but total funding declined relative to fiscal 2010 due to the elimination of ARRA funding.

Exhibit 1
Capital Funding by Major Source
Fiscal 2006-2013
(\$ in Millions)



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

Source: Department of Budget and Management

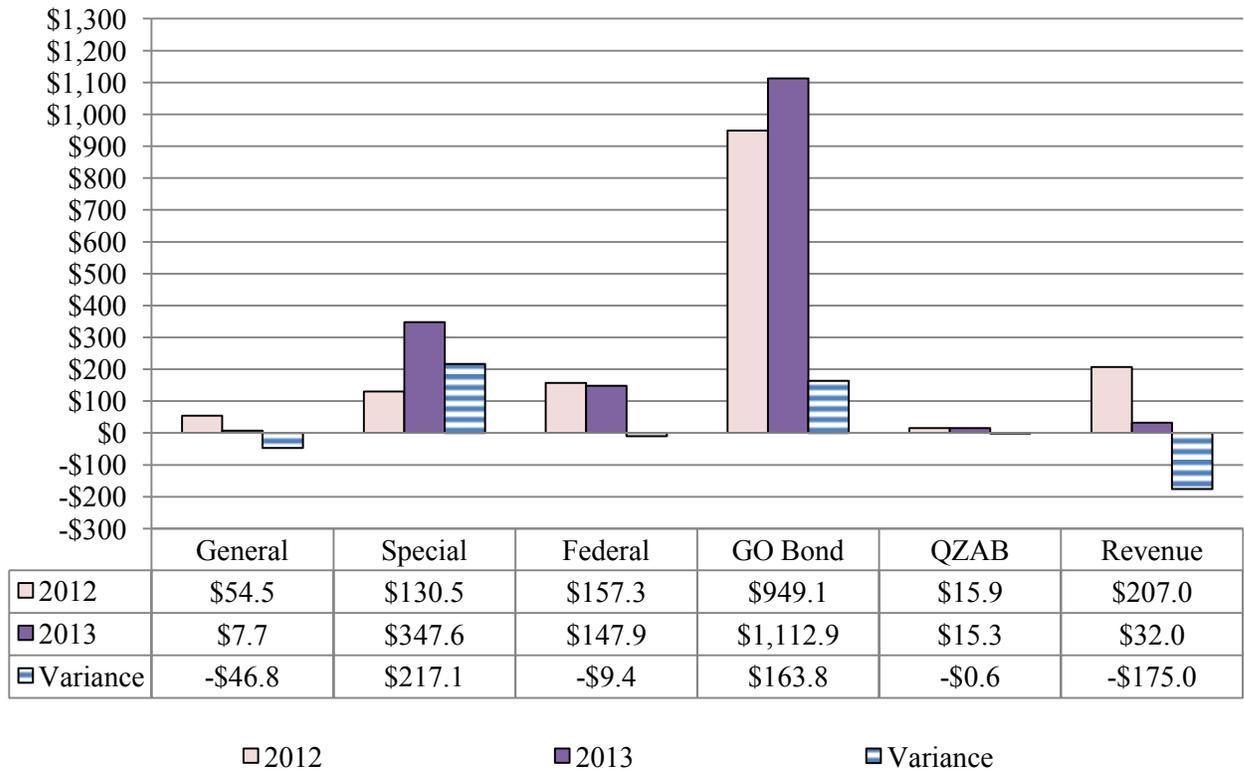
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In fiscal 2012, despite continued use of GO authorizations to assist with the operating budget plan, the level of GO bond authorizations was reduced due to State debt capacity issues which reduced total funding levels relative to fiscal 2011. The proposed fiscal 2013 capital program exceeds both the fiscal 2011 and 2012 budgets and includes increased PAYGO funding and an upward adjustment in new GO bond authorizations.

Fiscal 2013 Proposed Capital Program

Exhibit 2 compares fiscal 2012 and proposed fiscal 2013 capital program funding by major fund source.

Exhibit 2
Comparison of Fiscal 2012 and 2013 Capital Programs by Funding Source
 (\$ in Millions)



GO: general obligation
 QZAB: Qualified Zone Academy Bonds

Source: Department of Budget and Management

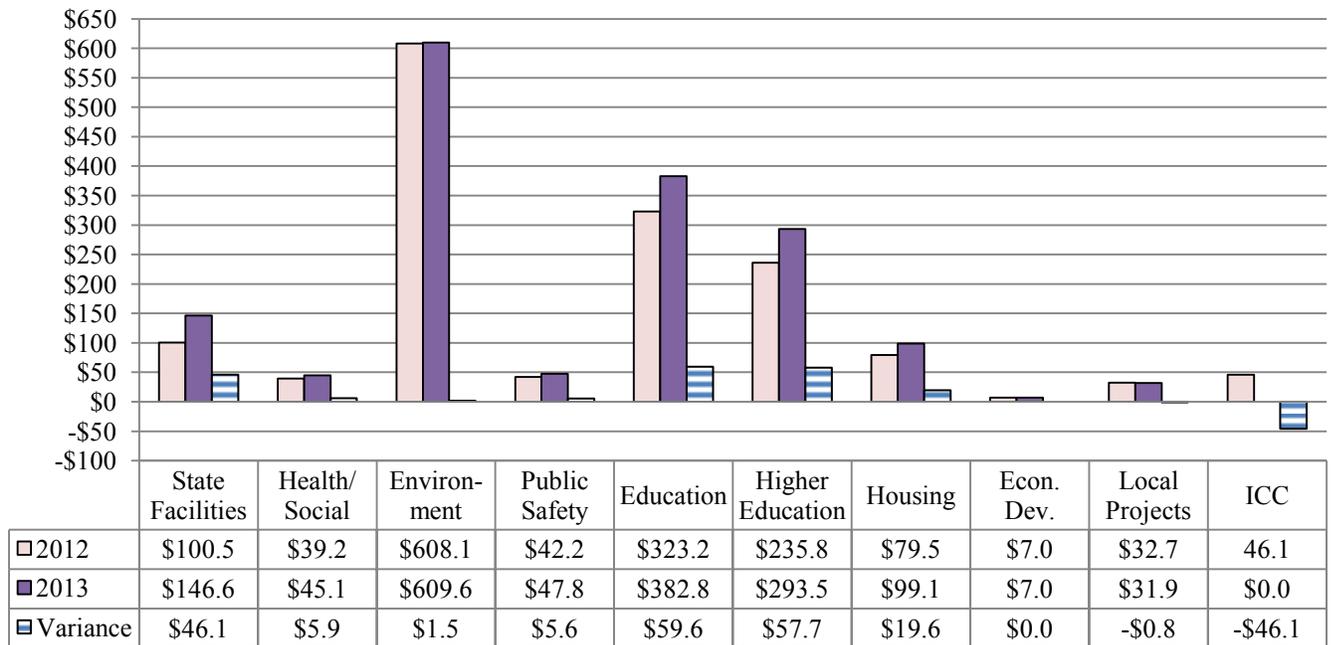
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- **Debt:** The level of new GO bond authorizations for the 2012 session was increased by \$150.0 million to stimulate employment growth. The remaining difference reflects the recycling of de-authorized funds included in the bill as introduced. Additional debt authorizations include \$32.0 million of Academic Revenue Bonds for University System of Maryland (USM) projects which is up \$5.0 million from last year. The budget no longer reflects Maryland Department of the Environment (MDE) revenue bonds for upgrades to wastewater treatment plants as the entire \$530 million of revenue bonds backed by the revenues in the Bay Restoration Fund have already been authorized in the budget (note only \$50.0 million of this authorization has been issued to date). The budget also includes \$15.3 million of Qualified Zone Academy Bonds (QZAB) to supplement the Aging Schools Program and other QZAB-qualified K-12 capital-eligible projects.
- **PAYGO:** The PAYGO component of the capital program totals \$503.2 million, comprised of general, special, and federal fund sources. Adjustments to general funds reflect the elimination of the \$47.5 million of supplementary general fund appropriations provided for school construction projects authorized by Chapter 527 of 2011. An increase in special funds of \$217.1 million primarily reflects (1) the budgeting of the annual revenues from the Bay Restoration Fund, as opposed to the transfer of these revenues to the general fund and replacement with GO bonds, and the Administration's proposal to double the "flush tax" adds \$113.0 million in special funds to the budget, and (2) an additional \$96.0 million in special funds from the Water Quality and Drinking Water loan programs to assist local governments with the financing of wastewater and drinking water related infrastructure improvements. The level of federal funds relative to fiscal 2012 increases by \$9.4 million.

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Exhibit 3 further illustrates, by major funding category, where the proposed fiscal 2013 capital investments will be targeted as compared to the fiscal 2012 capital program.

Exhibit 3
Fiscal 2013 Proposed Capital Program Compared to Fiscal 2012 Program
By Major Funding Category
(\$ in Millions)



ICC: InterCounty Connector

Source: Department of Budget and Management

The following summarizes the significant investments by category:

- State Facilities:** The continued build-out of the One Maryland Broadband Network and the Public Safety Communication System receive \$56.7 million and \$25.2 million, respectively. The Facilities Renewal Program administered by the Department of General Services (DGS) receives \$20.6 million, and another \$15.7 million is provided for renovations and improvements to other DGS-managed State facilities. Another \$21.9 million will fund alterations and additions to the Dundalk Readiness Center (Armory).
- Health and Social:** Funding for hospital improvements totals \$33.0 million including \$13.5 million for the University of Maryland Medical System for upgrades to the trauma center, \$10.0 million for the Prince George’s Hospital System, \$5.0 million for Maryland Hospital Association projects, and \$2.4 million for Federally Qualified Health Centers.

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- **Environment:** Grants and loans to local governments for water infrastructure improvements receive \$247.5 million. Another \$203.5 million funds programs that contribute to the restoration of the Chesapeake Bay, including \$123.9 million for Enhanced Nutrient Removal and \$26.8 million of Biological Nutrient Removal projects, \$27.8 million for the first year of a three-year initiative to supplement funding to the Chesapeake Bay 2010 trust fund for grants to local governments for stormwater infrastructure improvements; \$17.0 million for the Septic System Upgrade program; and \$8.1 million for oyster restoration projects. Land preservation programs receive \$115.0 million, a portion of which reflects GO bond replacement.
- **Public Safety:** Funding to continue the State's purchase of a new Medevac helicopter fleet totals \$38.7 million. The Administration's funding proposal would continue the multi-year funding and purchasing of 10 new helicopters.
- **Education:** The Public School Construction program receives \$351.4 million, which represents the second highest funding proposed by the Governor (second only to the \$400.0 million proposed in the fiscal 2008 budget). This is supplemented with \$15.3 million of QZAB authorizations and \$6.1 million for the Aging Schools Program.
- **Higher Education:** USM campuses receive \$215.6 million, including \$44.6 million for the new Center for Communications and Information Technology at Frostburg State University; \$38.8 million for the new Science and Technology Center at Coppin State University; \$33.2 million for Phase II of the new Performing Arts and Humanities Building at the University of Maryland Baltimore County; and \$37.0 million for the USM Facilities Renewal program and University of Maryland, College Park infrastructure improvements. Morgan State University is funded with \$29.2 million, highlighted by \$20.7 million for the new School of Business Complex. Community colleges receive \$44.4 million, and private colleges receive \$4.0 million.
- **Housing and Community Development:** Funding for programs administered by the Department of Housing and Community Development receive \$98.0 million, including \$15.0 million for the Rental Housing Works program to provide gap financing for projects that will add or rehabilitate affordable rental housing units and \$5.0 million for the Strategic Demolition and Smart Growth Impact Project Fund, which will provide funds for local governments and private entities for targeted revitalization projects.

Appendix 1 provides a historical illustration of the capital funding by major category.

Exhibit 4 shows the top funded capital projects and programs for fiscal 2013 by major fund source. **Exhibit 5** summarizes the capital program by function. **Exhibit 6** describes programs that provide operating budget relief. **Appendix 2** provides a list of the projects included in the proposed fiscal 2013 capital budget.

Exhibit 4
Top Funded Capital Programs and Projects – All Funds
(\$ 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	\$351.4	\$0.0	\$0.0	\$0.0	\$0.0	\$351.4
MDE: Maryland Water Quality Revolving Loan Fund	7.1	0.0	0.0	156.6	34.3	198.0
MDE: Enhanced Nutrient Removal	18.2	0.0	0.0	105.7	0.0	123.9
DNR: Program Open Space	70.1	0.0	0.0	2.5	3.0	75.6
DoIT: One Maryland Broadband Network	5.0	0.0	0.0	0.0	51.7	56.7
FSU: New Center for Communications and Information Technology	44.6	0.0	0.0	0.0	0.0	44.6
MDE: Maryland Drinking Water Revolving Loan Fund	3.0	0.0	0.0	28.4	10.6	42.0
CSU: New Science and Technology Center	28.8	10.0	0.0	0.0	0.0	38.8
DSP: State Police Helicopter Replacement	38.7	0.0	0.0	0.0	0.0	38.7
MHEC: Community College Facilities Grant Program	37.7	0.0	0.0	0.0	0.0	37.7
DHCD: Rental Housing Program	15.0	0.0	0.0	15.5	7.0	37.5
UMBC: New Performing Arts and Humanities Facility	33.2	0.0	0.0	0.0	0.0	33.2
UMCP: Physical Science Complex	29.6	0.0	0.0	0.0	0.0	29.6
DNR: Chesapeake Bay 2010 Trust Fund	27.8	0.0	0.0	0.0	0.0	27.8
USMO: Facilities Renewal Program	10.0	17.0	0.0	0.0	0.0	27.0
MDE: Biological Nutrient Removal Program	26.8	0.0	0.0	0.0	0.0	26.8
DoIT: Public Safety Communications System	25.3	0.0	0.0	0.0	0.0	25.3
MDA: Maryland Agricultural Land Preservation Program	14.1	0.0	0.0	8.8	0.0	22.9
MD: Dundalk Readiness Center – Alterations and Addition	6.1	0.0	0.0	0.0	15.7	21.9
MSU: New School of Business Complex and Connecting Bridge	20.7	0.0	0.0	0.0	0.0	20.7
BPW: Facilities Renewal Fund	20.6	0.0	0.0	0.0	0.0	20.6
MDE: Septic System Upgrade Program	0.0	0.0	0.0	17.0	0.0	17.0
BPW: Qualified Zone Academy Bond Program	15.3	0.0	0.0	0.0	0.0	15.3
DNR: Rural Legacy Program	14.9	0.0	0.0	0.0	0.0	14.9
TU: Campuswide Safety and Circulation Improvements	13.8	0.0	0.0	0.0	0.0	13.8
DHCD: Community Development Block Grant Program	0.0	0.0	0.0	0.0	12.3	12.3

<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	10.9	0.0	0.0	0.0	0.0	10.9
DHCD: Homeownership Programs	8.0	0.0	0.0	0.5	1.9	10.4
DHCD: Special Loan Programs	6.9	0.0	0.0	0.5	3.0	10.4
MISC: Prince George's Hospital System	10.0	0.0	0.0	0.0	0.0	10.0
UMMS: Trauma and Critical Care and Emergency Medicine Services Expansion Project	10.0	0.0	0.0	0.0	0.0	10.0
UMCP: Campuswide Building System and Infrastructure Improvements	5.0	5.0	0.0	0.0	0.0	10.0
DNR: Critical Maintenance Program	8.4	0.0	0.0	0.0	0.0	8.4
Subtotal: Top Funded Programs and Projects	\$936.8	\$32.0	\$0.0	\$335.5	\$139.4	\$1,443.7
Subtotal: Other Funded Programs and Projects	\$191.4	\$0.0	\$7.7	\$12.1	\$8.5	\$219.7
Grand Total	\$1,128.2	\$32.0	\$7.7	\$347.6	\$147.9	\$1,663.4

BPW: Board of Public Works
 CSU: Coppin State University
 DHCD: Department of Housing and Community Development
 DNR: Department of Natural Resources
 DoIT: Department of Information Technology
 DSP: Department of State Police
 FSU: Frostburg State University
 MD: Military Department
 MDA: Maryland Department of Agriculture

MDE: Maryland Department of the Environment
 MHEC: Maryland Higher Education Commission
 MISC: Miscellaneous
 MSU: Morgan State University
 TU: Towson University
 UMBC: University of Maryland Baltimore County
 UMCP: University of Maryland, College Park
 USMO: University System of Maryland Office
 UMMS: University of Maryland Medical System

Source: Department of Budget and Management

Exhibit 5
Capital Program Summary for the 2012 Session
(\$ in Millions)

Function	Bonds		Current Funds (PAYGO)			Total
	General Obligation	Revenue	General	Special	Federal	
State Facilities						\$146.6
Facilities Renewal	\$38.3	\$0.0	\$0.0	\$0.0	\$0.0	
State Facilities Other	40.2	0.0	0.7	0.0	67.4	
Health/Social						\$45.1
Health Other	\$1.2	\$0.0	\$0.0	\$0.0	\$0.0	
Health State Facilities	11.1	0.0	0.0	0.0	0.0	
Private Hospitals	32.9	0.0	0.0	0.0	0.0	
Environment						\$609.6
Agriculture	\$16.0	\$0.0	\$0.0	\$9.6	\$0.0	
Energy	0.0	0.0	0.0	5.0	0.0	
Environment	62.6	0.0	0.0	307.7	44.8	
Maryland Environmental Service	7.5	0.0	0.0	0.0	0.0	
Natural Resources	150.0	0.0	0.0	2.8	3.6	
Public Safety						\$47.8
Local Jails	\$0.1	\$0.0	\$0.0	\$0.0	\$0.0	
State Corrections	1.2	0.0	0.0	0.0	7.9	
State Police	38.7	0.0	0.0	0.0	0.0	
Education						\$382.8
Education Other	\$10.0	\$0.0	\$0.0	\$0.0	\$0.0	
School Construction	372.8	0.0	0.0	0.0	0.0	
Higher Education						\$293.5
Community Colleges	\$44.4	\$0.0	\$0.0	\$0.0	\$0.0	
Medical System	20.7	0.0	0.0	0.0	0.0	
Morgan State Univ.	8.5	0.0	0.0	0.0	0.0	
Private Colleges/Universities	4.0	0.0	0.0	0.0	0.0	
St. Mary's College	0.3	0.0	0.0	0.0	0.0	
University System	183.6	32.0	0.0	0.0	0.0	
Housing/Community Development						\$106.1
Housing	\$51.3	\$0.0	\$0.0	\$22.4	\$24.2	
Housing Other	1.2	0.0	7.0	0.1	0.0	
Local Projects						\$31.9
Local Project Administration	\$16.9	\$0.0	\$0.0	\$0.0	\$0.0	
Local Project Legislative	15.0	0.0	0.0	0.0	0.0	
De-authorizations						-\$37.9
De-authorizations	-\$37.9	\$0.0	\$0.0	\$0.0	\$0.0	
Total	\$1,090.3	\$32.0	\$7.7	\$347.6	\$147.9	\$1,625.6
Fiscal 2012 Deficiencies	\$0.0	\$0.0	\$0.0	\$0.0	\$2.1	\$2.1
Transportation CTP	\$0.0	\$315.0	\$0.0	\$618.9	\$839.0	\$1,773.0
Grand Total	\$1,090.3	\$347.0	\$7.7	\$966.5	\$989.1	\$3,400.6

CTP: Consolidated Transportation Program

Source: Department of Budget and Management

Exhibit 6
Use of GO Bond Program to Support Operating Budget Relief
(\$ in Millions)

	<u>Fiscal</u>	<u>Fiscal</u>	<u>Fiscal</u>	<u>Fiscal</u>
	2010	2011	2012	2013
Special Fund Revenue Replacement: Partial general obligation (GO) bond replacement for special fund revenues transferred to the general fund. Transferred revenue sources include the transfer tax, the Bay Restoration Fund, the Waterway Improvement Fund, and various housing programs. The GO bond authorizations reflect partial repayment over a multi-year repayment plan.	31.2	98.4	135.8	128.1
Fund Balance Replacement: Partial GO bond replacement for unexpended fund balances from multiple capital program accounts transferred to the general fund. Transferred revenue sources include the transfer tax, the Bay Restoration Fund, the Waterway Improvement Fund, and various housing programs. The GO bond authorizations reflect partial repayment over a multi-year repayment plan.	141.3	176.9	71.8	0.0
InterCounty Connector Funding: Multi-year plan to use GO bond funds in place of general funds statutorily committed for the InterCounty Connector.	55.0	89.3	46.2	0.0
Medevac Helicopter Replacement: Multi-year plan to use GO bond funds to fund the replacement of the Medevac helicopter fleet in place of using special funds from the Helicopter Replacement Fund.	52.5	0.0	22.7	37.5
Use of GO Bond Funds to Fund Capital Programs Traditionally Funded with General Funds: This principally includes funding for grant and loan programs administered by the Department of Housing and Community Development and the Maryland Department of the Environment and use of bonds to fund the Aging Schools Program.	28.1	45.7	39.0	58.5
Total	308.1	414.3	315.5	224.1

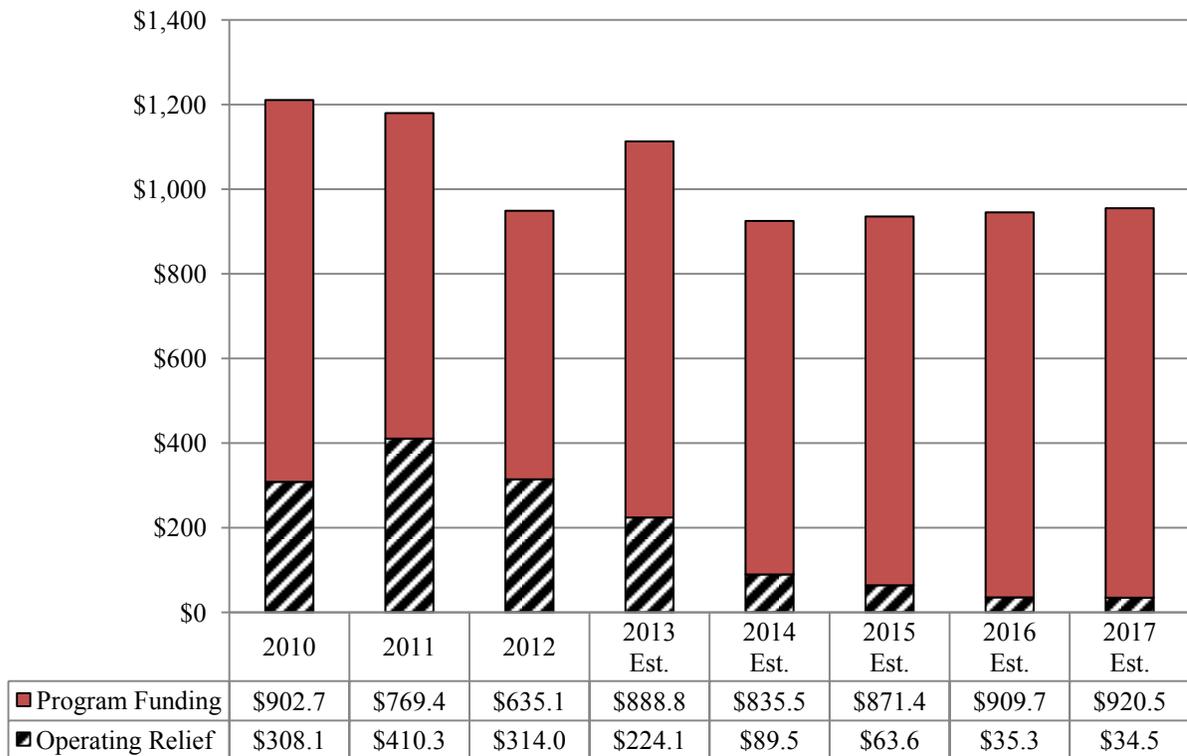
GO: general obligation

Source: 2012 *Capital Improvement Program*, Department of Budget and Management

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Exhibit 7 shows the recent and proposed use of the GO bond program to provide operating relief which reduces the amount of resources available for other capital priorities. For fiscal 2010 through 2012, approximately 33% of the total GO bond authorizations have been used for operating relief. Furthermore, because the GO replacement included in the fiscal 2012 and proposed fiscal 2013 budgets is scheduled over a multi-year period, and the current *Capital Improvement Program (CIP)* reflects the continued use of GO bonds for programs that would otherwise be funded with PAYGO, the impact of using GO bonds for operating relief impacts future budgets. To the extent that the fiscal situation may not improve significantly over the next few years and the use of GO bonds to replace transferred funds continues as a budget balancing strategy, the impact on future budgets could be greater than what is currently reflected in Exhibit 7.

Exhibit 7
Use of Bond Program for Operating Budget Relief
Fiscal 2010-2017
(\$ in Millions)



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

Fund Transfers

The Governor's proposed fiscal 2013 operating budget includes \$99.5 million of revenue transfers which are included in the Budget Reconciliation and Financing Act of 2012. Unlike the previous three fiscal years, all of the funds proposed to be transferred reflect estimated revenues and not any fund balance available in various capital program accounts. **Exhibit 8** shows the funds by source and the proposed multi-year replacement plan for these revenues; transfer tax revenues account for \$96.9 million with the remaining \$2.6 million coming from vessel excise tax revenues that would otherwise accrue to the Waterway Improvement Fund. **Exhibit 9** illustrates the fiscal 2010 through 2013 multi-year fund transfer GO bond replacement plan by program.

Exhibit 8
Proposed Fiscal 2013 Fund Transfers and Multi-year General Obligation Bond Replacement Plan
(\$ in Millions)

<u>Program</u>	<u>FY 2013 Special Funds Transferred</u>	Fund Replacement			Total Amount of Fund Transfers to Be Replaced in the CIP
		<u>FY 2013 Special Funds – Replaced in FY 2013</u>	<u>FY 2013 Special Funds – Replaced in FY 2014</u>	<u>FY 2013 Special Funds – Replaced in FY 2015</u>	
Waterway Improvement Program	\$2.6	\$2.6	\$0.0	\$0.0	\$2.6
Program Open Space (POS) – Stateside ⁽¹⁾	14.7	4.9	4.9	4.9	14.7
POS – Local	13.6	4.5	4.5	4.5	13.6
Rural Legacy	12.8	4.3	4.3	4.3	12.8
Natural Resources Development Fund	4.2	4.2	0.0	0.0	4.2
Critical Maintenance Program	4.0	4.0	0.0	0.0	4.0
Tobacco Transition Program ⁽²⁾	1.9	1.9	0.0	0.0	1.5
Agricultural Land Preservation Program	16.3	5.4	5.4	5.4	16.3
Fiscal 2013 Transfer Tax Revenue – Unallocated ⁽³⁾	31.4	0.0	0.0	0.0	0.0
Total	\$101.4	\$31.8	\$19.1	\$19.1	\$70.0
Special Fund Transfer Sources					
Transfer Tax	\$96.9				
Waterway Improvement Fund	2.6				
Total to Be Transferred to General Fund	\$99.5				

CIP: *Capital Improvement Program*

⁽¹⁾Special funds available to transfer from Program Open Space – Stateside in fiscal 2013 assume \$3.717 million is left in cash for items not eligible for general obligation (GO) bonds.

⁽²⁾This reflects GO bond replacement of Cigarette Restitution Funds not allocated to the Tobacco Transition Program.

⁽³⁾Although not reflected in this chart, GO bond funding is provided to replace the \$31.4 million. Since GO bond funds will fund land preservation programs based on the original fiscal 2011 transfer tax estimate, the total amount of fiscal 2013 transfer tax revenue shown above is available to transfer to the general fund.

Source: Department of Budget and Management

Exhibit 9
Fiscal 2010 and 2013 Fund Transfers and Multi-year General Obligation Bond Replacement Plan
(\$ in Millions)

Program	Transfers						Fund Replacement						Total Amount of Fund Transfers to Be Replaced in the CIP	Not Replaced
	Special Fund Balances	Special Funds FY 2010	Special Funds FY 2011	Special Funds FY 2012	Special Funds FY 2013	Total Transfers	Replaced FY 2010	Replaced FY 2011	Replaced FY 2012	Replaced FY 2013	Replaced FY 2014	Replaced FY 2015		
Waterway Improvement Program	\$12.5	\$0.0	\$3.9	\$1.1	\$2.6	\$20.1	\$0.0	\$10.2	\$7.3	\$2.6	\$0.0	\$0.0	\$20.1	\$0.0
Program Open Space (POS) – Stateside	172.3	4.6	13.1	24.2	14.7	228.9	172.3	11.0	4.8	17.7	15.1	7.9	228.8	0.0
POS – Local	103.1	0.0	12.4	24.0	13.6	153.1	0.0	54.1	23.6	51.1	15.6	8.6	153.0	0.0
Rural Legacy	10.6	0.0	12.6	14.2	12.8	50.2	0.0	17.0	4.5	9.9	9.4	4.9	45.7	4.6
Ocean City Beach Replenishment – POS	2.1	0.0	1.0	1.0	0.0	4.1	0.0	3.1	1.0	0.0	0.0	0.0	4.1	0.0
Ocean City Beach Replenishment – Local	3.4	0.0	0.0	0.0	0.0	3.4	0.0	3.4	0.0	0.0	0.0	0.0	3.4	0.0
Natural Resources Development Fund	17.7	0.0	0.0	4.6	4.2	26.5	0.0	10.1	3.5	8.9	0.0	0.0	22.5	4.0
Critical Maintenance Program	3.2	0.0	3.2	4.0	4.0	14.4	0.0	6.3	3.0	4.0	0.0	0.0	13.3	1.0
Dam Rehabilitation Program	0.7	0.0	0.0	0.5	0.0	1.2	0.0	0.2	1.0	0.0	0.0	0.0	1.2	0.0
House Assessment Program	0.9	0.0	0.0	0.0	0.0	0.9	0.0	0.3	0.4	0.1	0.0	0.0	0.8	0.2
Hurricane Isabel Funds	0.2	0.0	0.0	0.0	0.0	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2
Neighborhood Business Development	3.6	0.0	3.2	2.1	0.0	8.9	0.0	6.7	2.1	0.0	0.0	0.0	8.8	0.1
Community Legacy Program	0.4	0.0	0.0	0.0	0.0	0.4	0.0	0.4	0.0	0.0	0.0	0.0	0.4	0.0
Homeownership Programs	0.0	0.0	3.0	1.5	0.0	4.5	0.0	3.0	1.5	0.0	0.0	0.0	4.5	0.0
Special Loan Programs	2.1	0.0	2.5	2.2	0.0	6.8	0.0	4.7	2.2	0.0	0.0	0.0	6.9	0.0
Tobacco Transition Program	0.0	0.0	2.0	1.5	1.9	5.4	0.0	2.0	1.5	1.9	0.0	0.0	5.5	0.0
Agricultural Land Preservation Program	10.0	0.0	11.8	21.1	16.2	59.1	0.0	17.8	4.4	14.1	12.7	6.1	55.1	4.0
Bay Restoration Fund	205.0	0.0	45.0	40.0	0.0	290.0	0.0	125.0	146.8	18.2	0.0	0.0	290.0	0.0
Helicopter Replacement Fund	112.7	0.0	0.0	0.0	0.0	112.7	52.5	0.0	22.7	37.5	0.0	0.0	112.7	0.0
Total	\$660.5	\$4.6	\$113.7	\$142.0	\$70.0	\$990.8	\$224.8	\$275.3	\$230.3	\$166.0	\$52.8	\$27.5	\$976.7	\$14.1

*This indicates the amount not to be replaced based on other budget priorities or funds not needed to complete projects.

** The General Assembly reduced the fiscal 2012 general obligation (GO) bond amount for Rural Legacy by \$4.6 million which is not being replaced. The General Assembly also reduced the fiscal 2011 GO bond amount for the Maryland Agricultural Land Preservation Foundation by \$4.0 million to reflect the availability of special funds from funds not used by the Maryland Agricultural and Resource-Based Industry Development Corporation.

*** The Helicopter Replacement Fund transfers include both fund balance transfers and revenue diversions – the amount needed to complete the new fleet purchase will exceed the amount transferred; therefore, the amount shown as replacement only reflects replacement of the transfers and diversions.

Source: Department of Budget and Management

Debt Limitations Result in Reduced GO Bond Authorization Levels – Impact on the Capital Improvement Program

Exhibit 10 shows the long-range plan reflects reduced levels of planned new GO bond authorizations compared to what was recommended by the Capital Debt Affordability Committee (CDAC) in its September 2009 report. This downward revision in the level of authorizations keeps the State within affordability ratios which limit State debt outstanding to 4% of State personal income and limit State debt service cost to no more than 8% of revenues supporting State debt. In total from the 2012 through 2017 session, this revision takes \$865 million out of the plan and results in a restricting of the State’s CIP to account for this difference in out-year funding levels.

**Exhibit 10
Proposed General Obligation Bond Authorizations
(\$ in Millions)**

<u>Session</u>	<u>2009 September CDAC Proposed GO Bond Authorizations</u>	<u>2010 CDAC Proposed GO Bond Authorizations</u>	<u>2011 CDAC Proposed GO Bond Authorizations</u>	<u>Variance 2009 CDAC to 2010 CDAC</u>	<u>Variance 2008 CDAC to 2011 CDAC</u>
2012	\$1,050	\$925	\$1,075	-\$125	\$25
2013	1,080	925	925	-155	-155
2014	1,110	935	935	-175	-175
2015	1,140	945	945	-195	-195
2016	1,170	955	955	-215	-215
2017	1,200	1,200	1,050	0	-150
Total	\$6,750	\$5,885	\$5,885	-\$865	-\$865

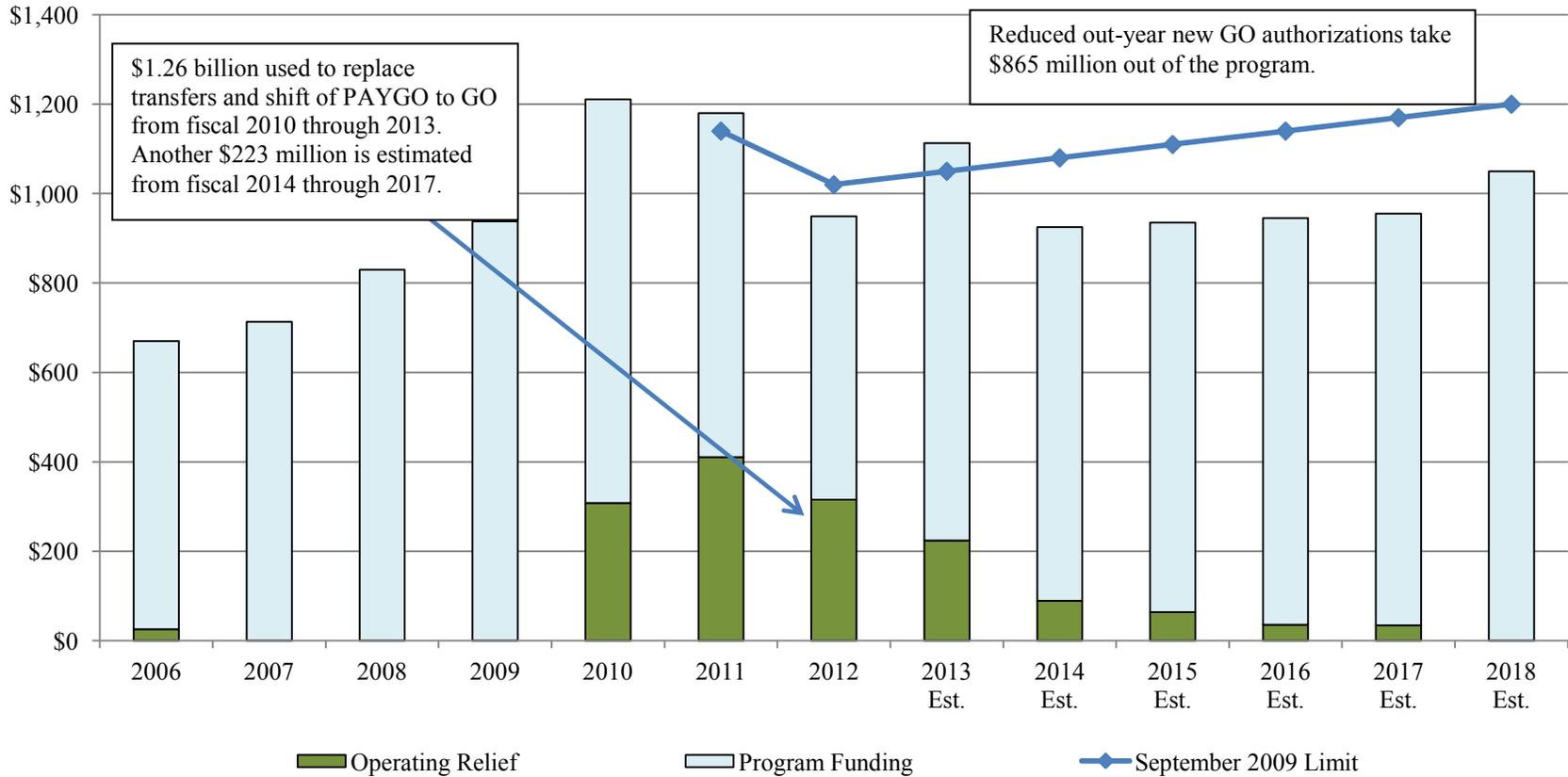
CDAC: Capital Debt Affordability Committee
GO: general obligation

Source: Department of Budget and Management

Exhibit 10 also shows that in December 2011, CDAC increased its recommended level of new GO bond authorizations for the 2012 session by \$150 million over what was recommended by the committee last year. However, the long-range plan remains unchanged because the committee adjusted the planned 2017 session level downward by \$150 million. This restructuring or managing authorizations within affordability limits offers opportunities for other scenarios that could accelerate authorizations while maintaining out-year levels within affordability limits.

Exhibit 11 displays reduced GO bond limits and operating relief.

Exhibit 11
Reduced GO Bond Limits – GO Bond Operating Relief
Fiscal 2006-2018 Actual and CIP
(\$ in Millions)



CIP: *Capital Improvement Program*
 GO: general obligation
 PAYGO: pay-as-you-go

Source: Department of Legislative Services

Pre-authorizations and Split Funding

The 2011 Maryland Consolidated Capital Bond Loan (MCCBL) included \$315.9 million of pre-authorizations for funding to be authorized in the 2012 MCCBL. **Exhibit 12** lists these pre-authorizations as well as the amounts included in the 2012 session bill, as introduced by the Governor.

Exhibit 12 Pre-authorizations Included in 2011 MCCBL for 2012

<u>Project Title</u>	<u>Original 2011 Session Pre-authorization Amounts for 2012 MCCBL</u>	<u>Amounts Included in 2012 MCCBL for 2011 Session Pre-authorization Amounts for 2012 Session</u>
BPW: Old Senate Chamber	\$3,000,000	\$3,000,000
DNR: Program Open Space – Local	39,230,000	51,109,000
DNR: Program Open Space – Stateside	7,193,000	17,314,000
DNR: Rural Legacy	4,589,000	9,889,000
DNR: Harriet Tubman Underground Railroad State Park	2,850,000	2,683,000
MDA: Agricultural Land Preservation Program	6,518,000	14,124,000
DPSCS: New Youth Detention Facility (BCDC)	41,100,000	0
UMCP: Physical Sciences Complex – Phase I	24,550,000	29,550,000
UMBC: New Performing Arts Complex	37,350,000	33,225,000
FSU: Center for Communications and Info. Tech.	39,550,000	44,550,000
BCCC: Main Building Renovation – Admin. Wing	7,800,000	6,686,000
MHEC: Community College Grant Program	14,643,000	16,686,000
MDE: Enhanced Nutrient Removal	18,175,000	18,175,000
DSP: Helicopter Replacement	42,800,000	38,674,000
DJS: New Cheltenham Youth Detention Center	23,550,000	0
MISC: Maryland School for Blind	3,000,000	5,000,000
Total	\$315,898,000	\$290,665,000

BCCC: Baltimore City Community College
 BCDC: Baltimore City Detention Center
 BPW: Board of Public Works
 DNR: Department of Natural Resources
 DPSCS: Department of Public Safety and Correctional Services
 DJS: Department of Juvenile Services
 DSP: Department of State Police
 FSU: Frostburg State University

MCCBL: Maryland Consolidated Capital Bond Loan
 MDA: Maryland Department of Agriculture
 MDE: Maryland Department of the Environment
 MHEC: Maryland Higher Education Commission
 MISC: Miscellaneous
 UMBC: University of Maryland Baltimore County
 UMCP: University of Maryland, College Park

Source: Department of Budget and Management

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Note that in many instances, the amount included in the bill is different from the amount pre-authorized. With respect to the land acquisition and preservation programs, the amounts pre-authorized reflect the level of funding required to maintain the multi-year GO bond replacement plan for fund transfers in addition to the amount of GO bond replacement for fiscal 2013 revenues, which are also proposed to be replaced on a multi-year schedule. Adjustments to the more traditional construction projects reflect revisions in cost estimates and amounts needed to fund projects based on approved contracts as well as funding for equipment purchases planned for fiscal 2013 not included in the pre-authorized amounts. Notable omissions include (1) deferral of funding for the Department of Public Safety and Correctional Services, New Youth Detention Facility to fiscal 2014 and 2015; and (2) deferral of funding for the Department of Juvenile Services, Cheltenham Youth Detention Center to fiscal 2014 and 2015 due to project delays resulting from the delay in the implementation of a project labor agreement policy for the project.

Exhibit 13 shows the pre-authorizations included in the 2012 MCCBL for authorizations intended for the 2013 through 2014 sessions. Pre-authorizations for the land acquisition programs reflect the amounts needed to maintain the multi-year GO bond replacement plan. In some instances, the pre-authorization is paired with proposed fiscal 2013 authorizations which allow construction bids to be awarded during the fiscal year without having to dedicate the entire amount of estimated construction funds needed to complete the project.

Exhibit 13
Pre-authorizations Included in the 2012 MCCBL for the 2013 and 2014 Sessions

<u>Project Title</u>	<u>2013 Session</u>	<u>2014 Session</u>
BPW: Old Senate Chamber	\$2,100,000	
DNR: Program Open Space – Local	15,585,000	\$8,638,000
DNR: Program Open Space – Stateside	15,093,000	7,900,000
DNR: Rural Legacy	9,456,000	4,867,000
MDA: Agricultural Land Preservation Program	12,653,000	6,134,000
DHMH: Henryton Center – Abate Asbestos and Raze Buildings	3,050,000	
FSU: Center for Communications and Info. Tech.	4,700,000	
CSU: New Science and Technology Center	47,050,000	
UMBC: New Performing Arts Complex	30,600,000	
MHEC: Community College Grant Program	29,140,000	
MSU: New School of Business Complex	43,550,000	3,050,000
DSP: Helicopter Replacement	24,250,000	8,000,000
MISC: InterCounty Connector	21,475,000	
Totals	\$258,702,000	\$38,589,000

BPW: Board of Public Works
CSU: Coppin State University
DHMH: Department of Health and Mental Hygiene
DNR: Department of Natural Resources
DSP: Department of State Police
FSU: Frostburg State University

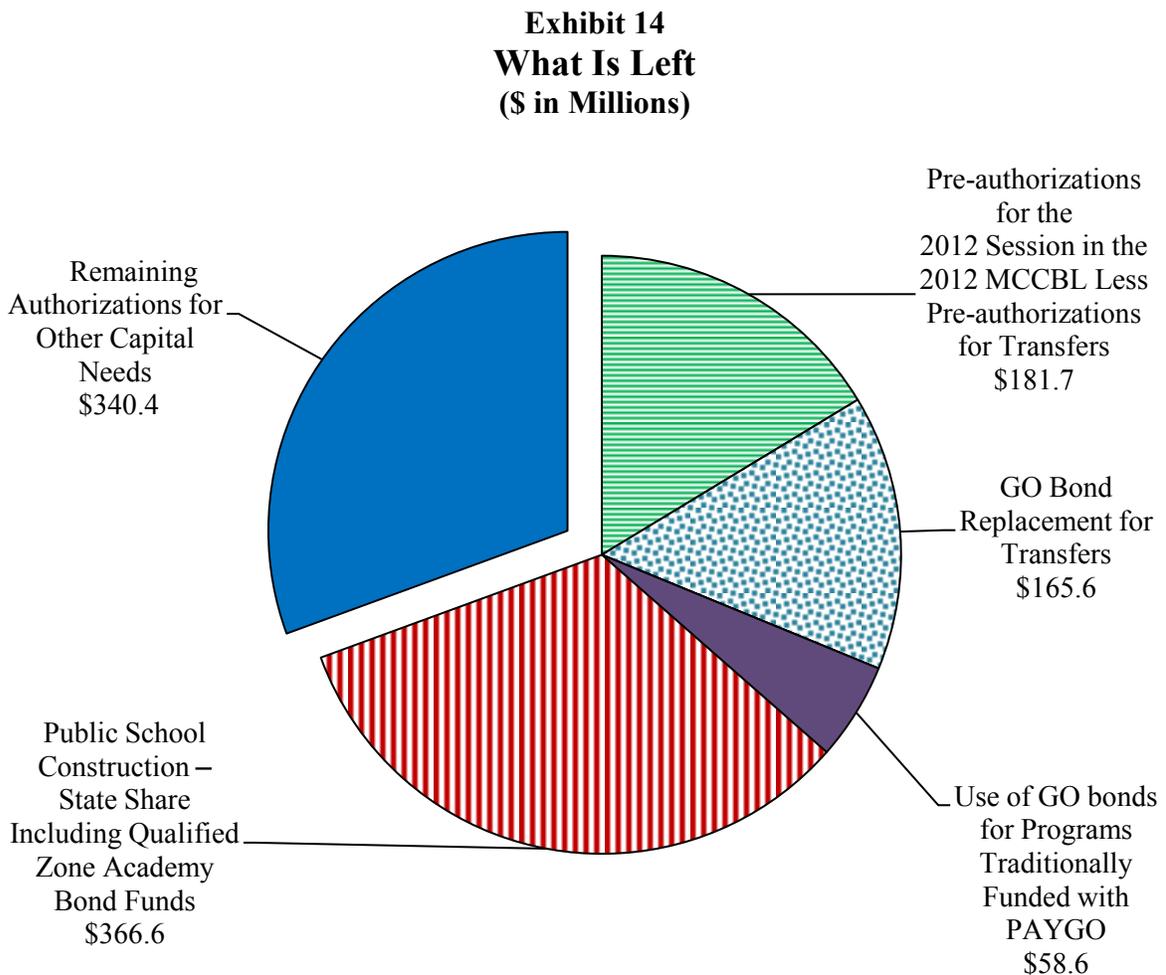
MCCBL: Maryland Consolidated Capital Bond Loan
MDA: Maryland Department of Agriculture
MHEC: Maryland Higher Education Commission
MISC: Miscellaneous
MSU: Morgan State University
UMBC: University of Maryland Baltimore County

Source: Department of Budget and Management

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Appendix 3 provides a summary of all back-of-the-bill provisions proposed in the 2011 capital budget bill, including a summary of all proposed pre-authorizations.

Exhibit 14 illustrates how the fiscal 2013 GO-funded capital program is affected by the operating relief strategy and pre-authorizations. While pre-authorizations facilitate the goal of commencing projects without having to commit all the required funds all at once, they also serve to limit how the current year's authorizations can be used. After accounting for operating relief, pre-authorizations, and the funding for public school construction, the remaining amount of fiscal 2013 authorizations available to address other capital priorities is approximately \$340 million.



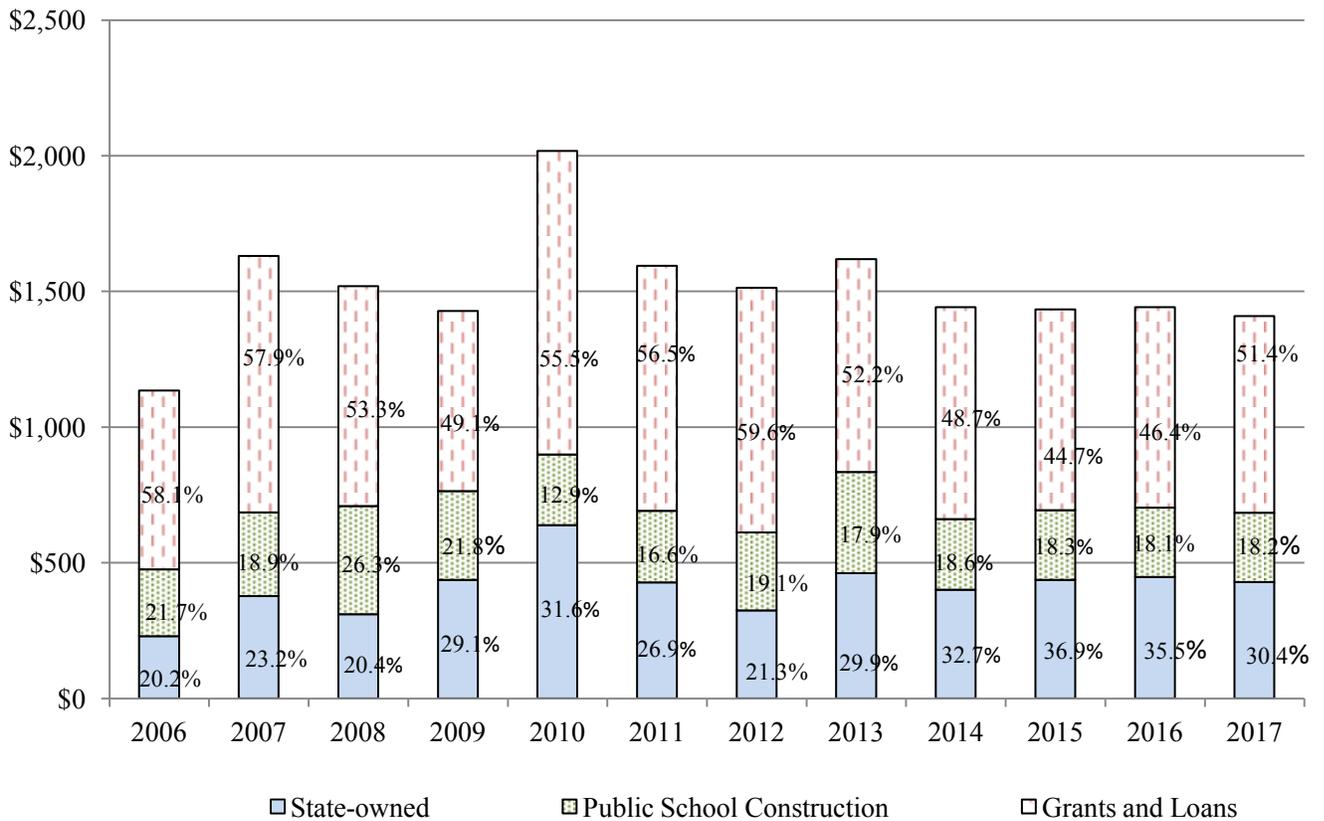
MCCBL: Maryland Consolidated Capital Bond Loan
PAYGO: pay-as-you-go

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

Capital Budget Fiscal Briefing

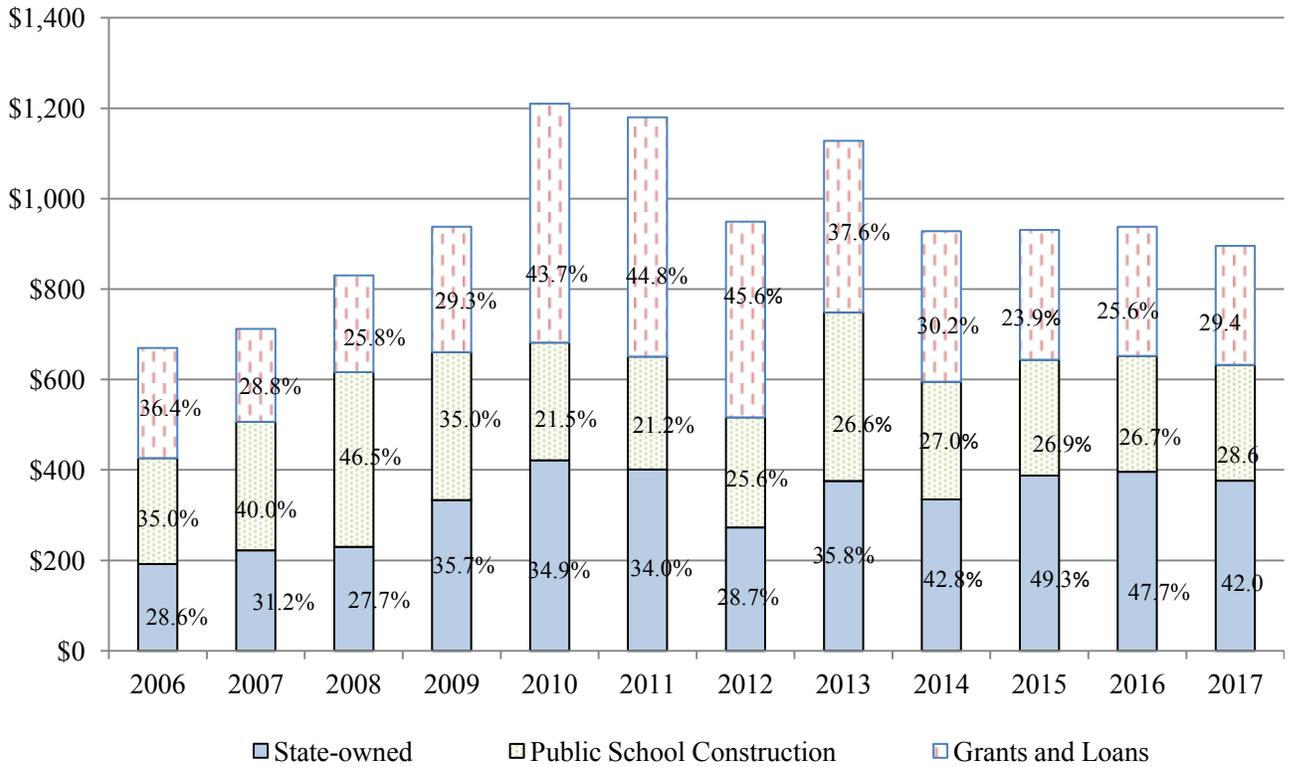
Exhibit 15 illustrates the percentage of funding shares for State-owned projects, public school construction, and the grants and loans program for all funds. **Exhibit 16** illustrates the percentages for GO funds only.

Exhibit 15
Funding Shares for State-owned Projects, Public School Construction, and
Grants and Loans Program – All Funds
Fiscal 2006-2017
(\$ in Millions)



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

Exhibit 16
Funding Shares for State-owned Projects, Public School Construction, and
Grants and Loans Program – General Obligation Funds Only
Fiscal 2006-2017
(\$ in Millions)

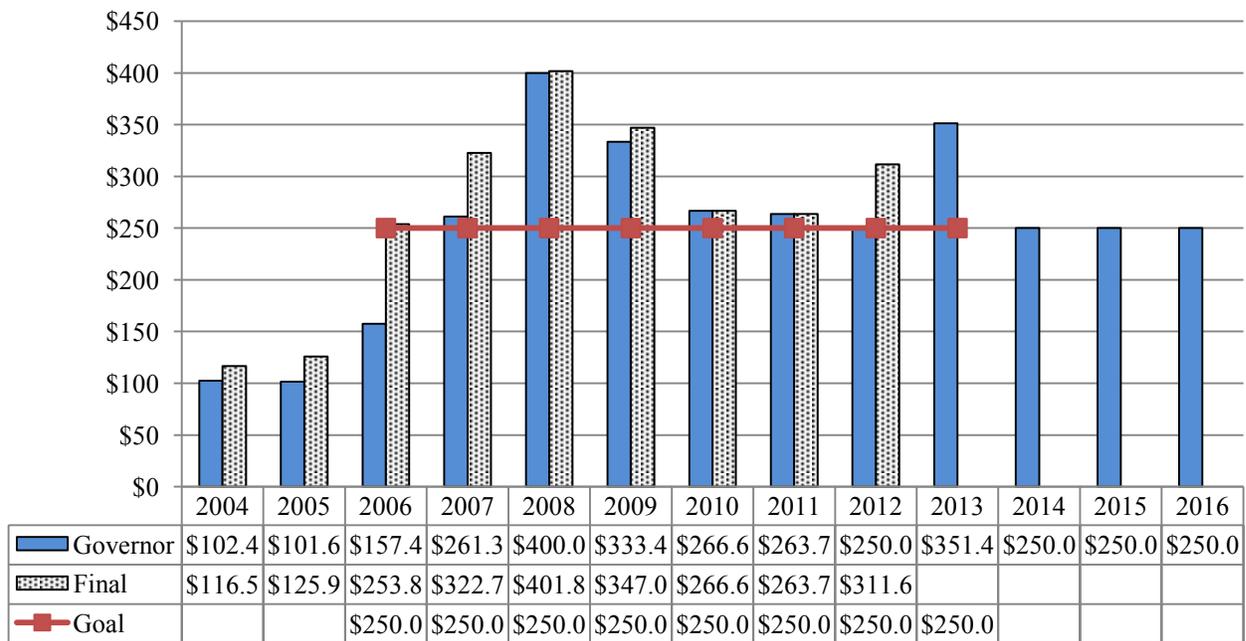


Source: Department of Budget and Management; Department of Legislative Services

School Construction Funding Goal and Green Schools Initiative

The funding level proposed by the Governor for fiscal 2013 would mark the eighth year in a row that funding for public school construction projects has met or exceeded the \$250 million annual funding goal set in the 2004 Public School Facilities Act, as shown in **Exhibit 17**. Including the funding proposed for fiscal 2013, since fiscal 2006, the State will have invested a total of \$2.5 billion toward the State’s nominal funding goal of \$2.0 billion by fiscal 2013.

Exhibit 17
School Construction Funding Goal
Fiscal 2004-2016
(\$ in Millions)



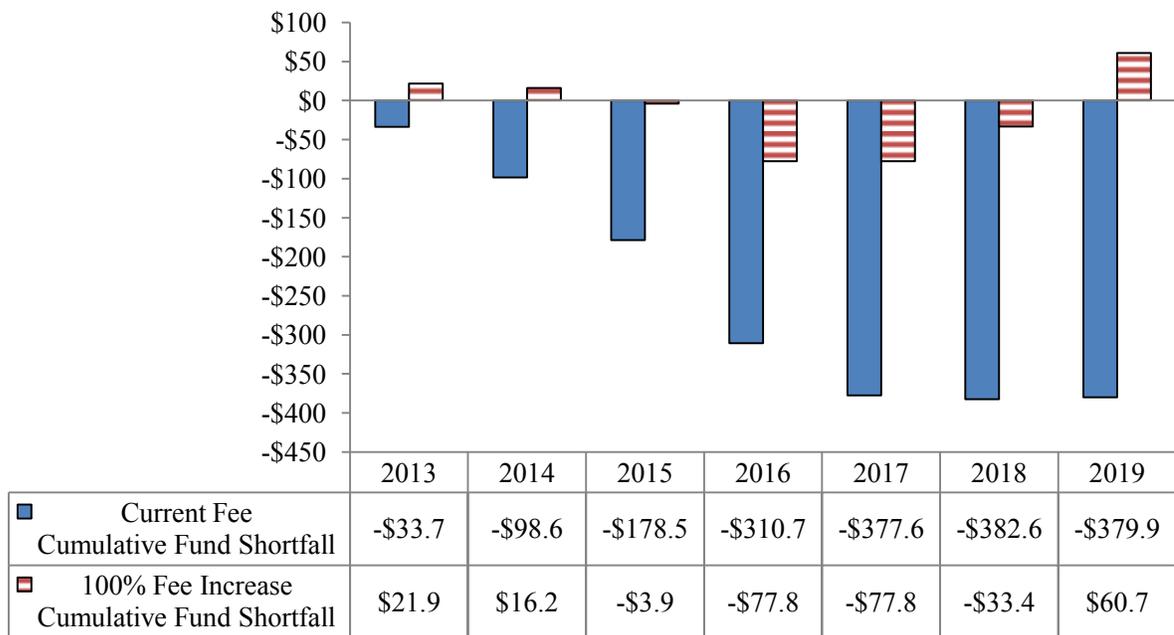
Source: Department of Budget and Management

The \$351.4 million level of school construction funding proposed by the Governor is second only to the \$400.0 million proposed with the 2008 session budget. This year’s proposal includes restrictive language that earmarks \$50.0 million to be used to fund projects that improve the energy efficiency of schools including renewable energy systems.

Budget Includes “Flush Tax” Increase for the Bay Restoration Fund

MDE currently estimates the cost to upgrade the 67 major wastewater treatment plants at \$1,385 million. The \$530 million in revenue bonds MDE plans to issue – in addition to revenues expended from the fund as PAYGO special funds – is projected to fund approximately \$1,002 million, which would leave a shortfall of \$383 million. To bridge this gap, the Administration is proposing to effectively double the fee imposed on users of wastewater facilities and septic systems and sewage holding tanks. **Exhibit 18** shows the Bay Restoration Fund forecast with and without the impact of the proposed fee increase. Note that under current estimates, there is still an estimated shortfall of approximately \$77.8 million. This remaining shortfall is addressed in the 2012 CIP which programs \$78 million of GO bond funding through fiscal 2017. To the extent that estimated project costs are different than actual, this remaining shortfall could be different than current projections. Furthermore, MDE has only issued \$50 million of the \$530 million of revenue bonds for the program. To the extent that actual true interest costs are different than projections, the amount of special funds available to fund debt service (and by extension the amount that can be dedicated to project costs) could change somewhat from estimates.

Exhibit 18
Bay Restoration Fund Fee Increase Proposed to Close Funding Shortfall Gap
Fiscal 2013-2019
(\$ in Millions)



Source: Maryland Department of the Environment

The Bonding of Transfer Tax Revenues for Land Acquisition and Preservation

Exhibit 19 shows the multi-year transfer of transfer tax revenues and GO bond replacement plan for the State's primary land acquisition and preservation programs. The total amount programmed for fiscal 2013 is \$92.8 million, of which \$19.1 million is associated with the transfer of fiscal 2013 revenues. The remaining \$73.7 million is bond replacement for transfers made in prior years. To the extent that the State may wish to prioritize its funding resources for programs and projects that result in construction activity, the amount of GO bond replacement included in the final budget could be scaled back by the General Assembly.

Exhibit 19
Fund Transfer and GO Bond Replacement for Land Acquisition/Easement Programs
(\$ in Millions)

<u>Programs</u>	<u>Transfers</u>	<u>GO Bonds FY 2011</u>	<u>GO Bonds FY 2012</u>	<u>GO Bonds FY 2013</u>	<u>GO Bonds FY 2014</u>	<u>GO Bonds FY 2015</u>	<u>Total</u>	
POS – State	Prior Transfers	\$4.567	\$2.967	\$1.600			\$4.567	
	FY 2011 Transfers	13.082	8.075	1.393	\$2.992	\$0.622	13.082	
	FY 2012 Transfers	21.579		\$4.823	7.193	7.193	21.579	
	FY 2010 Overattainment	2.606		2.606			2.606	
	FY 2013 Transfers	14.724		4.908	4.908	4.908	14.724	
	Subtotal	\$56.558	\$11.042	\$4.823	\$17.700	\$15.093	\$7.900	\$56.558
POS – Local	Prior Transfers	\$103.113	\$41.789	\$16.689	\$36.401	\$4.117	\$4.117	\$103.113
	FY 2011 Transfers	12.352	12.352					12.352
	FY 2012 Transfers	20.841		6.947	6.947	6.947		20.841
	FY 2010 Overattainment	3.239		3.239				3.239
	FY 2013 Transfers	13.564		4.522	4.521	4.521		13.564
	Subtotal	\$153.109	\$54.141	\$23.636	\$51.109	\$15.585	\$8.638	\$153.109
Rural Legacy	Prior Transfers	\$10.635	\$10.635					10.635
	FY 2011 Transfers	12.637	6.318	\$4.515	\$0.602	\$0.601	\$0.601	12.637
	FY 2012 Transfers	13.767			4.589	4.589		9.178
	FY 2010 Overattainment	0.431			0.431			0.431
	FY 2013 Transfers	12.799			4.267	4.266	4.266	12.799
	Subtotal	\$50.269	\$16.953	\$4.515	\$9.889	\$9.456	\$4.867	45.680

<u>Programs</u>	<u>Transfers</u>	<u>GO Bonds FY 2011</u>	<u>GO Bonds FY 2012</u>	<u>GO Bonds FY 2013</u>	<u>GO Bonds FY 2014</u>	<u>GO Bonds FY 2015</u>	<u>Total</u>
MALPF							
	Prior Transfers	\$10.000	\$10.000				\$10.000
	FY 2011 Transfers	11.814	7.814				7.814
	FY 2012 Transfers	19.555		\$4.367	\$7.236	\$7.235	\$0.717
	FY 2010 Overattainment	1.470			1.470		1.470
	FY 2013 Transfers	16.253			5.418	5.418	5.417
	Subtotal	\$59.092	\$7.814	\$4.367	\$14.124	\$12.653	\$6.134
	Grand Total	\$319.028	\$89.950	\$37.341	\$92.822	\$52.787	\$27.539

GO: general obligation
MALPF: Maryland Agricultural Land Preservation Foundation
POS: Program Open Space

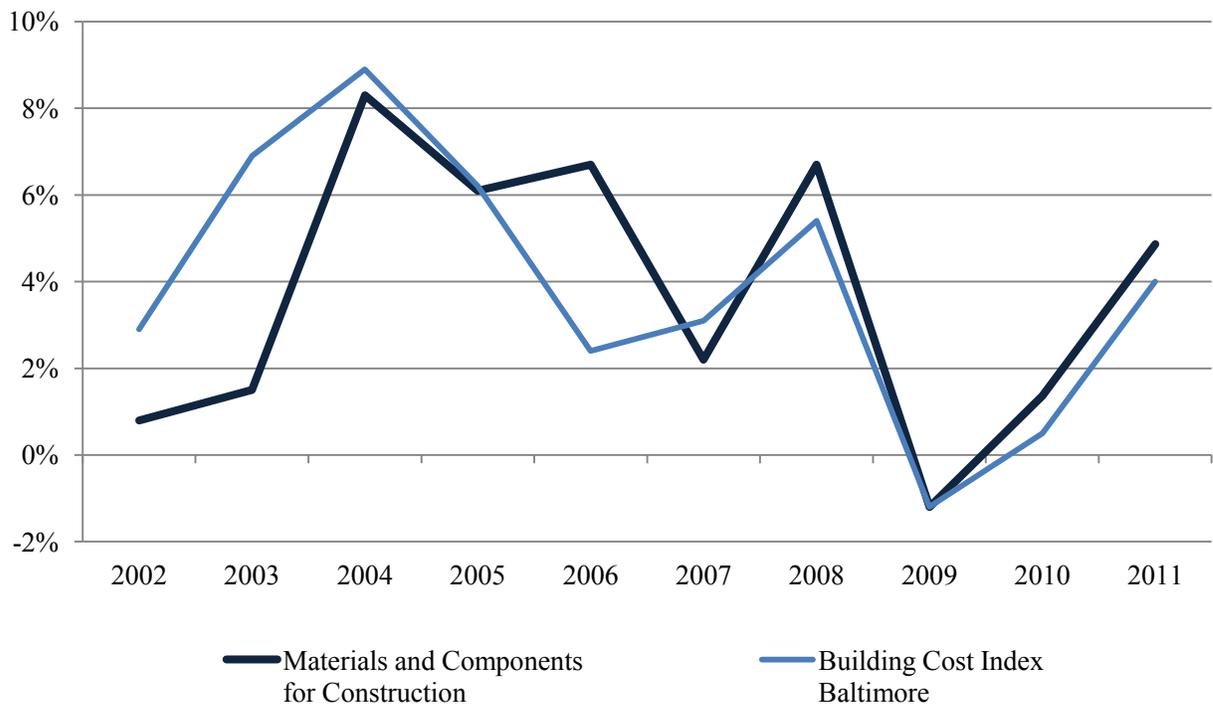
Note: The General Assembly reduced the fiscal 2012 general obligation (GO) bond amount for Rural Legacy by \$4.589 million and the fiscal 2011 GO bond amount for MALPF by \$4.0 million, which accounts for the \$8.589 difference in the amount transferred and the amount replaced.

Source: Department of Budget and Management

Construction Costs

- **Construction Costs Up in Calendar 2011:** The year-over-year measures for inflation in the building and construction market, as measured nationally through the materials and components for the construction component of the Producer Price Index and locally through the Engineering News-Record Building Cost Index for Baltimore City, reflect a 4.8 and 4.0% increase in construction costs nationally and locally, respectively, during calendar 2011, as shown in **Exhibit 20**.

Exhibit 20
Construction Cost Inflation
Calendar 2002-2011

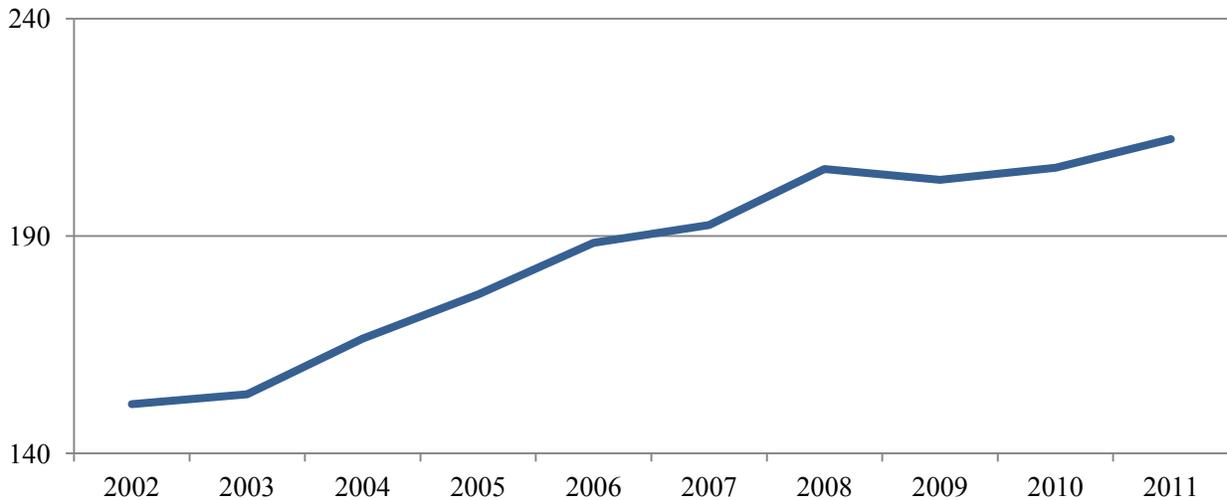


Source: Bureau of Labor Statistics; Engineering News-Record

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- **Average Annual Costs Increase:** Overall, costs have increased at an average annual rate of 4% from calendar 2002 through 2011, as shown in **Exhibit 21**.

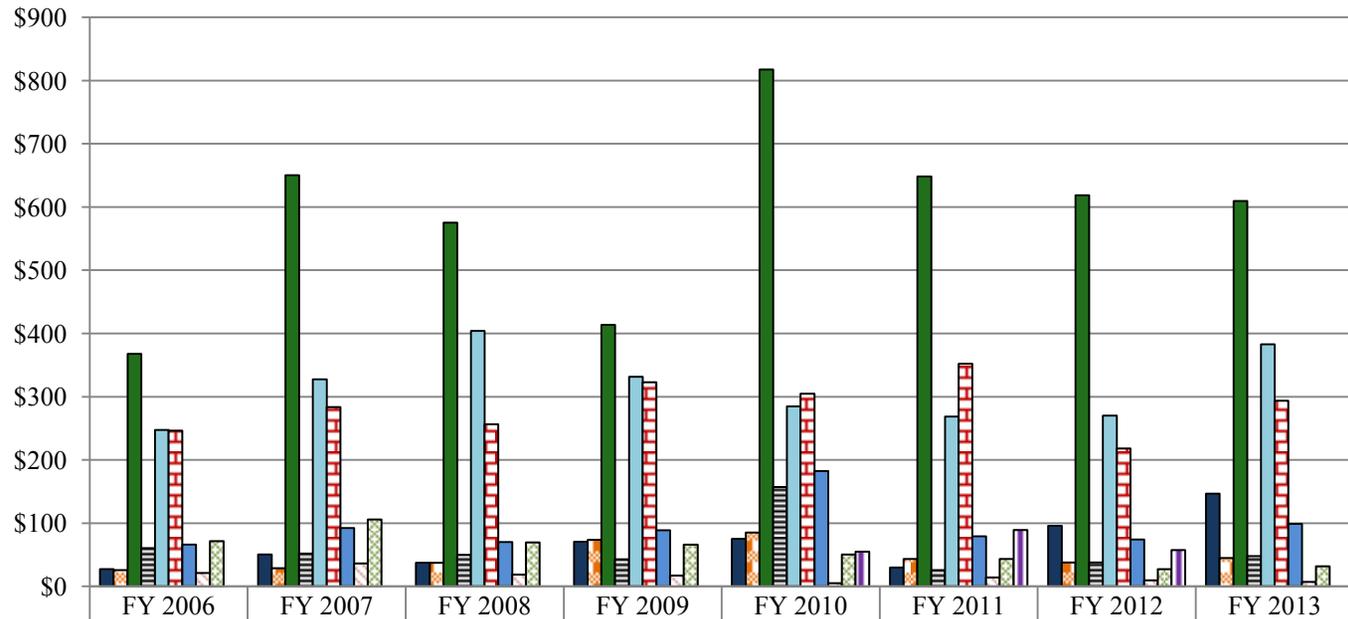
Exhibit 21
Annual Construction Inflation
Calendar 2002-2011
(Inflation Index)



Source: Bureau of Labor Statistics

- **Department of Budget and Management (DBM) Revised Upward the Annual Escalation Rates Used in the Cost Estimating Process:** DBM revised the escalation rate for projects requested in the 2012 session to 4.0% annually for calendar 2012 through 2015, as compared to the 1.0% for fiscal 2011, 2.5% for fiscal 2012, and 3.0% annually for fiscal 2013 and 2014 used for projects authorized in the 2011 session.
- **Stabilization of School Construction Costs:** The Interagency Committee on School Construction (IAC) reports continued stabilization of bid prices and increased contractor competitiveness. However, recent increases in material costs are beginning to find their way into bids, and the IAC will re-evaluate the current \$224 square foot rate used for fiscal 2011 and 2012.

Capital Authorizations by Major Funding Categories – All Funds (\$ in Millions)



	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
State Facilities	\$27.5	\$50.4	\$37.4	\$70.7	\$75.2	\$30.0	\$95.9	\$146.6
Health/Social	\$25.9	\$28.9	\$37.3	\$73.6	\$85.5	\$43.7	\$38.2	45.1
Environment	\$367.7	\$650.4	\$575.3	\$413.6	\$817.4	\$648.2	\$618.7	609.6
Public Safety	\$60.4	\$52.3	\$50.0	\$43.0	\$157.3	\$25.9	\$38.1	47.8
Education	\$247.4	\$327.7	\$404.0	\$331.5	\$284.9	\$268.7	\$270.2	382.8
Higher Education	\$246.6	\$283.5	\$256.6	\$323.0	\$304.7	\$352.0	\$218.3	293.5
Housing	\$66.4	\$92.3	\$70.4	\$89.0	\$182.4	\$79.0	\$74.0	99.1
Economic Development	\$21.3	\$36.5	\$18.7	\$17.2	\$5.0	\$14.3	\$10.0	7.0
Local Projects	\$71.9	\$105.7	\$69.7	\$66.4	\$50.5	\$43.3	\$27.2	31.9
ICC	\$0.0	\$0.0	\$0.0	\$0.0	\$55.0	\$89.3	\$57.6	\$0.0

ICC: InterCounty Connector

Capital Program for the 2012 Session

Budget Code	Project Title	Bonds		Current Funds (PAYGO)			Total Funds
		General Obligation	Revenue	General	Special	Federal	
State Facilities							
D55P04A	DVA: Crownsville Veterans Cemetery Expansion and Burial Capacity Phase III	\$0	\$0	\$700,000	\$0	\$0	\$700,000
DA0201A	MDOD: Accessibility Modifications	1,600,000	0	0	0	0	1,600,000
DE0201A	BPW: State House – Old Senate Chamber	3,000,000	0	0	0	0	3,000,000
DE0201B	BPW: Annapolis Post Office	3,782,000	0	0	0	0	3,782,000
DE0201C	BPW: Saratoga State Center – Garage Improvements	4,445,000	0	0	0	0	4,445,000
DE0201D	BPW: William Donald Schaefer Tower – Fire Alarm System	2,475,000	0	0	0	0	2,475,000
	BPW: Facilities Renewal Fund	20,592,000	0	0	0	0	20,592,000
DE0201F	BPW: Asbestos Abatement Program	2,000,000	0	0	0	0	2,000,000
DE0201G	BPW: Court of Appeals Building – Lobby and ADA Improvements	340,000	0	0	0	0	340,000
DE0201H	BPW: New Catonsville District Court	2,250,000	0	0	0	0	2,250,000
DH0104A	MD: Dundalk Readiness Center – Alterations and Addition	6,141,000	0	0	0	15,723,000	21,864,000
FB04A	DoIT: Public Safety Communications System	25,250,000	0	0	0	0	25,250,000
FB04B	DoIT: One Maryland Broadband Network	5,000,000	0	0	0	51,678,068	56,678,068
PA1301	DLLR: 1100 North Eutaw Street Elevator Replacements	1,620,000	0	0	0	0	1,620,000
	Subject Category Subtotal:	\$78,495,000	\$0	\$700,000	\$0	\$67,401,068	\$146,596,068
Health/Social							
DA07A	MDOA: Senior Citizens Activities Center Grant Program	\$1,150,000	\$0	\$0	\$0	\$0	\$1,150,000
MA01A	DHMH: Federally Qualified Health Centers Grant Program	2,421,000	0	0	0	0	2,421,000
MI0401A	DHMH: Deer's Head Hospital Center	313,000	0	0	0	0	313,000
MM06C	DHMH: Henryton Center – Abate Asbestos and Raze Buildings	3,530,000	0	0	0	0	3,530,000

Budget Code	Project Title	Bonds		Current Funds (PAYGO)			Total Funds
		General Obligation	Revenue	General	Special	Federal	
MM06D	DHMH: Dorsey Run – Secure Evaluation and Therapeutic Treatment Center	2,150,000	0	0	0	0	2,150,000
RQ00A	UMMS: Trauma and Critical Care, and Emer. Medicine Services Expansion Project	10,000,000	0	0	0	0	10,000,000
RQ00B	UMMS: R Adams Cowley Shock Trauma Center Renovation – Phase I	3,500,000	0	0	0	0	3,500,000
VE01A	DJS: Baltimore Regional Treatment Center	3,000,000	0	0	0	0	3,000,000
VE01B	DJS: Southern Maryland Children's Center	2,068,000	0	0	0	0	2,068,000
ZA00G	MISC: Kennedy Krieger Institute	1,000,000	0	0	0	0	1,000,000
ZA00P	MISC: Prince George's Hospital System	10,000,000	0	0	0	0	10,000,000
ZA00Q	MISC: Sinai Hospital	1,000,000	0	0	0	0	1,000,000
ZA01A	MHA: Kennedy Krieger Children's Hospital	500,000	0	0	0	0	500,000
ZA01B	MHA: Howard County General Hospital	707,500	0	0	0	0	707,500
ZA01C	MHA: Franklin Square Hospital Center	1,000,000	0	0	0	0	1,000,000
ZA01D	MHA: Brook Lane Health Services	1,100,000	0	0	0	0	1,100,000
ZA01E	MHA: Northwest Hospital Center	700,000	0	0	0	0	700,000
ZA01F	MHA: Union Memorial Hospital	242,500	0	0	0	0	242,500
ZA01G	MHA: Upper Chesapeake Medical Center	750,000	0	0	0	0	750,000
Subject Category Subtotal:		\$45,132,000	\$0	\$0	\$0	\$0	\$45,132,000
Environment							
DA1302	MEA: Jane E. Lawton Program	\$0	\$0	\$0	\$2,500,000	\$0	\$2,500,000
DA1303	MEA: State Agency Loan Program	0	0	0	2,500,000	0	2,500,000
KA05A	DNR: Community Parks and Playgrounds	2,500,000	0	0	0	0	2,500,000
KA05B	DNR: Natural Resources Development Fund	10,874,000	0	0	0	0	10,874,000
KA05C	DNR: Program Open Space	70,079,000	0	0	2,500,000	3,000,000	75,579,000
KA05D	DNR: Critical Maintenance Program	8,394,000	0	0	0	0	8,394,000
KA05E	DNR: Waterway Improvement Fund	7,431,000	0	0	268,000	600,000	8,299,000
KA05F	DNR: Rural Legacy Program	14,889,000	0	0	0	0	14,889,000
KA1402A	DNR: Chesapeake Bay 2010 Trust Fund	27,756,000	0	0	0	0	27,756,000
KA17A	DNR: Oyster Restoration Program	8,060,000	0	0	0	0	8,060,000
LA11A	MDA: Maryland Agricultural Land Preservation Program	14,124,000	0	0	8,750,000	0	22,874,000
LA12A	MDA: Tobacco Transition Program	1,894,000	0	0	842,000	0	2,736,000
UA010312	MDE: Septic System Upgrade Program	0	0	0	17,000,000	0	17,000,000
UA01A	MDE: Enhanced Nutrient Removal	18,175,000	0	0	105,700,000	0	123,875,000

Budget Code	Project Title	Bonds		Current Funds (PAYGO)			Total Funds
		General Obligation	Revenue	General	Special	Federal	
UA01B	MDE: Maryland Water Quality Revolving Loan Fund	7,143,000	0	0	156,571,000	34,286,000	198,000,000
UA01C	MDE: Maryland Drinking Water Revolving Loan Fund	3,004,000	0	0	28,436,000	10,560,000	42,000,000
UA04A1	MDE: Biological Nutrient Removal Program	26,760,000	0	0	0	0	26,760,000
UA04A2	MDE: Supplemental Assistance Program	5,000,000	0	0	0	0	5,000,000
UA04B	MDE: Water Supply Financial Assistance Program	2,500,000	0	0	0	0	2,500,000
UB00A	MES: Infrastructure Improvement Fund	7,462,000	0	0	0	0	7,462,000
	Subject Category Subtotal:	\$236,045,000	\$0	\$0	\$325,067,000	\$48,446,000	\$609,558,000
	Public Safety						
QB0604A	DPSCS: Dorsey Run Correctional Facility – 560-bed Minimum Security Compound	\$1,200,000	\$0	\$0	\$0	\$7,900,000	\$9,100,000
WA01A	DSP: State Police Helicopter Replacement	38,674,000	0	0	0	0	38,674,000
ZB02A	DPSCS: Wicomico County Detention Center	50,000	0	0	0	0	50,000
	Subject Category Subtotal:	\$39,924,000	\$0	\$0	\$0	\$7,900,000	\$47,824,000
	Education						
DE0202A	BPW: Public School Construction Program	\$351,393,000	\$0	\$0	\$0	\$0	\$351,393,000
DE0202AQ	BPW: Qualified Zone Academy Bond Program	15,324,000	0	0	0	0	15,324,000
DE0202B	BPW: Aging Schools Program	6,109,000	0	0	0	0	6,109,000
RA01A	MSDE: Public Library Capital Grant Program	5,000,000	0	0	0	0	5,000,000
ZA00M	MISC: Maryland School for the Blind	5,000,000	0	0	0	0	5,000,000
	Subject Category Subtotal:	\$382,826,000	\$0	\$0	\$0	\$0	\$382,826,000
	Higher Education						
RB22A	UMCP: Physical Science Complex	\$29,550,000	\$0	\$0	\$0	\$0	\$29,550,000
RB22B	UMCP: Campuswide Building System and Infrastructure Improvements	5,000,000	5,000,000	0	0	0	10,000,000
RB22C	UMCP: University Learning and Teaching Center	2,050,000	0	0	0	0	2,050,000
RB22D	UMCP: Remote Library Storage Facility	435,000	0	0	0	0	435,000
RB23A	BSU: Campuswide Site Improvements	2,166,000	0	0	0	0	2,166,000
RB23B	BSU: Natural Sciences Center	3,100,000	0	0	0	0	3,100,000
RB24A	TU: Campuswide Safety and Circulation Improvements	13,812,000	0	0	0	0	13,812,000

Budget Code	Project Title	Bonds		Current Funds (PAYGO)			Total Funds
		General Obligation	Revenue	General	Special	Federal	
RB24B	TU: Smith Hall Expansion and Renovation	5,700,000	0	0	0	0	5,700,000
RB26A	FSU: New Center for Communications and Information Technology	44,550,000	0	0	0	0	44,550,000
RB27A	CSU: New Science and Technology Center	28,775,000	10,000,000	0	0	0	38,775,000
RB28A	UB: New Law School Building	4,037,000	0	0	0	0	4,037,000
RB31A	UMBC: New Performing Arts and Humanities Facility	33,225,000	0	0	0	0	33,225,000
RB34A	UMCES: New Environmental Sustainability Research Laboratory	1,150,000	0	0	0	0	1,150,000
RB36A	USMO: Facilities Renewal Program	10,000,000	17,000,000	0	0	0	27,000,000
RC00A	BCCC: Main Building Renovation	6,686,000	0	0	0	0	6,686,000
RD00A	SMCM: Anne Arundel Hall Reconstruction	310,000	0	0	0	0	310,000
RI00A	MHEC: Community College Facilities Grant Program	37,726,000	0	0	0	0	37,726,000
RM00A	MSU: New School of Business Complex and Connecting Bridge	20,685,000	0	0	0	0	20,685,000
RM00B	MSU: Facilities Renewal Projects	5,000,000	0	0	0	0	5,000,000
RM00C	MSU: New Jenkins Behavioral and Social Sciences Center	3,500,000	0	0	0	0	3,500,000
ZA00H	MICUA: Johns Hopkins University	1,000,000	0	0	0	0	1,000,000
ZA00I	MICUA: McDaniel College	1,000,000	0	0	0	0	1,000,000
ZA00J	MICUA: Notre Dame of Maryland University	1,000,000	0	0	0	0	1,000,000
ZA00K	MICUA: St. John's College	1,000,000	0	0	0	0	1,000,000
	Subject Category Subtotal:	\$261,457,000	\$32,000,000	\$0	\$0	\$0	\$293,457,000
	Housing/Community Development						
D40W1112	MDOP: Sustainable Communities Tax Credit Program	\$0	\$0	\$7,000,000	\$0	\$0	\$7,000,000
DW0110A	MDOP: African American Heritage Preservation Program	1,000,000	0	0	0	0	1,000,000
DW0110B	MDOP: Maryland Historical Trust Capital Revolving Loan Fund	150,000	0	0	120,000	0	270,000
S00A2502	DHCD: Community Development Block Grant Program	0	0	0	0	12,300,000	12,300,000
S00A2514	DHCD: MD-BRAC Preservation Loan Fund	0	0	0	4,000,000	0	4,000,000
SA24A	DHCD: Community Legacy Program	6,000,000	0	0	0	0	6,000,000
SA24B	DHCD: Neighborhood Business Development Program	2,350,000	0	0	1,900,000	0	4,250,000

Budget Code	Project Title	Bonds		Current Funds (PAYGO)			Total Funds
		General Obligation	Revenue	General	Special	Federal	
	De-authorizations						
ZF00	De-authorizations as Introduced	-\$37,880,000	\$0	\$0	\$0	\$0	-\$37,880,000
	<i>Subject Category Subtotal:</i>	<i>-\$37,880,000</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>-\$37,880,000</i>
	Nontransportation Subtotal Total	\$1,090,324,000	\$32,000,000	\$7,700,000	\$347,587,000	\$147,947,068	\$1,625,558,068
	Fiscal 2012 Deficiencies						
QB0604A	DPSCS: Dorsey Run Correctional Facility – 560-bed Minimum Security Compound	\$0	\$0	\$0	\$0	\$2,100,000	\$2,100,000
	<i>Subject Category Subtotal:</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$2,100,000</i>	<i>\$2,100,000</i>
	Nontransportation Budget Total:	\$1,090,324,000	\$32,000,000	\$7,700,000	\$347,587,000	\$150,047,068	\$1,627,658,068
	Transportation CTP	\$0	\$315,000,000	\$0	\$618,945,317	\$839,030,000	\$1,772,975,317
	Grand Total	\$1,090,324,000	\$347,000,000	\$7,700,000	\$966,532,317	\$989,077,068	\$3,400,633,385

ADA: Americans with Disabilities Act
 BCCC: Baltimore City Community College
 BPW: Board of Public Works
 BRAC: Base Realignment and Closure
 BSU: Bowie State University
 CSU: Coppin State University
 DHCD: Department of Housing and Community Development
 DHMH: Department of Health and Mental Hygiene
 DJS: Department of Juvenile Services
 DLLR: Department of Labor, Licensing, and Regulation
 DNR: Department of Natural Resources
 DPSCS: Department of Public Safety and Correctional Services
 DoIT: Department of Information Technology
 DSP: Department of State Police
 DVA: Department of Veteran Affairs
 FSU: Frostburg State University
 MD: Military Department
 MDA: Maryland Department of Agriculture
 MDE: Maryland Department of the Environment

MDOA: Maryland Department of Aging
 MDOD: Maryland Department of Disabilities
 MDOP: Maryland Department of Planning
 MEA: Maryland Energy Administration
 MES: Maryland Environment Service
 MHA: Maryland Hospital Association
 MISC: Miscellaneous
 MSDE: Maryland State Department of Education
 MHEC: Maryland Higher Education Commission
 MICUA: Maryland Independent College and University Association
 MSU: Morgan State University
 SMCM: St. Mary's College of Maryland
 TU: Towson University
 UB: University of Baltimore
 UMBC: University of Maryland Baltimore County
 UMCES: University of Maryland Center for Environmental Science
 UMCP: University of Maryland, College Park
 UMMS: University of Maryland Medical System
 USMO: University System of Maryland Office

Back of Bill – GO Bond De-authorizations and Other Changes

<u>Project Title</u>	<u>De-authorized Project Funding</u>	<u>2013 Session Pre-authorization Amounts</u>	<u>2014 Session Pre-authorization Amounts</u>	<u>Comments Concerning Proposed Changes</u>
DHMH: Community Health Facilities Grant Program	-\$1,600,000			Project not moving forward.
MSU: Campuswide Utilities Upgrade				Extend termination to June 1, 2013.
MSU: Campuswide Site Improvements				Extend termination to June 1, 2013.
MES: Infrastructure Improvement Fund	-285,000			Substantial project completion.
DPSCS: Local Jails and Detention Centers – Frederick County	-117,000			Design complete.
MSD: New Elementary, Family Education, and Student Support Services Complex	-131,000			Substantial project completion.
BPW General State Facilities: Construction Contingency Fund				Adds nontermination language.
SU: New Teacher Education and Technology Complex	-300,000			Project complete.
CSU: New Physical Education Complex	-1,139,000			Project complete.
DHMH: Clifton T. Perkins Hospital Center New Maximum Security Wing	-149,000			Project complete.

<u>Project Title</u>	<u>De-authorized Project Funding</u>	<u>2013 Session Pre-authorization Amounts</u>	<u>2014 Session Pre-authorization Amounts</u>	<u>Comments Concerning Proposed Changes</u>
MDOD: Accessibility Modifications – UMCP Pocomoke Bldg. Elevator	-156,000			Project complete.
BPW General State Facilities: Construction Contingency Fund				Eliminates termination provision.
BPW General State Facilities	-183,000			Project substantially complete.
CSU: Health and Human Services Building	-344,000			Project complete.
UMCES: Oyster Production Facility	-833,000			Project substantially complete.
MSD: Main Building Parking Lot and Athletic Field	-351,000			Project substantially complete.
MES: Infrastructure Improvement Fund – Elk Neck State Park	-1,151,000			Project not moving forward.
Miscellaneous Grant Programs: National Children’s Museum	-1,500,000			Project delayed.
MSD: New Cafeteria – Frederick Campus	-376,000			Project complete.
Miscellaneous Grant Programs: National Children’s Museum	-1,750,000			Project delayed.
Miscellaneous Grant Programs: National Children’s Museum	-547,000			Project delayed.

<u>Project Title</u>	<u>De-authorized Project Funding</u>	<u>2013 Session Pre-authorization Amounts</u>	<u>2014 Session Pre-authorization Amounts</u>	<u>Comments Concerning Proposed Changes</u>
DNR: Natural Resources Development Fund				Modify authorized use of funds.
BSU: New Fine and Performing Arts Building	-2,995,000			Project complete.
Miscellaneous Grant Programs: National Children's Museum	-5,000,000			Project delayed.
MHA: Carroll Hospital Center				Change grantee.
DPSCS: New Youth Detention Facility	-16,923,000			Project on hold pending scope change.
BPW: State House – Old Senate Chamber				Amend grant authorizing language.
DHCD: Neighborhood Business Development Program	-2,050,000			Fiscal 2012 special fund replacement – GO bond cancelled.
Miscellaneous Grant Programs: National Children's Museum				Amend authorization to include acquisition as an authorized use.

<u>Project Title</u>	<u>De-authorized Project Funding</u>	<u>2013 Session Pre-authorization Amounts</u>	<u>2014 Session Pre-authorization Amounts</u>	<u>Comments Concerning Proposed Changes</u>
2011 MCCBL Pre-authorization Act of 2013				<p>Strikes Section 13 of the 2011 MCCBL to delete individual pre-authorizations for 2012 session – most projects added in as regular line item authorizations in the 2012 MCCBL located in Section 1. <i>Notable exceptions include (1) DPSCS New Youth Detention Facility which was pre-authorized for \$41.1 million, but the project is still on hold pending scope review; (2) DJS New Youth Detention Center (Cheltenham) \$23.5 million which is delayed due to the Administration decision concerning how to implement a Project Labor Agreement on the project.</i></p>
2011 MCCBL Pre-authorization Act of 2013				<p>Strikes Section 12 of the 2011 MCCBL to delete individual pre-authorizations for 2013 session – most projects added in new Section 12 of the 2012 MCCBL which pre-authorizes projects for the 2012 session. <i>Notable exceptions again include (1) DPSCS New Youth Detention Facility which was pre-authorized for \$21.7 million, but the project is still on hold pending scope review, (2) DJS New Youth Detention Center (Cheltenham) \$23.5 million which is delayed due to the Administration decision concerning how to implement a Project Labor Agreement on the project.</i></p>

<u>Project Title</u>	<u>De-authorized Project Funding</u>	<u>2013 Session Pre-authorization Amounts</u>	<u>2014 Session Pre-authorization Amounts</u>	<u>Comments Concerning Proposed Changes</u>
2011 MCCBL Pre-authorization Act of 2014				Strikes Section 14 of the 2011 MCCBL to delete individual pre-authorizations for 2014 session – this only included \$7.3 million for helicopter replacement.
Section 12 BPW: State House – Old House Chamber			\$2,100,000	Pre-authorization combined with funds authorized in the 2011 MCCBL and proposed authorization included in the 2012 MCCBL will allow construction contract approval by BPW.
Section 12 DNR: Program Open Space			30,678,000	Pre-authorization of diverted transfer tax – includes partial GO replacement of fiscal 2011 through 2013 revenues diverted to the general fund – \$15,093,000 of Stateside POS and \$15,585,000 of Local POS.
Section 12 – DNR: Rural Legacy Program			9,456,000	Pre-authorization of diverted transfer tax – includes partial GO replacement of fiscal 2011 through 2013 revenues diverted to general fund.
Section 12 MDA: Maryland Agricultural Land Preservation			12,653,000	Pre-authorization of diverted transfer tax – includes partial GO replacement of fiscal 2011 through 2013 revenues diverted to general fund.
Section 12 DHMH: Henryton Center – Abate Asbestos and Raze Building			3,050,000	This pre-authorization in addition to the \$3,530,000 proposed for the 2012 session will allow a project contract award by BPW.

<u>Project Title</u>	<u>De-authorized Project Funding</u>	<u>2013 Session Pre-authorization Amounts</u>	<u>2014 Session Pre-authorization Amounts</u>	<u>Comments Concerning Proposed Changes</u>
Section 12 FSU: New Center for Communications and Information Technology		4,700,000		This pre-authorization in addition to the \$44,550,000 proposed for the 2012 session required for a project contract award by BPW.
Section 12 CSU: New Science and Technology Center		47,050,000		This pre-authorization in addition to the \$28,775,000 proposed for the 2012 session required for a project contract award by BPW.
Section 12 UMBC: New Performing Arts and Humanities Facility		30,060,000		This pre-authorization in addition to the \$30,600,000 proposed for the 2012 session required for a project contract award by BPW.
Section 12 MHEC: Community College Facilities Grant Program		29,140,000		This pre-authorization in addition to the \$37,726,000 proposed for the 2012 session required for a project contract award by BPW. This includes (1) \$10,391 – Cecil College Engineering and Math Building; \$1,096,000 – Anne Arundel Community College Administration Building. (3) \$12,950,000 – Community College of Baltimore County Catonsville F Building Renovation and Expansion; and (4) \$4,703,000 – Harford Community College New Nursing and Allied Health Building.

<u>Project Title</u>	<u>De-authorized Project Funding</u>	<u>2013 Session Pre-authorization Amounts</u>	<u>2014 Session Pre-authorization Amounts</u>	<u>Comments Concerning Proposed Changes</u>
Section 12 MSU: New School of Business Complex		43,550,000		This pre-authorization in addition to the \$20,685,000 proposed for the 2012 session required for project contract award by BPW.
Section 12 DSP: Helicopter Replacement		24,250,000		This pre-authorization in addition to the \$38,674,000 proposed for the 2012 session required for continued procurement of helicopters as scheduled in original BPW approved contract.
Section 12 Miscellaneous Grant Programs: InterCounty Connector		21,475,000		Final funding for ICC pushed back from programmed 2012 MCCBL funding to 2013 MCCBL – note that the plan includes no use of general funds (\$10 million in the general fund programmed in the 2011 CIP).
Section 13 DNR: Program Open Space			\$16,538,000	Pre-authorization of diverted transfer tax – includes partial GO replacement of fiscal 2011 through 2013 revenues diverted to the general fund – \$7,900,000 of Stateside POS and \$8,638,000 of Local POS.
Section 13 DNR: Rural Legacy			4,867,000	Pre-authorization of diverted transfer tax – includes partial GO replacement of fiscal 2011 through 2013 revenues diverted to the general fund.
Section 13 MDA: Maryland Agricultural Land Preservation Program			6,134,000	Pre-authorization of diverted transfer tax – includes partial GO replacement of fiscal 2011 through 2013 revenues diverted to the general fund.

<u>Project Title</u>	<u>De-authorized Project Funding</u>	<u>2013 Session Pre-authorization Amounts</u>	<u>2014 Session Pre-authorization Amounts</u>	<u>Comments Concerning Proposed Changes</u>
Section 13 MSU: New School of Business Complex			3,050,000	This pre-authorization in addition to the \$20,685,000 proposed for the 2012 session and \$43,550,000 pre-authorized for the 2013 session required for project contract award by BPW.
Section 13 DSP: Helicopter Replacement			8,000,000	This pre-authorization in addition to the \$38,674,000 proposed for the 2012 session and \$24,250,000 pre-authorized for the 2013 session required for continued procurement of helicopters as scheduled in the original BPW approved contract.
Total	-\$37,880,000	\$258,162,000	\$38,589,000	

BPW: Board of Public Works
 BSU: Bowie State University
 CSU: Coppin State University
 DHCD: Department of Housing and Community Development
 DHMH: Department of Health and Mental Hygiene
 DJS: Department of Juvenile Services
 DNR: Department of Natural Resources
 DPSCS: Department of Public Safety and Correctional Services
 DSP: Department of State Police
 FSU: Frostburg State University
 GO: general obligation
 MCCBL: Maryland Consolidated Capital Bond Loan

MDA: Maryland Department of Agriculture
 MDOD: Maryland Department of Disabilities
 MES: Maryland Environmental Service
 MHA: Maryland Hospital Association
 MHEC: Maryland Higher Education Commission
 MSD: Maryland School for the Deaf
 MSU: Morgan State University
 POS: Program Open Space
 SU: Salisbury University
 UMBC: University of Maryland Baltimore County
 UMCES: University of Maryland Center for Environmental Science
 UMCP: University of Maryland, College Park