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# Capital Budget Fiscal Briefing

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

**February 2020**

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*Analysis of the FY 2021 Maryland Executive Budget, 2020*

# Capital Program

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## Quick Look at Fiscal 2021 Capital Budget and Potential Legislative Considerations

### Fiscal 2021 Capital Budget Totals \$2.113 Billion

- **Debt Components:** These include \$1.095 billion of new general obligation (GO) bonds, which is consistent with the Spending Affordability Committee (SAC) recommendation, plus another \$9.1 million of GO bonds recycled from deauthorizations. This also includes \$432 million of revenue bonds, comprised of \$400 million for public school construction through the Governor's proposed Building Opportunity Fund (HB 338/SB 276) supported with revenues from the Education Trust Fund (ETF) and \$32 million of Academic Revenue Bonds (ARB).
- **Pay-as-you-go Components:** The pay-as-you-go portion of the nontransportation capital program totals \$576.5 million, comprised of \$63.9 million in general funds, \$431 million in special funds, and \$81.6 million in federal funds. The general fund figure includes \$38.2 million budgeted in the Dedicated Purpose Account (DPA) for Program Open Space (POS) repayments established by Chapter 10 of 2016 as amended by the Budget Reconciliation and Financing Act (BRFA) of 2018.

### Funding Highlights and Other Considerations

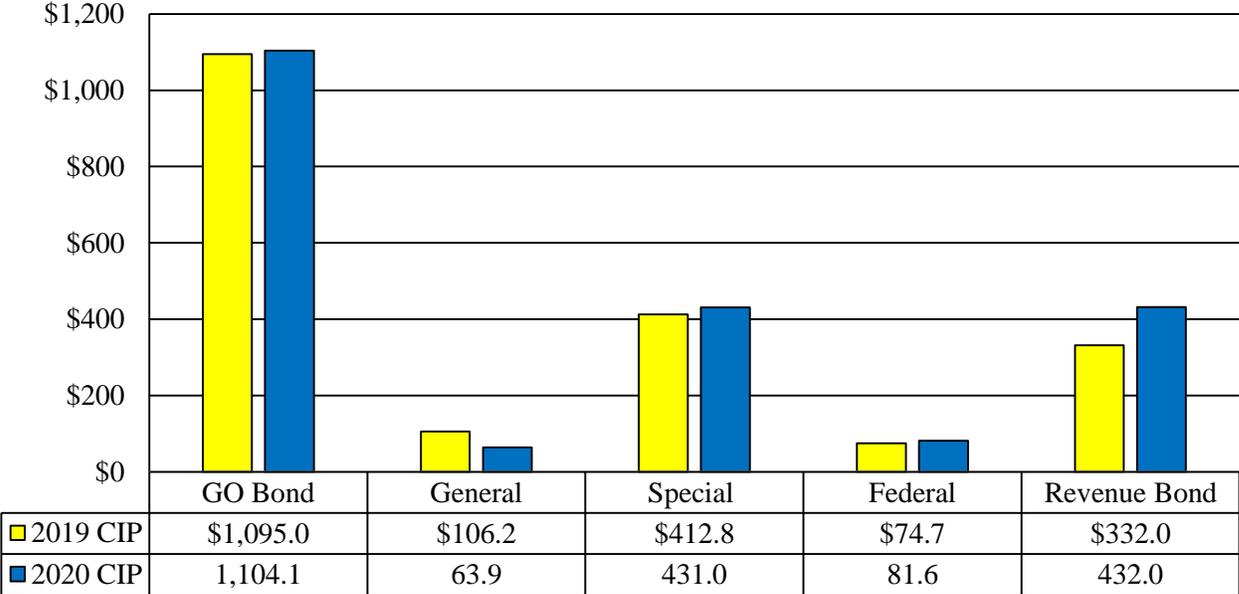
- **GO Bond Authorization Levels Increase:** The level of GO bond funds programmed in the 2020 *Capital Improvement Program* (CIP) exceeds the limits established by both the Capital Debt Affordability Committee and SAC by \$50 million in each of fiscal 2022 through 2025 for a total of \$200 million through the planning period.
- **General Fund Support for the Capital Program Decreases:** As introduced, the budget provides \$63.9 million of general funds, including \$38.2 million for repayment of POS budgeted in the DPA, compared to \$106.2 million programmed in the 2019 CIP for fiscal 2021.
- **Mandate Relief:** The budget alters several general fund capital mandates contingent upon legislation; the budget seeks \$56.3 million of general fund relief for capital programs. **Appendix 7** provides more detail on the treatment of capital mandates in the budget.
- **Funding Deferrals:** The budget defers projects programmed in the CIP and projects preauthorized by the Maryland General Assembly for fiscal 2021. **Appendix 5** provides more detail on the significant changes.
- **Therapeutic Treatment Center:** Fiscal 2021 would begin the design phase for the proposed Therapeutic Treatment Center (TTC) in Baltimore City, which is estimated to cost \$388 million.
- **Howard Street Tunnel:** The 2020 CIP programs the use of \$124.5 million of GO bonds for the Howard Street Tunnel project from fiscal 2022 through 2024.

- **Legislative Initiatives:** The budget does not provide a funding earmark for Legislative Bond Initiatives (LBI) in fiscal 2021, and the 2020 CIP programs no funding for LBIs through the five-year forecast period.
- **School Construction:** The fiscal 2021 capital budget provides \$733 million for public school construction of which \$400 million would come from the issuance of revenue bonds supported by the ETF in connection with the Governor’s \$2.2 billion Building Opportunity Fund public school construction initiative.

**Fiscal 2021 Capital Program**

Exhibits 1 and 2 compare the fiscal 2021 capital budget as introduced with what was programmed in the 2019 CIP by major funding source and funding categories. Overall, the fiscal 2021 capital budget totals \$2.113 billion in all funds compared to \$2.021 billion programmed in the 2019 CIP, an increase of \$92 million.

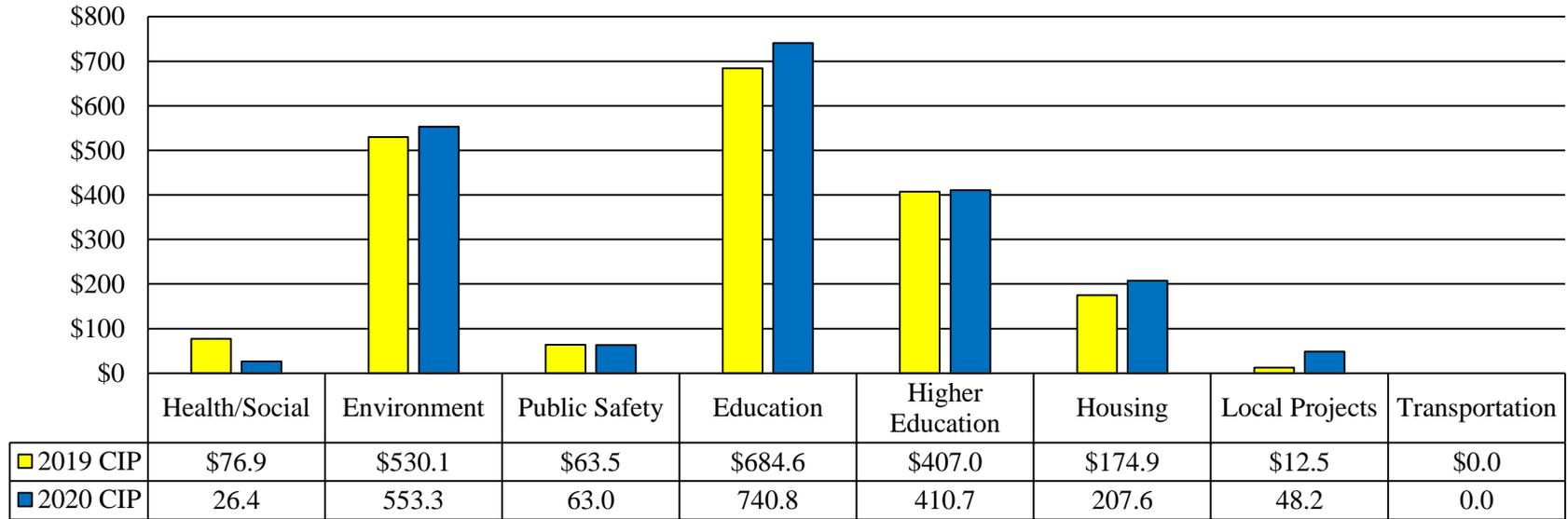
**Exhibit 1**  
**Fiscal 2021 Capital Funding by Major Source**  
**2019 CIP Compared to 2020 CIP**  
 (\$ in Millions)



CIP: Capital Improvement Program  
 GO: general obligation

Source: Department of Budget and Management

**Exhibit 2**  
**Fiscal 2021 Capital Funding by Major Category**  
**2019 CIP Compared to 2020 CIP**  
**(\$ in Millions)**



CIP: *Capital Improvement Program*

Source: Department of Budget and Management

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- **GO Bond Funds:** The budget includes \$1.095 billion of new GO bond authorizations, which is consistent with the SAC recommendation and the amount programmed for fiscal 2021 in the 2019 CIP, plus another \$9.1 million of GO bonds recycled from deauthorizations proposed in the budget.
- **General Funds:** The budget includes \$63.9 million of general funds in support of the capital program, which is down from the \$106.2 million programmed in the 2019 CIP for fiscal 2021. In addition to \$38.2 million budgeted in the DPA of the State Reserve Fund for transfer tax repayment, other significant general fund uses include \$12 million for the Department of Housing and Community Development (DHCD) Rental Housing Program, \$9 million for the Historic Revitalization Tax Credit program, and \$3.5 million for nonpublic aging school safety improvements. The significant differences between what was programmed for fiscal 2021 in the 2019 CIP and what is budgeted includes \$30 million for the Healthy School Facility Fund and \$10 million for school safety enhancement that the Governor proposes to fund with revenue bonds through the public school construction Building Opportunity Fund, and \$4 million for the Aid to Community Colleges Facilities Renewal Program that the Governor funds with GO bond funds. **Appendix 1** provides a summary of recent and programmed general fund support for the capital program.
- **Special Funds:** The budget provides \$431 million of special funds compared to \$413 million programmed in the 2019 CIP. Of the total amount, \$396 million supports environmental programs and is comprised principally of \$156 million of transfer tax revenues distributed through the formula for the Department of Natural Resources (DNR) and the Maryland Department of Agriculture (MDA) programs, including POS and the Agricultural Land Preservation Program, which is also funded with \$8.5 million of local participation funds; \$90 million from the Bay Restoration Fund for a variety of programs to support water quality in the Chesapeake Bay; \$126 million from the Water Quality and Drinking Water revolving loan programs administered by the Maryland Department of the Environment (MDE); and \$13.5 million from the Waterway Improvement Fund. The other major special fund uses are revenues from grant and loan programs administered by DHCD that total \$35 million.
- **Federal Funds:** The capital program is supported with \$81.6 million of federal funds compared to \$74.7 million programmed in the 2019 CIP. Much of the funding comes from the State's federal formula allocation for the Drinking Water and Water Quality Revolving Loan programs that totals \$53.1 million. Another \$23 million supports a variety of DHCD programs.

**Appendix 2** shows the top funded capital projects and programs for fiscal 2021 by major fund source. **Appendix 3** summarizes the capital program by function, and **Appendix 4** provides a list of the projects included in the proposed fiscal 2021 capital budget. **Appendix 5** provides a list of the major project deferrals and other funding changes relative to what was programmed in the 2019 CIP. **Appendix 6** provides a list of significant adjustments to fiscal 2021 preauthorizations included in the Maryland Consolidated Capital Bond Loan of 2019 compared to the budget as introduced. **Appendix 7** illustrates how capital mandates on the capital program are treated in the budget. **Appendix 8** provides

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a list of deauthorizations, preauthorizations, and other changes to prior year authorizations proposed in SB 191 of 2020.

### **Major Investments by Category**

- ***State Facilities:*** The budget provides \$34.7 million for the Department of General Services Facility Renewal Program; \$9.6 million to continue the buildout and enhancement of the Public Safety Communication System; \$5.0 million to provide supplemental funding for the replacement of Lawyer's Mall underground infrastructure; and \$5.0 million to begin construction of the Maryland Army National Guard surface equipment and automotive maintenance facility in Havre de Grace.
- ***Health/Social:*** The budget provides \$10.5 million for the University of Maryland Medical System (\$7.5 million for the Comprehensive Cancer Treatment and Organ Transplant Center and \$3.0 million for Phase III renovation of the R Adams Cowley Shock Trauma Center); \$6.5 million for community health facilities grants; and \$6.6 million for private hospitals through the Maryland Hospital Association.
- ***Environment:*** The budget provides \$170.3 million for DNR programs and projects, including State and local POS (comprised of \$118.1 million of special fund transfer tax revenues distributed through the formula, \$29.9 million of general funds budgeted in the DPA for the fiscal 2021 allocation of transfer tax diversion repayments, \$15.4 million of GO bonds, \$13.5 million of special funds from the Waterway Improvement Fund, \$5.5 million of federal funds, and \$1.0 million of local participation funds for Ocean City Beach Replenishment); \$294 million for MDE programs that focus on water quality, drinking water, and stormwater management; and \$58.1 million for MDA, highlighted by \$48.6 million for agricultural land preservation (comprised of \$6.5 million of general funds from the DPA as part of the transfer tax repayment, \$33.6 million of special fund transfer tax, and \$8.5 million of local participation funds). The Maryland Environmental Service receives \$18.2 million (comprised of \$11.6 million of GO bond funds and \$6.6 million of special fund transfer tax revenues to support projects at State parks).
- ***Public Safety:*** The budget provides \$18.1 million to continue construction of high temperature distribution system and perimeter security improvements at the Eastern Correctional Institute; \$15 million to begin design of the new TTC; \$7.5 million to continue the upgrades to the heating system and windows at the Maryland Correctional Training Center; and \$11.6 million for improvements to local jails.
- ***Education:*** The budget provides \$733 million for school construction. The most significant components include \$280 million of GO bonds for the traditional school construction program supplemented with another \$40 million of GO bonds as mandated for the Supplemental Capital Grant Program for Local School Systems for a total of \$320 million. Another \$400 million of

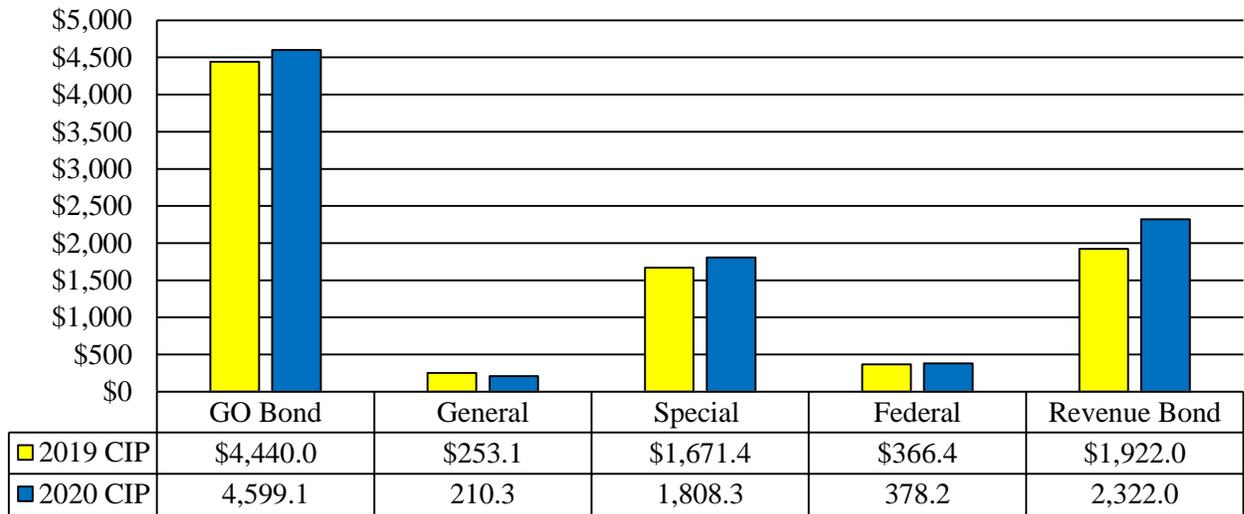
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revenue bonds, which according to the Governor's plan (HB 338/SB 276) entails dedicating up to \$125 million annually from the ETF to support the debt service on \$2.2 billion of revenue bonds programmed to be issued over fiscal 2021 through 2024. The proposed fiscal 2021 use of the revenue bonds include \$340 million for the Building Opportunity Fund (traditional public school construction projects), \$30 million (in lieu of mandated general funds) for the Healthy School Facility Fund; \$10 million (in lieu of mandated general funds) for the School Safety Enhancement Initiative; and \$20 million for the Local Share of School Construction Costs Revolving Loan Fund. The fiscal 2021 use of revenue bond proceeds is \$100 million more than was programmed in the 2019 CIP.

- ***Higher Education:*** The budget provides \$411 million for higher education, including \$246 million for projects at University System of Maryland campuses; \$20.2 million for projects at Morgan State University (MSU); \$35 million for projects at St. Mary's College of Maryland; \$102 million for community college projects at 13 campuses; and \$8 million for Maryland Independent College and University Association projects at four colleges.
- ***Housing and Community Development:*** The budget provides \$192 million for DHCD programs compared to the \$159 million programmed for fiscal 2021 in the 2019 CIP. This is highlighted by \$61.5 million for the Rental Housing Program (a \$12 million increase over what was programmed in the 2019 CIP), \$26.5 million for the Strategic Demolition Fund (a \$13 million increase over what was programmed in the 2019 CIP) of which \$23 million is earmarked for Project C.O.R.E., or Creating Opportunities for Renewal and Enterprise, \$19 million for Homeownership Programs, and \$10.1 million for the second year of funding for the buildout of rural broadband through the Local Government Infrastructure fund. Other significant funding in this category includes \$9.0 million in general funds for the Historic Revitalization Tax Credit and \$4.6 million to fund the renovation of the historic Patterson Center.
- ***Local Projects:*** The budget provides \$43.2 million for local projects (excluding projects assigned to other categories) selected by the Administration. This includes \$31.9 million of projects with an out-year commitment programmed in the 2020 CIP and \$5.0 million and \$4.7 million for critical infrastructure upgrades at the National Aquarium and Maryland Zoo, respectively. No funds are earmarked for legislator-sponsored local projects.

**Exhibits 3, 4, and 5** compare programmed funding levels in the 2019 CIP to what is programmed in the 2020 CIP for the four years that the two programs overlap – fiscal 2021 through 2024. Overall, the 2020 CIP programs \$9.318 billion compared to \$8.653 billion in the 2019 CIP over the four years, an increase of \$665 million.

**Exhibit 3**  
**Fiscal 2021 Proposed Capital Program Compared to Fiscal 2020 Program**  
**By Funding Source**  
**Fiscal 2021-2024**  
**(\$ in Millions)**

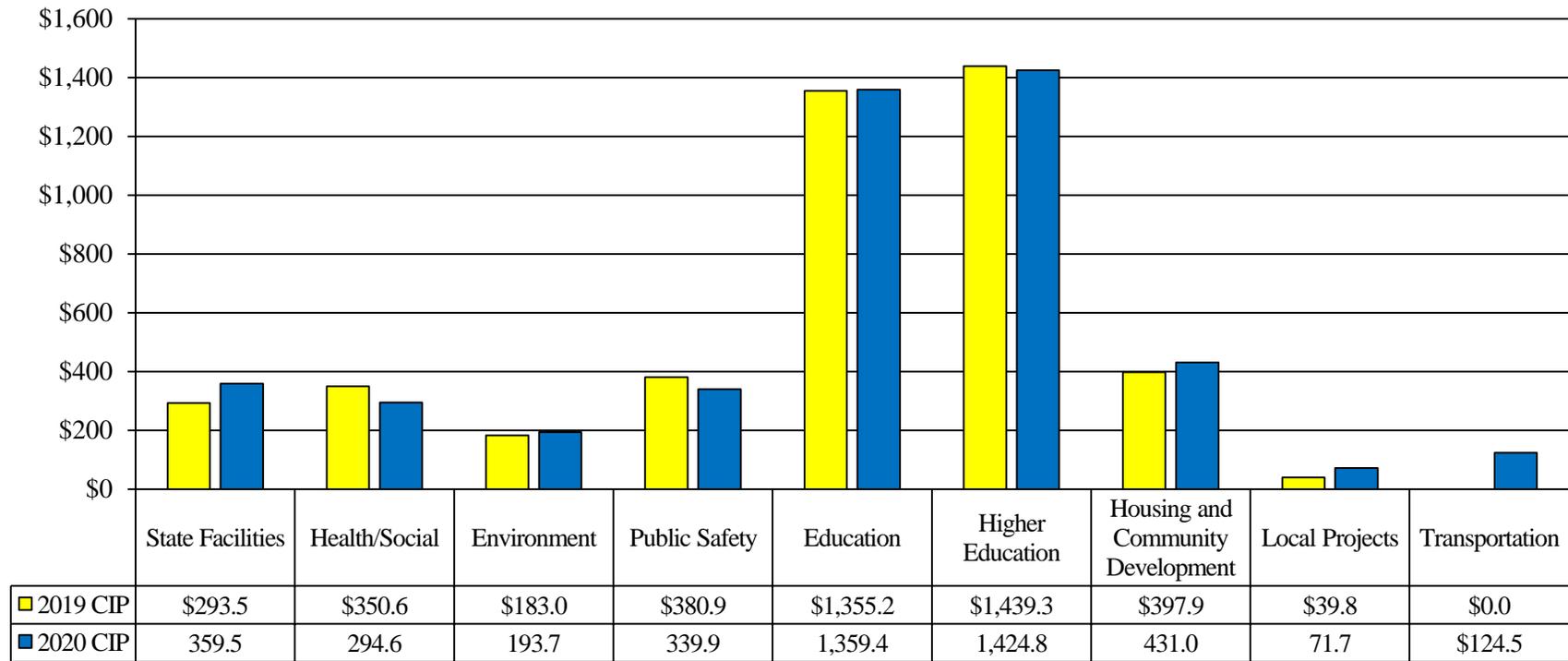


CIP: *Capital Improvement Program*

GO: *general obligation*

Source: Department of Budget and Management

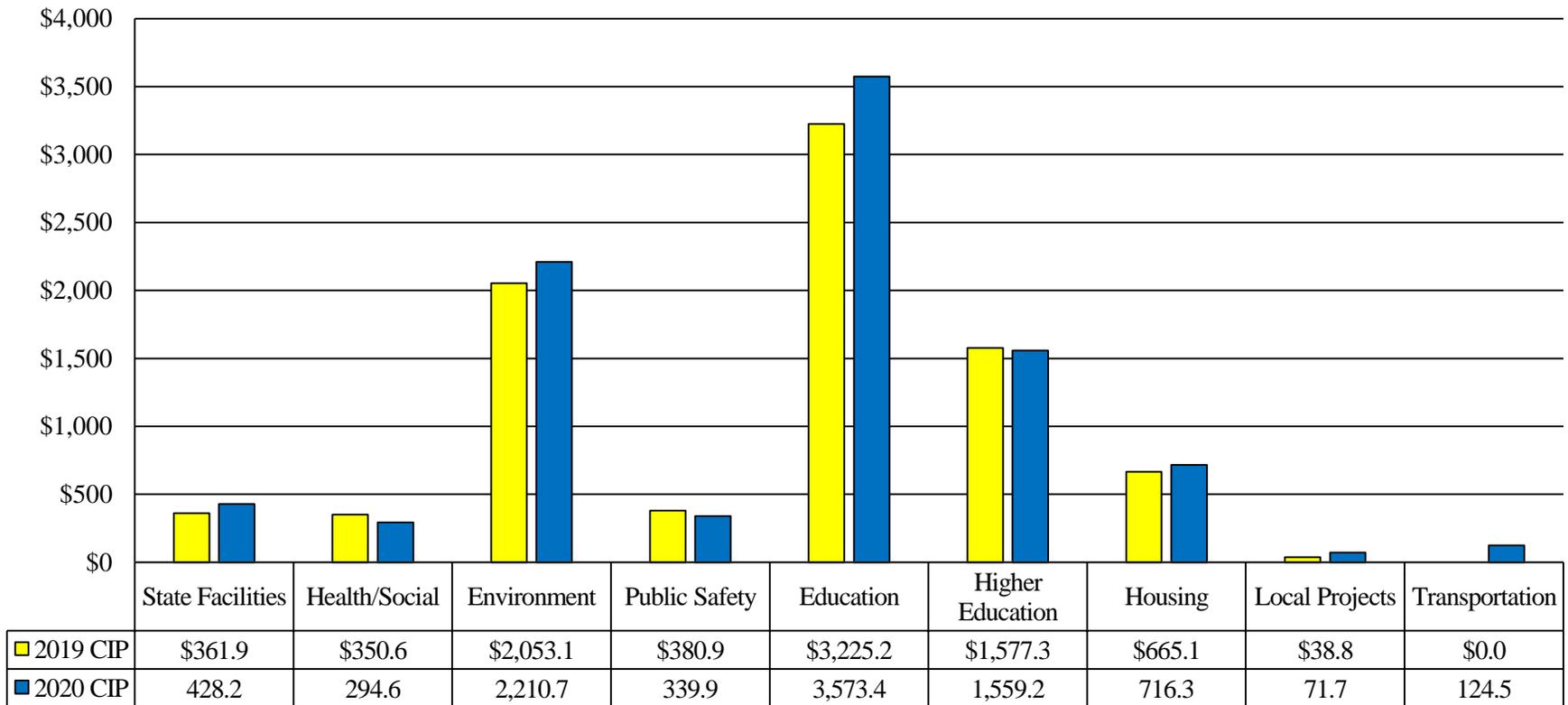
**Exhibit 4**  
**GO Bond Capital Program**  
**Comparison of 2019 versus 2020 CIP**  
**Fiscal 2021-2024 Funding by Category**  
**(\$ in Millions)**



CIP: Capital Improvement Program  
 GO: general obligation

Source: Department of Budget and Management

**Exhibit 5**  
**Capital Program All Funds**  
**Comparison of 2019 versus 2020 CIP**  
**Fiscal 2021-2024 Funding by Category**  
**(\$ in Millions)**



CIP: *Capital Improvement Program*

Source: Department of Budget and Management

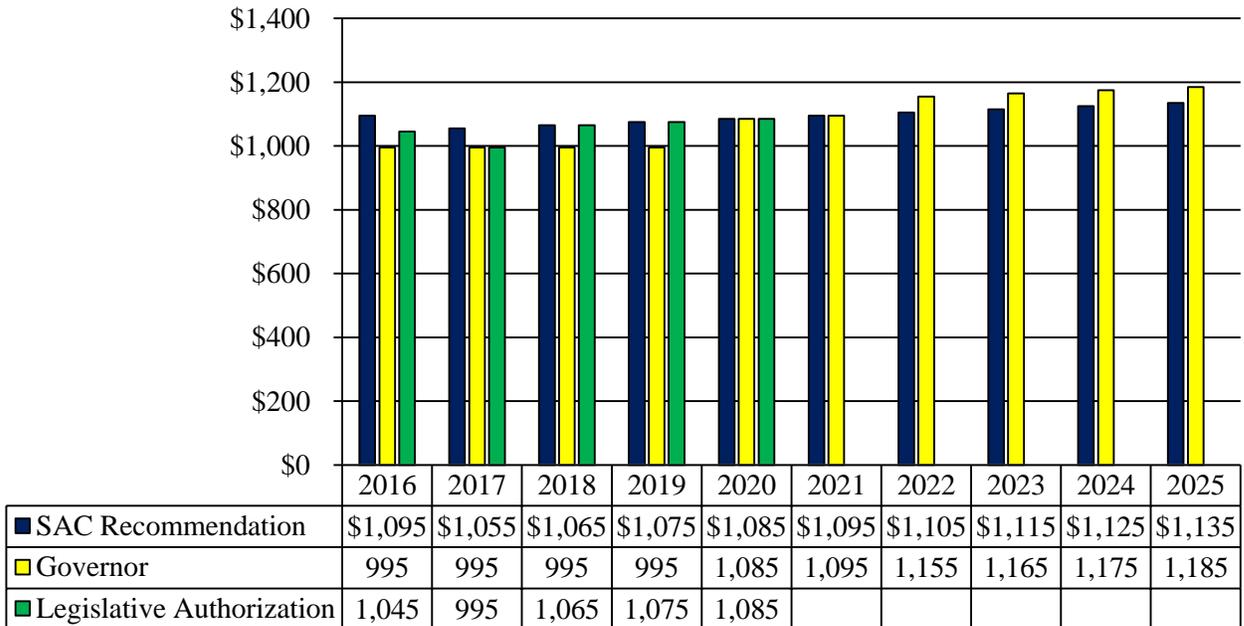
**Items of Interest**

**Proposed New GO Bond Authorization Levels**

The level of GO bond funds programmed in the 2020 CIP is consistent with the SAC recommendation for fiscal 2021 but exceeds the limits established by SAC by \$50 million in each of fiscal 2022 through 2025 for a total of \$200 million through the planning period.

This marks the second consecutive year that the Governor has proposed increasing GO bond debt levels for the forecast period above what was programmed in the previous year’s CIP. For the five-year forecast period (fiscal 2021 through 2025), an additional \$800 million of GO bond authorization is programmed above what would be available had the \$995 million annual level proposed most recently by the Governor in the 2018 CIP remained in place. **Exhibit 6** shows recent recommended, actual, and programmed authorization levels. **Appendix 9** shows recently recommended and final new GO bond authorization levels.

**Exhibit 6**  
**New General Obligation Bond Authorization Levels**  
**Fiscal 2016-2025**  
**(\$ in Millions)**



SAC: Spending Affordability Committee

Source: Department of Budget and Management, *Capital Improvement Program; Spending Affordability Committee 2019 Interim Report*

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The State's debt affordability limits require debt service costs not to exceed 8.0% of the revenues supporting them. **Exhibit 7** shows that the debt service to revenue affordability ratio forecast using the higher SAC GO bond authorization recommendation is affordable through the planning period.

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### Exhibit 7 Debt Service to Revenue Ratios Fiscal 2021-2025

<u>Year</u>	<u>2019 CIP Annual Authorization Levels</u>	<u>2020 CIP Annual Authorization Levels</u>
2021	7.50%	7.52%
2022	7.68%	7.72%
2023	7.77%	7.83%
2024	7.54%	7.62%
2025	7.48%	7.58%

CIP: *Capital Improvement Program*

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

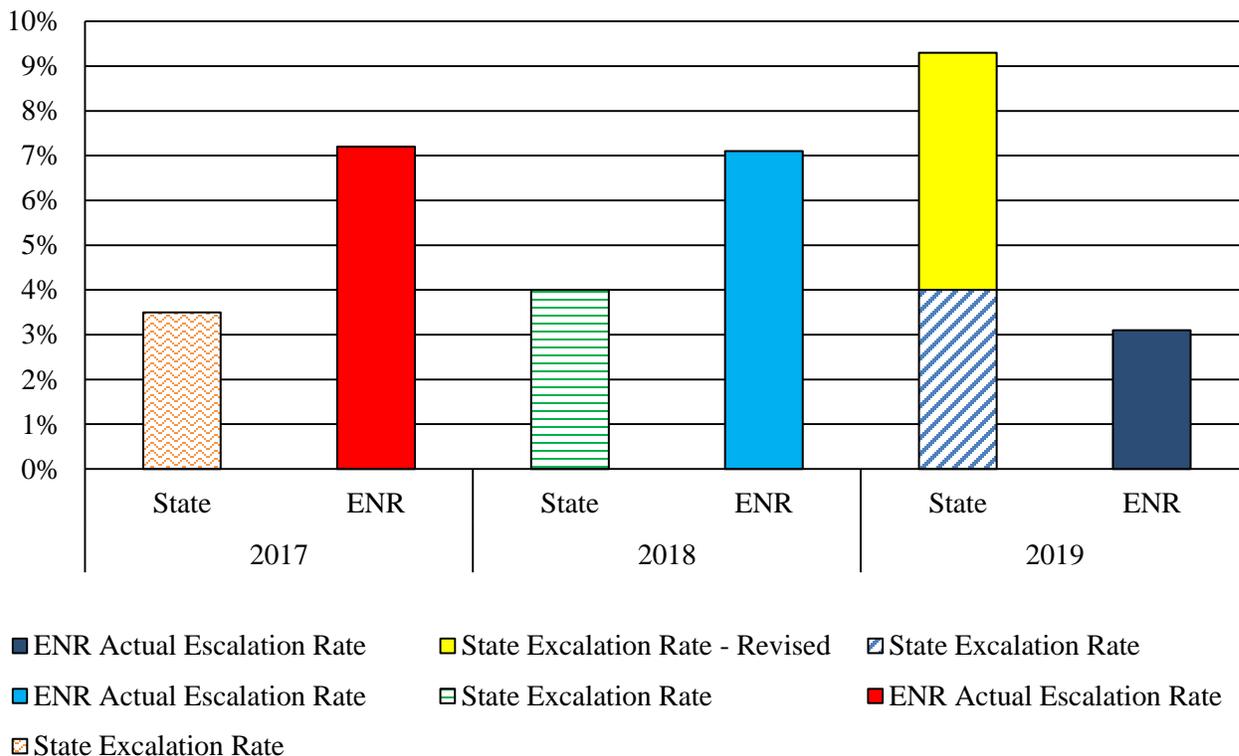
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## Impact of Construction Inflation

During the 2019 interim, the Department of Legislative Services (DLS) evaluated the impact of sharp increases in construction costs on the State's capital program. For the past several years, the legislative GO bond authorization level has adhered to the SAC recommendation to increase annual GO bond authorizations by 1% annually but this policy has failed to keep pace with rising construction costs.

- **Actual Escalation Rates Exceed Budgeted Levels:** Recent measures of year-over-year construction cost escalation have exceeded levels used by the Department of Budget and Management (DBM). To more accurately reflect project costs, DBM increased the calendar 2019 escalation rate from 4% to 9.3%. **Exhibit 8** illustrates the escalation rates used by DBM and actual regional escalation rates for calendar 2017 through 2019.
  - **State-owned Projects:** This adjustment adds roughly \$40 million in costs for projects programmed in the CIP.
  - **Grant and Loan Programs:** The impact on grant and loan programs, including the Public School Construction Program, means that less can be done with the level of funds currently programmed in the CIP.

**Exhibit 8**  
**State Escalation Projections and Actual Building Cost Index Escalation**  
**Calculations from Engineering News-Record**  
**Calendar 2017-2019**



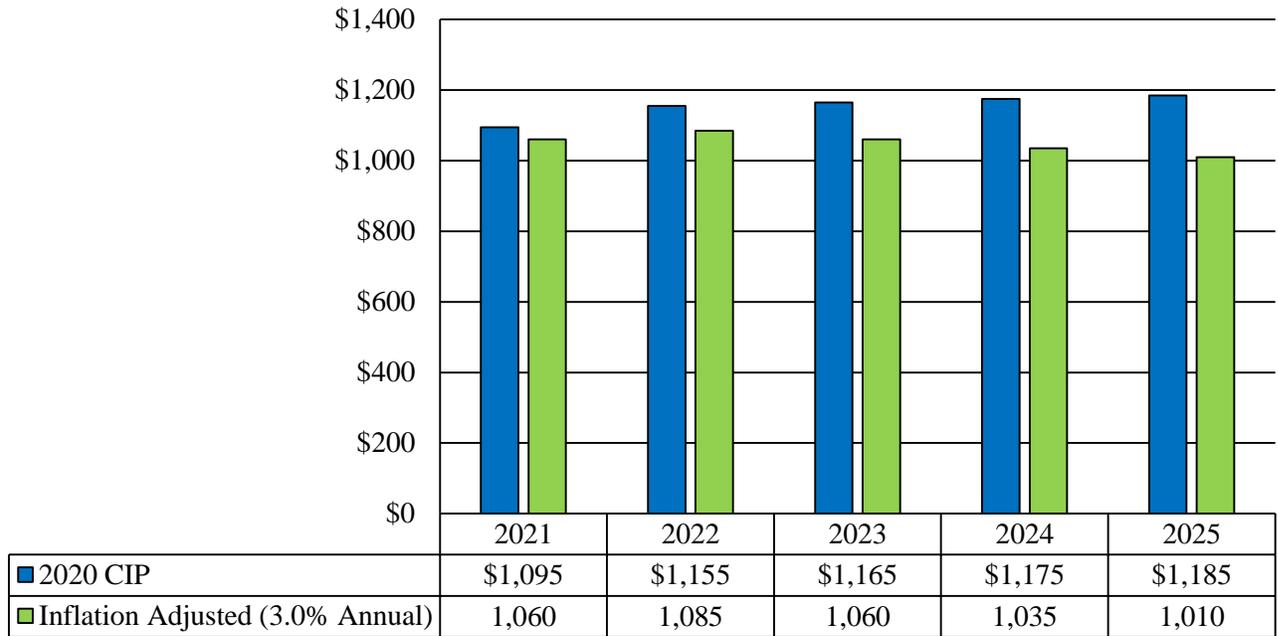
ENR: Engineering News-Record

Note: Calendar 2019 ENR escalation rate as of September 2019 (October through December rates are preliminary).

Source: Engineering News-Record Building and Construction Cost Indexes – City Cost Index Baltimore City

- Impact of Construction Inflation on Bond Authorization Levels:** Year-over-year construction inflation has increased at an average annual rate of 6.0% since the beginning of calendar 2017, and while the measures of construction inflation have leveled off in the last half of calendar 2019, the funding levels as programmed are not keeping pace with rising construction costs. **Exhibit 9** illustrates the impact of a 3% annual year-over-year increase in construction inflation.

**Exhibit 9**  
**Inflation Adjusted GO Bond Authorization Levels**  
**Fiscal 2021-2025**  
**(\$ in Millions)**



CIP: *Capital Improvement Program*  
 GO: general obligation

Source: Engineering News-Record Building Cost Index

**Use of GO Bonds for Howard Street Tunnel Project**

A major component of the Governor’s capital budget includes the use of GO bonds to support the State’s contribution to the Howard Street Tunnel project. Estimated at \$466 million in total costs, the plan proposes \$202.5 million of State contributions of which \$124.5 million would be derived from GO bond authorizations. As shown in **Exhibit 10**, the initial allocation of GO bonds is programmed in the 2020 CIP at \$21.5 million in fiscal 2022 with another \$51.5 million programmed for both fiscal 2023 and 2024.

**Exhibit 10**  
**Howard Street Tunnel Project Funding by Source**  
**Fiscal 2019-2024**  
**(\$ in Millions)**

	<b><u>Expended Through 2019</u></b>	<b><u>2020</u></b>	<b><u>2021</u></b>	<b><u>2022</u></b>	<b><u>2023</u></b>	<b><u>2024</u></b>	<b><u>Total</u></b>
Federal – INFRA Grant	\$0.0	\$0.0	\$24.0	\$32.0	\$33.5	\$35.5	\$125.0
Federal – Baltimore City	0.0	0.0	1.0	1.0	1.0	0.0	3.0
<b><i>Subtotal – Federal</i></b>	<b><i>\$0.0</i></b>	<b><i>\$0.0</i></b>	<b><i>\$25.0</i></b>	<b><i>\$33.0</i></b>	<b><i>\$34.5</i></b>	<b><i>\$35.5</i></b>	<b><i>\$128.0</i></b>
State – General Obligation Bonds	\$0.0	\$0.0	\$0.0	\$21.5	\$51.5	\$51.5	\$124.5
State – General Funds	0.0	0.0	10.0	30.0	0.0	0.0	40.0
State – Baltimore City Highway User Revenues	0.0	0.0	5.0	5.0	5.0	5.0	20.0
State – Maryland Transportation Authority	0.0	0.0	10.0	0.0	0.0	0.0	10.0
State – Maryland Department of Transportation	0.0	0.0	0.3	2.8	2.5	2.5	8.0
<b><i>Subtotal – State</i></b>	<b><i>\$0.0</i></b>	<b><i>\$0.0</i></b>	<b><i>\$25.3</i></b>	<b><i>\$59.3</i></b>	<b><i>\$59.0</i></b>	<b><i>\$59.0</i></b>	<b><i>\$202.5</i></b>
CSX	\$25.0	\$10.0	\$15.6	\$16.9	\$25.5	\$20.0	\$113.0
Pennsylvania Department of Transportation <sup>1</sup>	\$0.0	\$0.0	\$14.4	\$8.1	\$0.0	\$0.0	\$22.5
<b>Total</b>	<b>\$25.0</b>	<b>\$10.0</b>	<b>\$80.3</b>	<b>\$117.3</b>	<b>\$119.0</b>	<b>\$114.5</b>	<b>\$466.0</b>

CSX: Chessie-Seaboard Merger  
INFRA: Infrastructure for Rebuilding America

<sup>1</sup> The \$8.1 million shown in fiscal 2022 is a grant for which the application has not yet been made.

Source: Maryland Department of Transportation

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The Governor's funding plan chooses to use the GO bond side of the capital program rather than either raising transportation revenue or restructuring projects in the *Consolidated Transportation Program* to accommodate the project. Meanwhile, the Maryland Department of Transportation (MDOT) consolidated transportation bonds are taking an increasingly larger percentage of dedicated revenues for tax-supported debt, ranging from 11.3% to 12.2% in the five-year forecast period compared to 8.4% in fiscal 2016, and even higher if the GO bonds programmed for the Howard Street Tunnel are considered. Meanwhile, the GO bond portion ranges between 6.4% to 6.5%, which is relatively unchanged from fiscal 2016.

### **Observations**

The committees may wish to express their intent that the Transportation Trust Fund rather than GO bonds support the Howard Street Tunnel project in fiscal 2022 through 2024. If the State's funding contribution was confined to the transportation side of the capital program, \$164.5 million in currently programmed transportation capital spending would need to be deferred between fiscal 2021 and 2024. This would equate to a 0.7% reduction in the special fund transportation capital program in fiscal 2021 to replace the general funds being provided through the Department of Commerce, increasing to the equivalent of a 4.7% reduction in fiscal 2024 to replace the planned \$51.5 million in GO bond funding.

### **Revised Transfer Tax Replacement Plan**

Chapter 10 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, which are budgeted in the DPA as a source of repayment to be expended as special funds in the budget. The established repayment schedule was changed in the BRFA of 2018 and is proposed to be altered again in the BRFA of 2020.

**Exhibit 11** illustrates the intended repayment plan as established in the 2017 CIP compared to the revised repayment plan set forth in the 2020 CIP based on the BRFA of 2020 as introduced. While the total repayment amount would remain unchanged, the proposed changes continue the trend of deferring repayments to future budgets. For instance, the original repayment schedule would have resulted in \$80.8 million having been repaid through fiscal 2020 instead of the \$13.5 million that results from changes made to the repayment schedule in the BRFA of 2018 and proposed in the BRFA of 2020, including the Governor's decision to revert \$43.9 million appropriated by the legislature in the DPA for fiscal 2020. Rather than releasing the fiscal 2020 funds, the BRFA of 2020 would transfer these funds to the General Fund by the end of fiscal 2021 and amend the repayment schedule as follows:

- ***Payback for Fiscal 2006 Transfer Tax (to Be Distributed through the Transfer Tax Formula):*** The revised plan would replace the \$12.5 million from fiscal 2020 in 2023, extending the repayment by one year.
- ***Payback for Fiscal 2006 Transfer Tax for Critical Maintenance/Natural Resources Development Fund:*** The revised plan would replace the \$6 million from fiscal 2020 with an additional \$2 million in fiscal 2025 (increasing the planned amount from \$4 million to

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\$6 million) with the remaining \$4 million programmed for fiscal 2025 extending the repayment by one year.

- ***Payback for Fiscal 2016 to 2018 Transfer Tax (to Be Distributed through the Transfer Tax Formula):*** The revised plan would replace the \$25.4 million on or before fiscal 2030. While the Governor has discretion to budget this over multiple years, the allocation plan as set forth in the 2020 CIP reflects the entire repayment in fiscal 2030.

**Exhibit 11**  
**Transfer Tax Replacement Plan**  
**Comparison of 2017 and 2020 Session Repayment Plan**  
**Fiscal 2018-2030**  
**(\$ in Millions)**

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Total</u>
<b>2017 CIP</b>														
MARBIDCO (Fiscal 2006 Transfer)	\$2.5	\$2.5	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$5.0
POS (Fiscal 2006 Transfer)	0.0	15.0	15.0	15.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	45.0
Park Development (Fiscal 2006 Transfer)	0.0	6.0	6.0	6.0	6.0	6.0	6.0	4.0	0.0	0.0	0.0	0.0	0.0	40.0
POS (Fiscal 2016 to 2018 Transfers)	0.0	16.9	16.9	16.9	12.7	12.7	12.7	12.7	12.7	12.7	12.7	12.7	0.0	152.1
<b>Total</b>	<b>\$2.5</b>	<b>\$40.4</b>	<b>\$37.9</b>	<b>\$37.9</b>	<b>\$18.7</b>	<b>\$18.7</b>	<b>\$18.7</b>	<b>\$16.7</b>	<b>\$12.7</b>	<b>\$12.7</b>	<b>\$12.7</b>	<b>\$12.7</b>	<b>\$0.0</b>	<b>\$242.1</b>
<b>2020 CIP</b>														
MARBIDCO (Fiscal 2006 Transfer)	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$12.5
POS (Fiscal 2006 Transfer)	0.0	0.0	0.0	12.5	12.5	12.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	37.5
Park Development (Fiscal 2006 Transfer)	0.0	6.0	0.0	6.0	6.0	6.0	6.0	6.0	4.0	0.0	0.0	0.0	0.0	40.0
POS (Fiscal 2016 to 2018 Transfers)	0.0	0.0	0.0	25.4	12.7	12.7	12.7	12.7	12.7	12.7	12.7	12.7	25.4	152.2
<b>Total</b>	<b>\$2.5</b>	<b>\$8.5</b>	<b>\$2.5</b>	<b>\$46.4</b>	<b>\$33.7</b>	<b>\$31.2</b>	<b>\$18.7</b>	<b>\$18.7</b>	<b>\$16.7</b>	<b>\$12.7</b>	<b>\$12.7</b>	<b>\$12.7</b>	<b>\$25.4</b>	<b>\$242.2</b>

MARBIDCO: Maryland Agricultural and Resource-Based Industry Development Corporation

POS: Program Open Space

Note: The amounts to capital programs do not include MARBIDCO allocation or estimated allocation to State Park Service operations.

Source: Department of Budget and Management

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**Exhibit 12** shows the fiscal 2020 allocation of funds for the capital programs impacted by the transfer tax replacement plan.

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**Exhibit 12**  
**Status of Fiscal 2020 Transfer Tax Repayment**  
**(\$ in Millions)**

	<u>Allowance</u>	<u>Legislative Appropriation</u>	<u>Final Appropriation</u>
DNR – Forest and Park Service	\$5.500	\$4.000	\$1.400
DNR – Engineering and Construction	0.191	0.191	0.000
DNR – Land Acquisition and Planning			
Program Open Space – State Share	11.446	0.000	0.000
Program Open Space – Local Share	8.536	8.536	0.000
Rural Legacy Program	1.893	6.893	0.000
Natural Resources Development Fund	3.000	3.625	0.000
Historic St. Mary’s City Commission Facilities Renewal	0.000	1.000	0.000
Jefferson Patterson Park and Museum – Patterson Center Renovations	0.000	3.875	0.000
Critical Maintenance Program	6.841	9.286	0.000
MDA – Agricultural Land Preservation			
Maryland Agricultural Land Preservation Foundation	6.455	5.456	0.000
Southern Maryland Agricultural Land Preservation	0.000	0.999	0.000
<b>Total</b>	<b>\$43.861</b>	<b>\$43.861</b>	<b>\$1.400</b>

DNR: Department of Natural Resources  
MDA: Maryland Department of Agriculture

Note: The Budget and Reconciliation and Financing Act of 2020 includes a provision that transfers the entire \$43.861 million to the General Fund by June 30, 2021. The \$1.4 million reflected in the final appropriation for the DNR – Forest and Park Service reflects a proposed fiscal 2020 deficiency appropriation.

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

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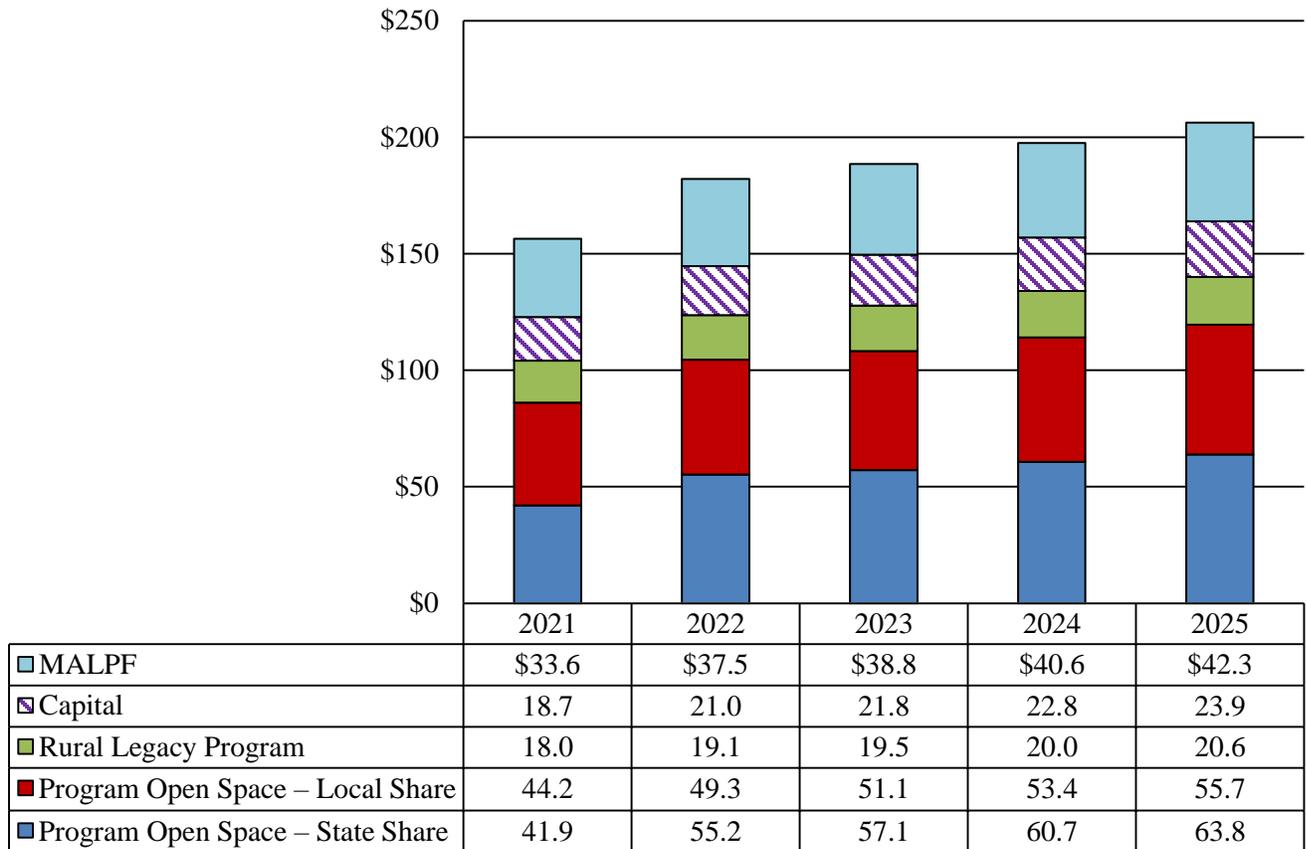
### **Items to Consider**

- **Reject BRFA Provision to Transfer Fiscal 2020 Repayment:** This would leave the funds in the DPA and reduce the estimated fiscal year-end fund balance by \$43.9 million. The Governor could declare the appropriations surplus and transfer the funds by budget amendment to the Rainy Day Fund following review by the budget committees and the Legislative Policy Committee.

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- ***Reject BRFA Provision to Extend Repayment Schedule:*** The legislature made provision for the fiscal 2020 repayment and, rather than agreeing to move the repayment to a future fiscal year, could reject the provisions in the BRFA that restructure the repayment.
- ***Reevaluate the Commitment to the Repayment Plan:*** Three years into the repayment plan, only \$13.5 million has been repaid compared to the \$80.8 million that would have been repaid through fiscal 2020 had the plan not been altered. Rather than burdening future budgets with ever increasing repayment amounts at a time when the State’s general fund structural deficit is projected to exceed \$1 billion, the committees may wish to reconsider the repayment plan in the context of other budgetary pressures. As shown in **Exhibit 13**, capital programs that would benefit from any future repayment are already programmed to receive significant funding from transfer tax revenues through fiscal 2025.
- ***Recalibrate Future Repayments to Focus on Capital Investments at State Parks:*** The current repayment plan includes a total of \$40 million of additional funding for capital investments at State parks, while DNR reports a backlog of critical maintenance projects estimated at \$44.6 million. While the original repayment plan sought to replace the funds commensurate with how each program lost funds through transfer, the committees could consider increasing the amount allocated for direct capital infrastructure investments at State parks by increasing the repayment amount allocated for DNR critical maintenance projects. This need is well documented in the most recent evaluation of the capital needs at State parks conducted by DNR.

**Exhibit 13**  
**Estimated Transfer Tax Allocation to Capital Programs**  
**Fiscal 2021-2025**  
**(\$ in Millions)**



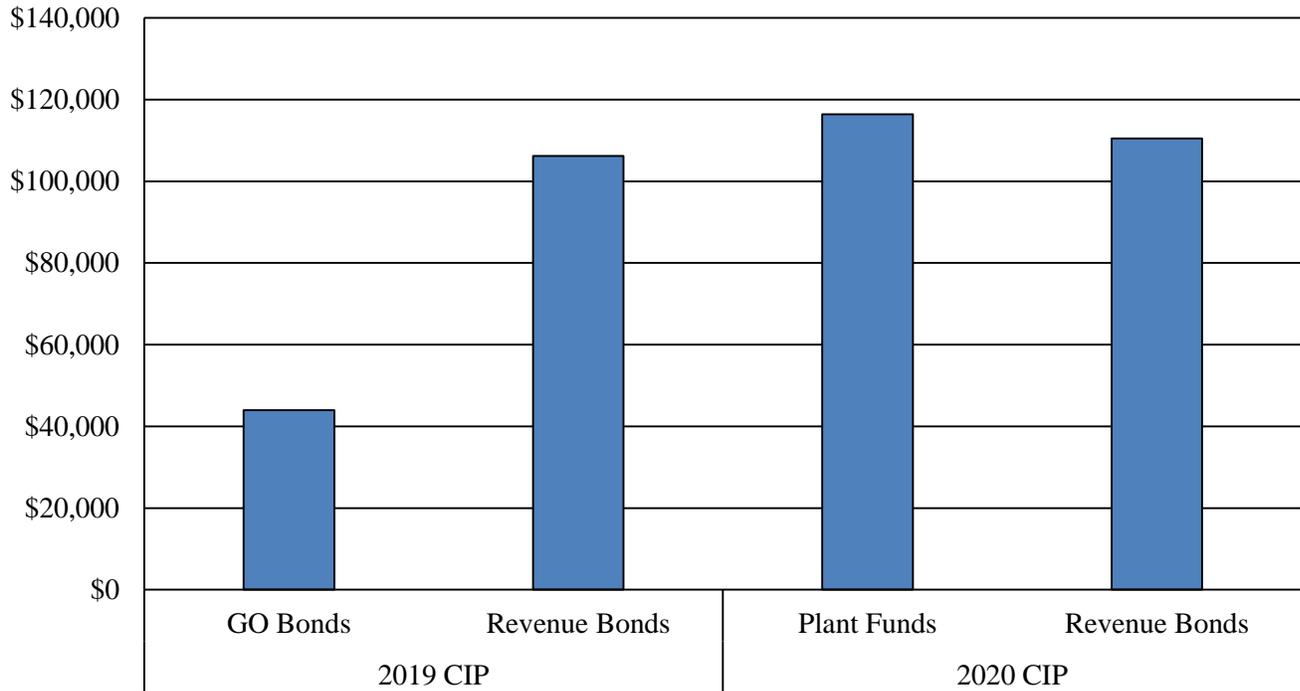
MALPF: Maryland Agricultural Land Preservation Foundation

Source: Department of Budget and Management

**University System of Maryland Facilities Renewal**

As shown in **Exhibit 14**, the 2020 CIP reflects a significant change in how the Governor intends to fund the University System of Maryland (USM) Capital Facilities Renewal Program. While the 2019 CIP programmed \$150.2 million comprised of \$44.0 million of GO bonds and \$106.2 million of ARB revenue bond proceeds, the 2020 CIP programs \$226.9 million comprised of \$110.5 million of USM plant funds and \$116.4 million of ARB funds.

**Exhibit 14**  
**USM Facility Renewal Program Funding Plan**  
**2019 CIP Compared to 2020 CIP**  
**(\$ in Thousands)**

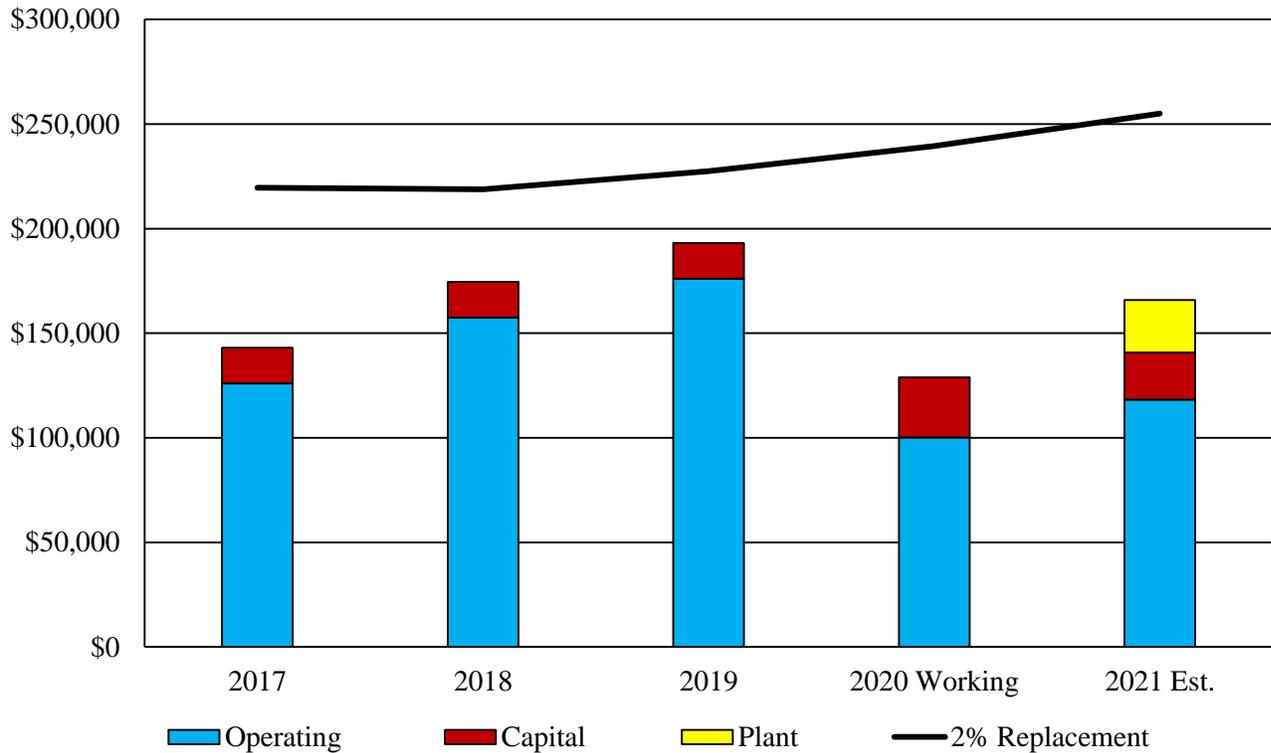


CIP: *Capital Improvement Program*  
 GO: general obligation  
 USM: University System of Maryland

Source: University System of Maryland

System efforts to maintain institutional physical plants is bolstered by the Board of Regents (BOR) policy for institutions to annually spend 2% of facility plant replacement value on facility maintenance and renewal with a combination of operating funds and the allocation of USM ARB proceeds. **Exhibit 15** shows the actual fiscal 2017 through 2019 and estimated fiscal 2020 and 2021 total operating and ARB spending for USM facility maintenance and renewal compared to the 2% replacement target. While total spending increased in each of fiscal 2017 through 2019, estimates for fiscal 2020 and 2021 reflect both declining annual funding levels and a widening of the fund gap relative to the 2% target.

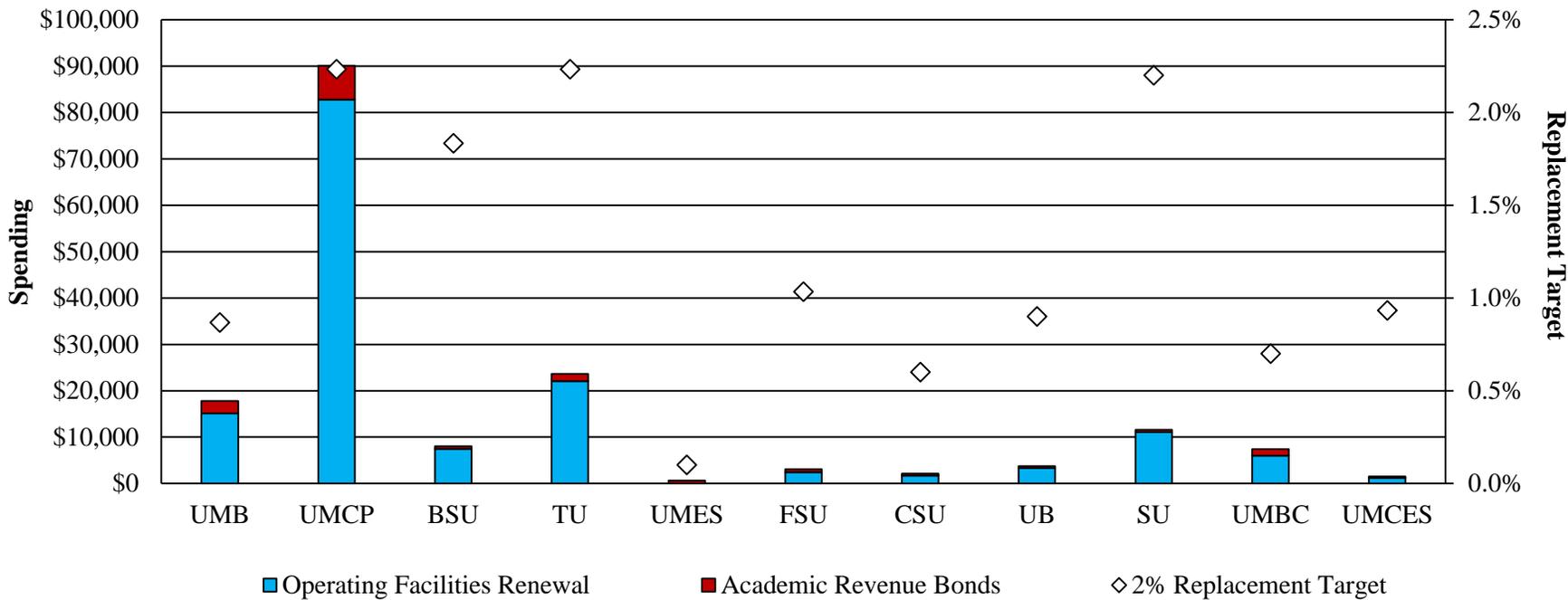
**Exhibit 15**  
**Operating and Academic Revenue Bond Spending on Facility Renewal**  
**Fiscal 2017-2021 Est.**  
**(\$ in Thousands)**



Source: University System of Maryland

**Exhibit 16** shows the three-year average expenditure for fiscal 2017 through 2019 and the 2% target by institution. In order for USM to meet the 2% target, institutions would need to have spent an average of \$220 million annually to meet the 2% goal. Other than the University of Maryland, College Park Campus (UMCP), all other USM institutions lag behind their targeted spending level.

**Exhibit 16**  
**Operating and Academic Revenue Bond Spending on Facility Renewal**  
**Fiscal 2017-2019 Actuals**  
**(\$ in Thousands)**



BSU: Bowie State University  
 CSU: Coppin State University  
 FSU: Frostburg State University  
 SU: Salisbury University  
 TU: Towson University  
 UB: University of Baltimore

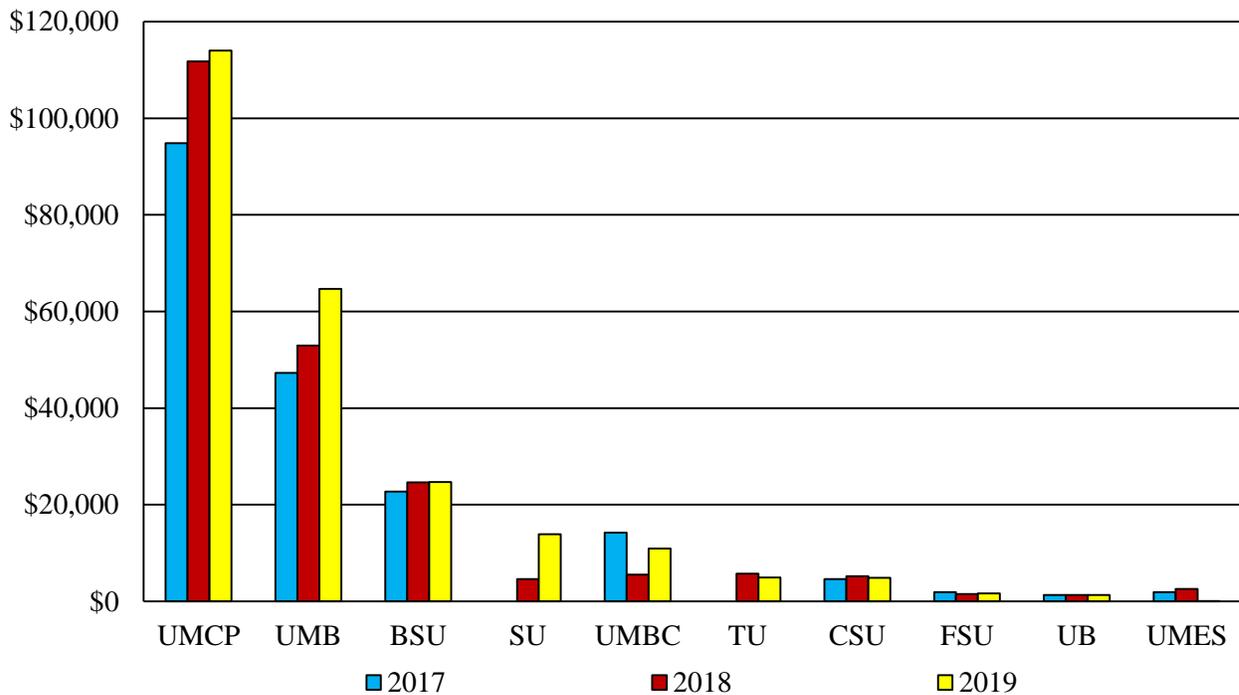
UMB: University of Maryland, Baltimore Campus  
 UMBC: University of Maryland Baltimore County  
 UMCES: University of Maryland Center for Environmental Science  
 UMCP: University of Maryland, College Park Campus  
 UMES: University of Maryland Eastern Shore

Source: University System of Maryland

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In addition to operating and capital funding, USM also strategically allocates plant funds that may only be used for facilities and capital activities, both State-supported facilities and auxiliary facilities. The use of plant fund balances is an integral component to the revised funding plan set forth in the 2020 CIP because the nonbudgeted funds referenced as the funding source are intended to be derived from institutional plant fund balance. **Exhibit 17** shows the individual institutional plant fund balance set aside for State-supported deferred maintenance and facility renewal for fiscal 2017 through 2019.

**Exhibit 17**  
**State-supported Plant Fund Balances by Institution for**  
**Deferred Maintenance and Facility Renewal**  
**Fiscal 2017-2019**  
**(\$ in Thousands)**



BSU: Bowie State University  
 CSU: Coppin State University  
 FSU: Frostburg State University  
 SU: Salisbury University  
 TU: Towson University

UB: University of Baltimore  
 UMB: University of Maryland, Baltimore Campus  
 UMBC: University of Maryland Baltimore County  
 UMCP: University of Maryland, College Park Campus  
 UMES: University of Maryland Eastern Shore

Source: University System of Maryland

## **Considerations**

Exhibit 17 illustrates that most of the State-supported plant fund balance is concentrated in just two institutions – UMCP and the University of Maryland, Baltimore Campus. This raises several issues.

- What is the source of the additional plant funds – are they not already part of the reported institutional balances or is there another source of unreported balance that will be brought to bear in this new funding initiative?
- How does USM intend to utilize a fund balance that the 2020 CIP programs at \$16.4 million for fiscal 2021 and \$25 million annually thereafter on an equitable basis taking into consideration the available balance at each institution?
- How sustainable is the source of plant funds established in the funding plan that programs annual plant fund contributions at \$25 million annually?
- If each individual institution is already utilizing plant funds to support facility maintenance and renewal efforts, how will the increased amount of plant fund spending programmed in the CIP be differentiated from current plant fund spending to ensure that it does not simply supplant already planned expenditures?
- How will USM incorporate a funding methodology that provides incentives for institutions to meet the 2% operating expenditure target that was recommended in a report submitted to the budget committees while simultaneously ensuring an equitable use of available plant fund balance commensurate with individual institution available funds?

## **Public School Construction**

### **Building Opportunity Act of 2020**

The Governor’s capital priorities include a significant enhancement to the State’s Public School Construction Program that would more than double the amount of State funding over the next five years. Referred to as the Building Opportunity Initiative (HB 338/SB 276), the key component of the plan entails the use of up to \$125 million annually from the ETF to support the debt service on \$2.2 billion of revenue bonds programmed to be issued from fiscal 2021 through 2024. With this proposed new initiative, public school construction would receive a total of \$3.876 billion through fiscal 2025 compared to the \$4.096 billion that the Built to Learn Act (HB 1/SB 1) would provide, as illustrated in **Exhibit 18**.

**Exhibit 18**  
**Public School Construction Funding**  
**Building Opportunity Initiative Compared to Built to Learn Program**  
**Fiscal 2021-2025**  
**(\$ in Millions)**

	<u>Governor's Plan</u>	<u>HB 1/SB 1</u>
<b>Revenue Bond Proceeds</b>		
Building Opportunity Fund – Education Trust Fund	\$2,010.0	\$2,200.0 <sup>1</sup>
Healthy School Facility Fund	30.0	0.0
Local Share of Revolving Loan Fund	120.0	0.0
Public School Safety Improvements	40.0	0.0
<b>Subtotal</b>	<b>\$2,200.0</b>	<b>\$2,200.0</b>
<b>GO Bonds</b>		
Public School Construction Program	\$1,400.0	\$1,400.0
Supplemental Capital Grant Program	200.0	200.0 <sup>2</sup>
Aging Schools Program	30.5	30.5
Nonpublic Aging Schools Program	17.5	17.5
Public School Facilities Priority Fund	0.0	120.0 <sup>3</sup>
<b>Subtotal</b>	<b>\$1,648.0</b>	<b>\$1,768.0</b>
<b>General Funds</b>		
Public School Safety Improvements	\$10.0	\$50.0
Nonpublic School Safety Improvements	17.5	17.5
Healthy School Facility Fund	0.0	60.0 <sup>4</sup>
<b>Subtotal</b>	<b>\$13.5</b>	<b>\$113.5</b>
<b>Total</b>	<b>\$3,875.5</b>	<b>\$4,095.5</b>

GO: general obligation

<sup>1</sup> Under HB 1/SB1, if Prince George's County enters into a public-private partnership, the bond issuance would be reduced to \$2.0 billion and \$25 million of the Education Trust Fund (ETF) funds would be used to make availability payments.

<sup>2</sup> Under HB 1/SB 1, the Supplemental Capital Grant Program mandated annual funding level increases from \$40 million to \$80 million effective in fiscal 2027 with either general funds or GO bond funds.

<sup>3</sup> Under HB 1/SB 1, the Public School Facilities Priority Fund is established with an annual funding mandate of \$40 million for fiscal 2023 through 2026, increasing to \$80 million annually beginning in fiscal 2027 using either general funds or GO bond funds. The Aging Schools Program and the School Safety Grant Program would be consolidated into the Public School Facilities Fund effective in fiscal 2027.

<sup>4</sup> Under HB 1/SB 1, the \$30 million general fund mandate for the Healthy School Facilities Fund is extended one year through fiscal 2022.

Note: Source of debt service on \$2.0 billion 30-year revenue bond issuance is \$125 million in general funds from the ETF.

Source: Department of Budget and Management

## **Built to Learn Act of 2020**

An alternative to the Governor's Building Opportunity Initiative has been introduced, entitled the Built to Learn Act of 2020 (HB 1/SB 1), which like the Governor's proposal, would authorize the Maryland Stadium Authority (MSA) to issue up to \$2.2 billion of revenue bonds backed by payments from the ETF to enhance the funding of public school construction projects throughout the State.

### **Program Elements**

- The issuance of \$2.2 billion of 30-year revenue bonds would be supplemental to funding already programmed for public school construction and allow the State to more fully address annual funding requests from local school systems that range between \$600 million and \$900 million.
- The source of debt service on the revenue bonds would be a share of casino revenues in the ETF programmed at \$125 million annually until all issuances are fully retired. The proceeds would be paid into a sinking fund to accrue interest and be available for debt service as needed.
- MSA would issue the revenue bonds similar to the Baltimore City 21st Century Schools Initiative program. The bonds would not be State tax-supported debt and, therefore, not counted within the State's debt affordability calculation.
- MSA is responsible for the construction and improvements financed with the revenue bond proceeds. However, the Interagency Commission on School Construction (IAC) may grant a waiver to this requirement if it determines that a county board of education possesses the resources necessary to manage and oversee projects. (HB 1/SB 1 does not allow this exception for Baltimore City.)
- Local governments would match the State school construction funding using the local cost-share formula for school construction.

### **Differences with Governor's Proposal**

- Under the Governor's proposed Building Opportunity Initiative, there is no prescribed allocation plan; the revenue bond proceeds would be allocated based on the process currently established in § 5-304 of the Education Article. Alternatively, the provisions in HB 1/SB 1 prescribe an allocation plan as illustrated in **Exhibit 19**.

**Exhibit 19**  
**Allocation of Bond Sale Proceeds – HB 1/SB 1**  
**(\$ in Millions)**

	<u>Percent of Total</u>	<u>Proceeds</u>
Anne Arundel	12.5%	\$250.0
Baltimore City	21.0%	420.0
Baltimore	21.0%	420.0
Frederick	5.1%	102.0
Howard	6.6%	132.0
Montgomery	21.0%	420.0
Prince George’s	*	*
All Other Counties	11.5%	230.0
Unallocated/MSA	1.3%	26.0
<b>Total</b>	<b>100.0%</b>	<b>\$2,000.0</b>

MSA: Maryland Stadium Authority

\*Under the bill, Prince George’s County receives \$25.0 million annually for up to 30 years to supplement local funds for an availability payment if it enters into a public-private partnership agreement, subject to other provisions in the bill.

Source: Department of Legislative Services

- As part of the allocation plan, if Prince George’s County entered into a public-private partnership (P3) agreement, the county would receive \$25 million of ETF funds for up to 30 years to make P3 availability payments.
- The Governor’s plan would use \$120 million of revenue bond proceeds to fund the Local Share of School Construction Cost Revolving Loan Fund established under Chapter 14 of 2018 for counties that may have difficulty providing matching funds as quickly as the initiative would require. The fund would be capitalized with \$20 million of revenue bond proceeds in each of fiscal 2021 and 2022 and another \$40 million in each of fiscal 2023 and 2024. This proposed allocation reduces the amount of revenue proceeds available to support project expenditures.
- The Governor’s plan further reduces the amount of revenue bond proceeds that would be used to support new projects by an additional \$70 million below what HB 1/SB 1 would provide. This includes \$40 million of fiscal 2021 revenue bond allocation that replaces \$30 million of general fund mandated spending for the Healthy School Facility Fund and another \$10 million of general fund mandated spending for school safety enhancements. Another \$30 million of revenue bond proceeds replaces \$30 million of mandated general fund spending for school safety enhancement from fiscal 2022 through 2024.

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- Under the Governor’s proposal, the process for recommending projects to be funded in the program shall be made in accordance with the process established in § 5-304 of the Education Article. HB 1/SB 1 instead requires that priority be given to schools that (1) are the oldest buildings in a school system; (2) have high concentrations of low-income students; (3) have a large number of relocatable classrooms; or (4) have high utilization based on a school’s State-rated capacity.
- Under both proposals, project design costs are eligible project costs; however, HB 1/SB 1 limits this to projects that (1) are located in a county that has fewer than 20,000 full-time equivalent students enrolled and (2) have received local planning authority. Moreover, this provision of HB 1/SB 1 applies to all public school construction projects and not just those funded under the bill.
- HB 1/SB 1 alters the mandate for the existing Capital Grant Program for Local School Systems with Significant Enrollment to raise the mandated funding level from \$40 million to \$80 million beginning in fiscal 2027 and allows the mandate to be met with either general funds or GO bond funds.
- HB 1/SB 1 creates the Public School Facilities Priority Fund, effective July 1, 2022, to provide State funds to address the facility needs of the highest priority schools identified by the statewide facilities assessment completed by IAC under current law. In fiscal 2023 through 2026, the Governor must appropriate at least \$40.0 million to the fund in either the annual State operating or capital budget bill. Beginning in fiscal 2027, the mandated annual appropriation increases to at least \$80.0 million. Money expended from the fund is supplemental to and is not intended to take the place of funding that otherwise would be appropriated for public schools in the State.
- HB 1/SB 1 expresses the intent that funding for the Aging Schools Program and the School Safety Grant Program be consolidated into the priority fund beginning in fiscal 2027. Contingent on that consolidation, the bill repeals the Aging Schools Program and the School Safety Grant Program, effective July 1, 2026.
- HB 1/SB 1 extends the \$30.0 million mandated appropriation for the Healthy School Facility Fund by one year, through fiscal 2022. It also clarifies how applications for plumbing-related projects should be prioritized.

#### **Debt Affordability**

Under both proposals, the revenue bond issuances would not be debt of the State, which excludes the debt from inclusion in the State’s debt affordability calculations. Were the debt to count under the affordability calculations, it would result in a debt service to revenue ratio extremely close to the 8.0% limit, leaving little room to support other State capital priorities and little margin in the event that State revenues decline. The rating agencies may take note of this debt, especially since it represents an expansion of what might otherwise be considered debt of the State similar to the debt issued under the Baltimore City 21st Century Schools Initiative program.

### **Debt Service Costs**

Preliminary estimates on the proposed issuance stream indicate that total debt service costs would be \$3.685 billion, consisting of the \$2.2 billion of principal and \$1.485 billion of interest, depending on the interest rate on the bonds and other market conditions.

### **Local Capacity**

While the Governor's initiative includes the use of the Local Share of School Construction Cost Revolving Loan Fund, preliminary estimates indicate that the local cost share would be more than \$1 billion. This amount is in addition to the annual local spending to match school construction projects funded in the capital budget and may be challenging for some local governments.

### **Labor Market Capacity and Project Cost Impact**

The initiative would provide a significant amount of work for the construction market to absorb in a relatively short amount of time. This could impact the cost of projects with less competition and higher bids.

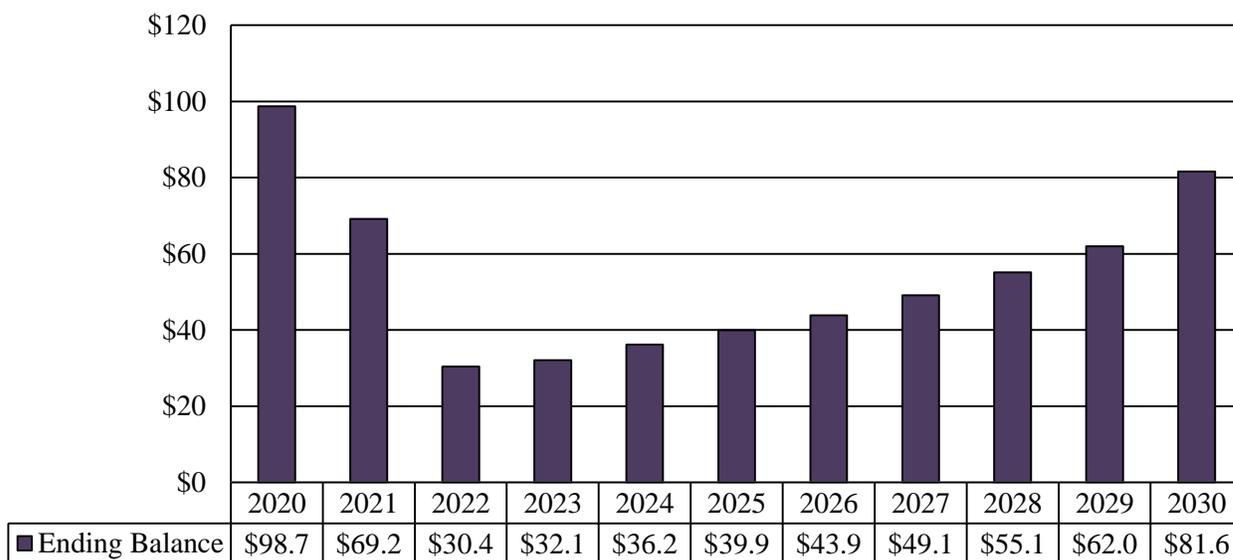
### **Commission on Innovation and Excellence in Education Priorities**

The funds in the ETF are also viewed as a source of funding for priorities that come from the recommendations of the Commission on Innovation and Excellence in Education.

### **Bay Restoration Fund Balance**

As shown in **Exhibit 20**, the Bay Restoration Fund is currently running a substantial fund balance. Based on current project schedules, estimated annual revenues to the fund, and statutory fund uses, the balance is not projected to go below \$30 million and will increase to as much as \$81.6 million by fiscal 2030 when the current fee structure collected through water and sewer bills is reduced from \$60 to \$30 per year, which was the structure before it was doubled through legislation in the 2012 session.

**Exhibit 20**  
**Bay Restoration Fund – Current and Estimated Annual Fund Balance**  
**Fiscal 2020-2030**  
**(\$ in Millions)**



Source: Maryland Department of the Environment; Department of Legislative Services

Rather than maintaining such a large fund balance, the State could consider using these funds to support other State-funded Chesapeake Bay water quality-related activities. **DLS recommends using a portion of the balance to fund MDOT projects that support the State’s compliance with the Watershed Implementation Plan. This could be accomplished through an amendment to the BRFA of 2020 transferring up to \$25 million of fund balance to MDOT that would allow for a corresponding reduction in the general funds budgeted for the Washington Metropolitan Area Transit Authority contribution.**

## TTC

The 2020 CIP includes funding for a new TTC for men and women detained in the Baltimore City Correctional Complex. This project replaces previous attempts to fund new facilities to house detainees with a new focus on providing space to treat detainees and inmates with short-term sentences for various substance use disorders (SUD) and mental health issues. This project first appeared in the 2019 CIP after previous iterations were removed from the forecasts.

## **Timeline and Estimated Cost**

The project will require five years to design and construct at an estimated cost of \$388 million. Design is estimated to cost \$37 million and would commence in fiscal 2021. Construction and capital equipping is estimated to cost \$350 million and would commence in fiscal 2023.

## **Programs and Functions**

Overall, the new facility will consolidate therapeutic treatment, mental health treatment, and medical treatment and position the State to be in compliance with the major components of the Duvall Agreement, specifically the mental health and medical-treatment components. Under the settlement, the State must overhaul the jail's health care system and make major improvements to the facilities, including accommodations for people with disabilities.

The proposal entails a collaborative effort by the Department of Public Safety and Correctional Services (DPS) and the Maryland Department of Health (MDH) to provide an innovative approach to treating the mental health and SUD treatment needs of the detention population in a therapeutic environment. The project would provide a total of 1,465 beds, up from the 1,390 reported in last year's CIP.

- **Medical Infirmiry:** A total of 384 medical infirmiry beds (320 for men and 64 for women) to include 100 beds for detox for opioid addiction treatment. To address the medical health needs of the population, TTC would include an onsite hospital for routine medical care and mental health screening and treatment.
- **Mental Health Treatment:** A total of 543 beds (440 for men and 103 for women) dedicated specifically to mental health. This would include a crisis management unit for emergency responses, an acute care unit for stabilization and treatment of detainees with SUDs and psychiatric illnesses, a step down unit for short-term less acute residential treatment, and a residential unit that would function as a community and group setting where individuals would work on improving life skills while still receiving mental health care. Collectively, the units would provide a continuum of mental health treatment so that individuals could progress to the point where they could be safely housed in the general population or receive specific reentry services depending on whether they are adjudicated to a short-term sentence or are released into the community.
- **Therapeutic Community Pods:** A total of 538 therapeutic community beds (442 for men and 96 for women) designed to deliver evidence-based SUD treatment. Each member of a therapeutic community would receive random drug testing through the duration of the program. The current Opioid Maintenance and Opioid Initiation Program would be expanded to accommodate a larger number of participants.

## **Items to Consider**

The proposed new facility would replace the current inadequate housing for detainees and short-term sentenced while also addressing the major components of the Duvall Agreement. There are, however, a number of considerations and details that will need to be resolved before the State commits to the proposed facility. Unfortunately, a report submitted by DPSCS in compliance with committee narrative adopted in the 2019 *Joint Chairmen's Report* failed to fully address major concerns with the facility.

- ***TTC Staffing and Security:*** While the report provided some insight on the methodology that will be used to determine staffing levels, it failed to provide figures for the number and types of positions needed, particularly for MDH to essentially operate a psychiatric and drug treatment hospital within a detention facility. Moreover, the report failed to provide an annual operating impact statement to better evaluate the long-term cost of operating this unique facility.
- ***Housing:*** The number of beds programmed in the facility has already increased from 1,390 to 1,465, bringing the total bed count to 2,819 when including existing beds. The needs assessment used pretrial population data from 2011 through 2015 and applied a 13% peaking and classification factor to arrive at an average bed space need of 3,719 beds. Before committing to the facility, the needs assessment should be more thoroughly evaluated to ensure that the project is not being overscoped or underscoped. Moreover, the submission and evaluation of the Phase I program plan should pre-date any funding commitment to a project of this scope and magnitude.
- ***Medical:*** Before proceeding, a fully developed Memorandum of Understanding (MOU) between DPSCS and MDH should be executed, thoroughly evaluated, and vetted that establishes a well-articulated process based on best management evidence-based practices for evaluating, prioritizing, and managing the care of detainees selected for health, mental health, and SUD treatment. This MOU is not yet finalized.
- ***Aftercare:*** The report provides no concrete details on the departments' joint plan to ensure that detainees and short-term sentenced offenders are linked to medical, mental health, and SUD aftercare upon release into the community. A more thorough evaluation of how and where those services would best be provided, taking into consideration cost, funding source, and outcomes, should be undertaken before committing any funding to the project.

## Making Room for Other Capital Priorities

To the extent that the committees want to make room for capital projects and priorities not included in the budget as submitted, a list of potential options is provided in **Exhibit 21**.

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### Exhibit 21 Potential Options for Other Capital Priorities 2020 Session

	<u>Amount</u>	<u>Notes</u>
<b>BRFA-related Options</b>		
DHCD: Seed	\$5.000	Fund at \$5 million rather than \$10 million mandate and fund with general funds (rejecting BRFA item deleting the general funds) rather than bonds as proposed by Governor
MHEC: Facility Renewal	4.223	Reject BRFA item to fund Community College Facilities Renewal with GO – Strike contingent GF reduction and cut the GO
<i>Subtotal</i>	<b><i>\$9.223</i></b>	
<b>State-Owned Project Deferrals</b>		
CSU: Percy Julian	\$16.560	Defer construction start – Further study use of campuswide space surplus
DPSCS: Therapeutic Treatment Center	14.974	Defer initial design start – Project requires further study
UMCP: Chemistry Building Wing I	4.313	Defer construction phase – Currently programmed to start in January 2021
UMCP: School of Public Policy	2.500	Defer final State contribution (\$20 million in total) – Use institutional and private funding in fiscal 2021
<i>Subtotal</i>	<b><i>\$38.347</i></b>	
<b>State-owned Fund Swap</b>		
Planning: Jefferson Patterson	\$4.590	Statute allows use of State POS (add language in operating budget)
<i>Subtotal</i>	<b><i>\$4.590</i></b>	
<b>Level Fund Programs</b>		
DHCD: Strategic Demolition Fund	\$13.000	Fund program at level programmed for fiscal 2021 in 2019 CIP
DHCD: Rental Housing Program	12.000	Fund program at level programmed for fiscal 2021 in 2019 CIP

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	<u>Amount</u>	<u>Notes</u>
State Library Agency: Library Grant Program	2.300	Fund the program at the \$5 million mandated level
MDE: Comprehensive Flood Management	2.980	Fund the program at the \$3 million mandated level
MDE: Supplemental Assistance Program	2.175	Fund at \$2.0 million (amount programmed in CIP for each of fiscal 2022 through 2025)
<b>Subtotal</b>	<b>\$32.455</b>	
<b>Other Considerations</b>		
UMMS	7.500	Defer State commitment – Currently programmed at \$125 million through fiscal 2026
Governor’s One-time Miscellaneous – Fund as LBIs	31.919	Determine funding level in concert with member-requested LBIs
<b>Subtotal</b>	<b>\$39.419</b>	
<b>Total</b>	<b>\$124.034</b>	

BRFA: Budget Reconciliation and Financing Act  
 CIP: *Capital Improvement Program*  
 CSU: Coppin State University  
 DHCD: Department of Housing and Community Development  
 DPSCS: Department of Public Safety and Correctional Services  
 MDE: Maryland Department of the Environment

GF: general fund  
 GO: general obligation  
 LBI: legislative bond initiative  
 POS: Program Open Space  
 UMCP: University of Maryland, College Park Campus  
 UMMS: University of Maryland Medical System

Source: Department of Legislative Services

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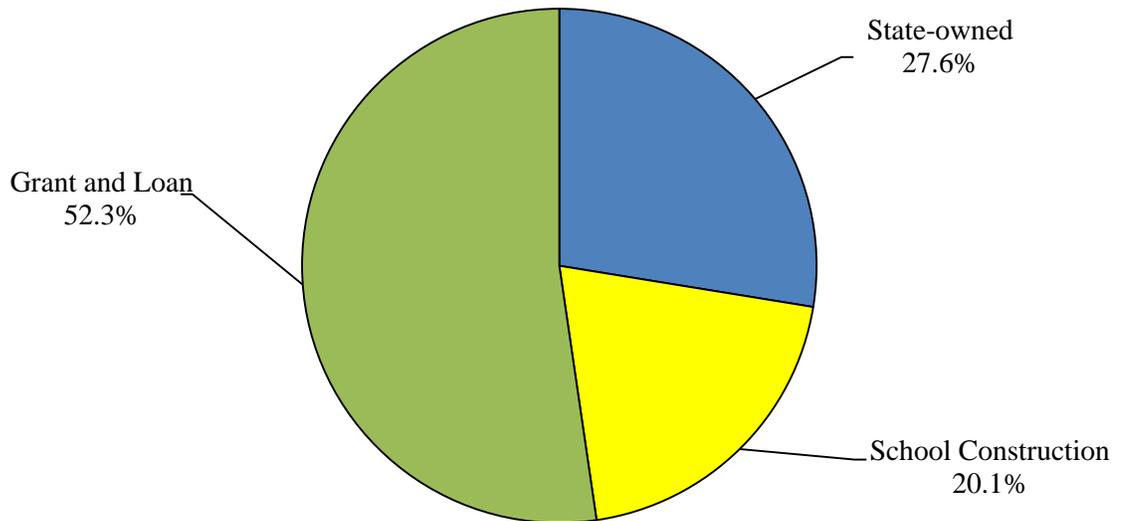
**Dashboards**

Exhibits 22 through 25 compare historical funding patterns.

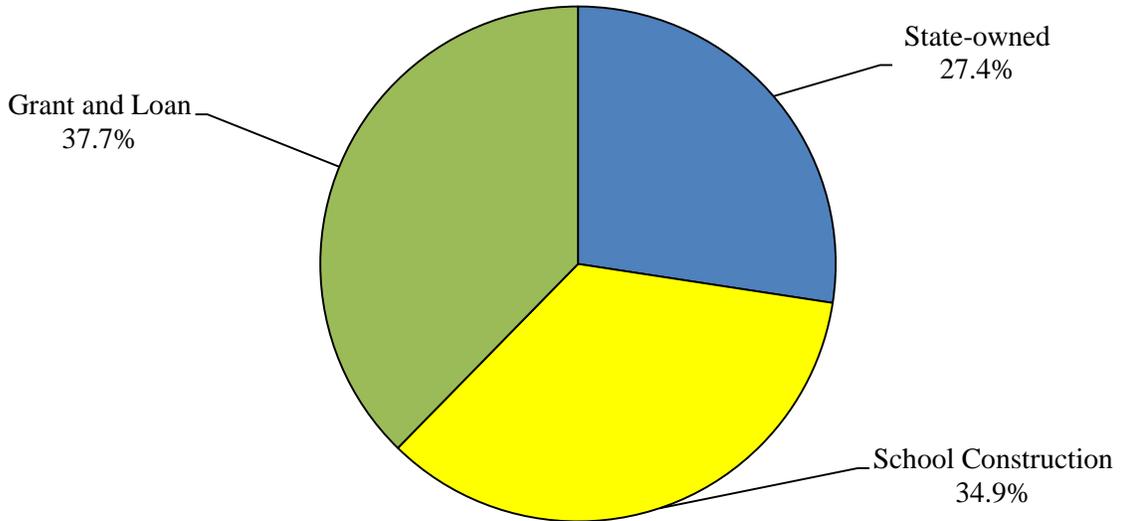
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**Exhibit 22**  
**Funding Shares for State-owned Projects, Public School Construction, and Grant and Loan Programs – All Funds**

**Fiscal 2016-2020**



**Fiscal 2021-2025**

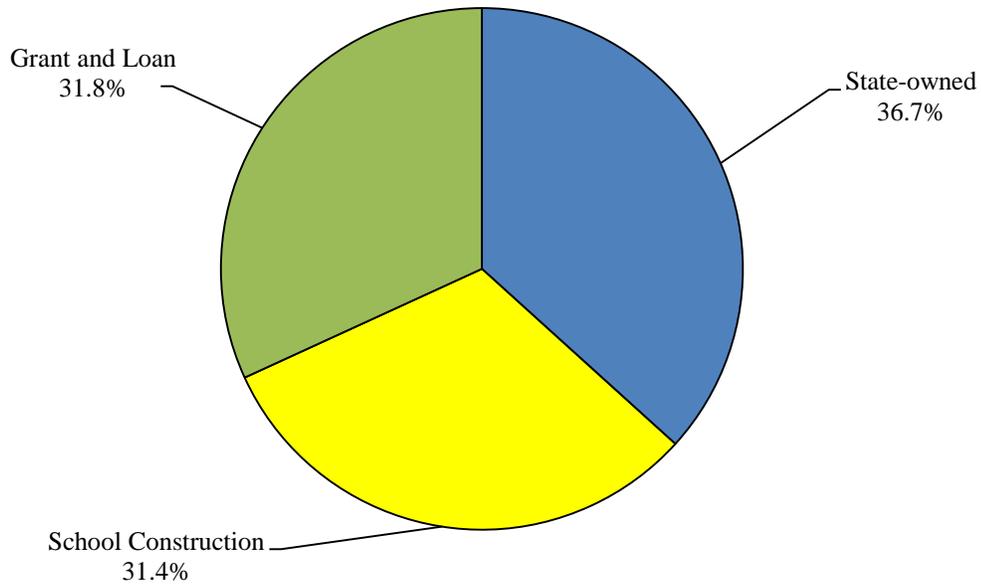


Source: Department of Budget and Management; Department of Legislative Services

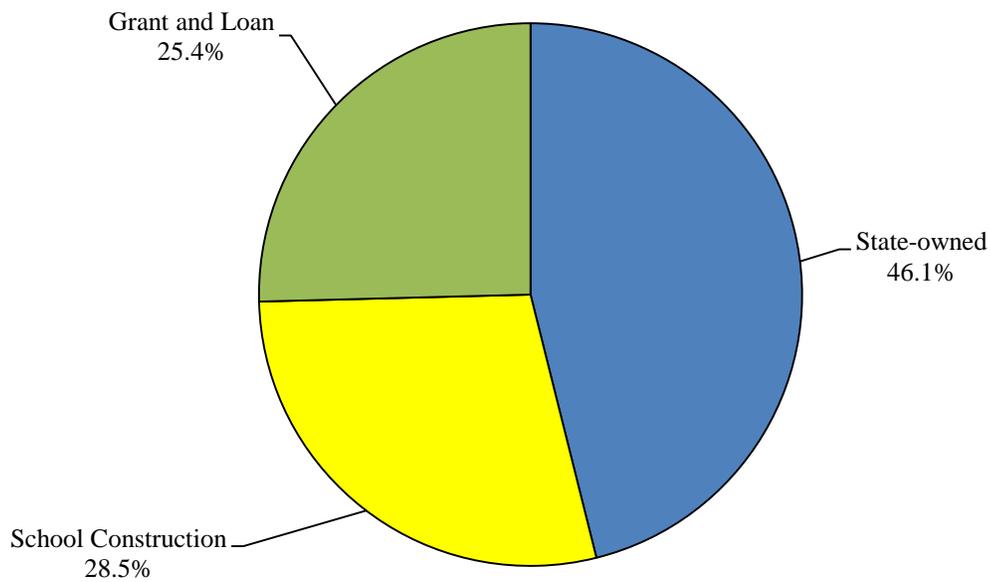
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**Exhibit 23**  
**Funding Shares for State-owned Projects, Public School Construction, and**  
**Grant and Loan Programs – General Obligation Funds Only**

**Fiscal 2016-2020**



**Fiscal 2021-2025**

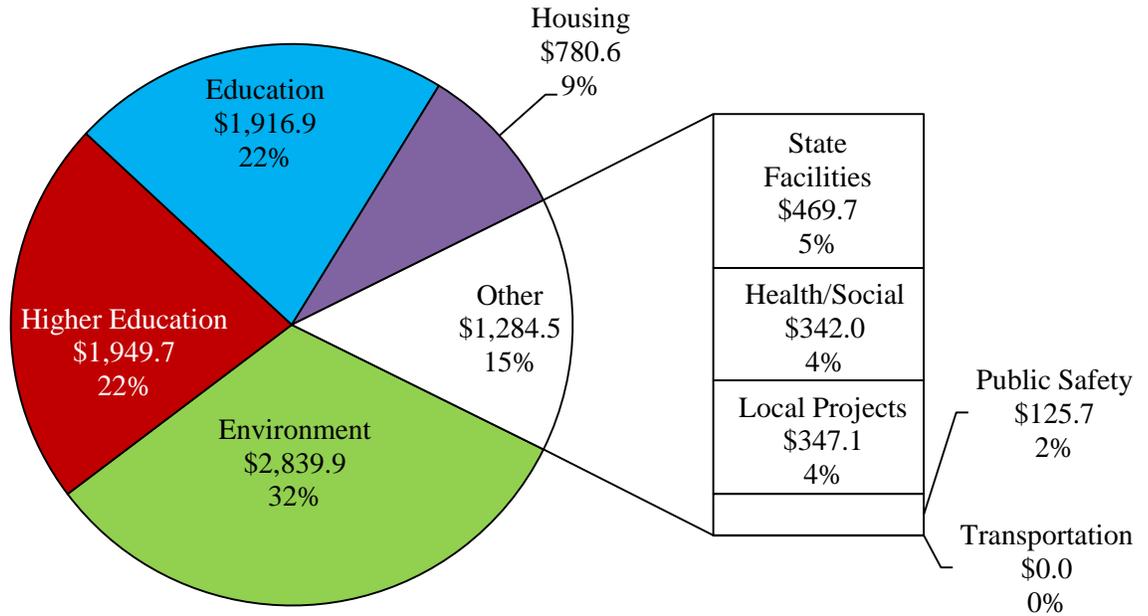


Source: Department of Budget and Management; Department of Legislative Services

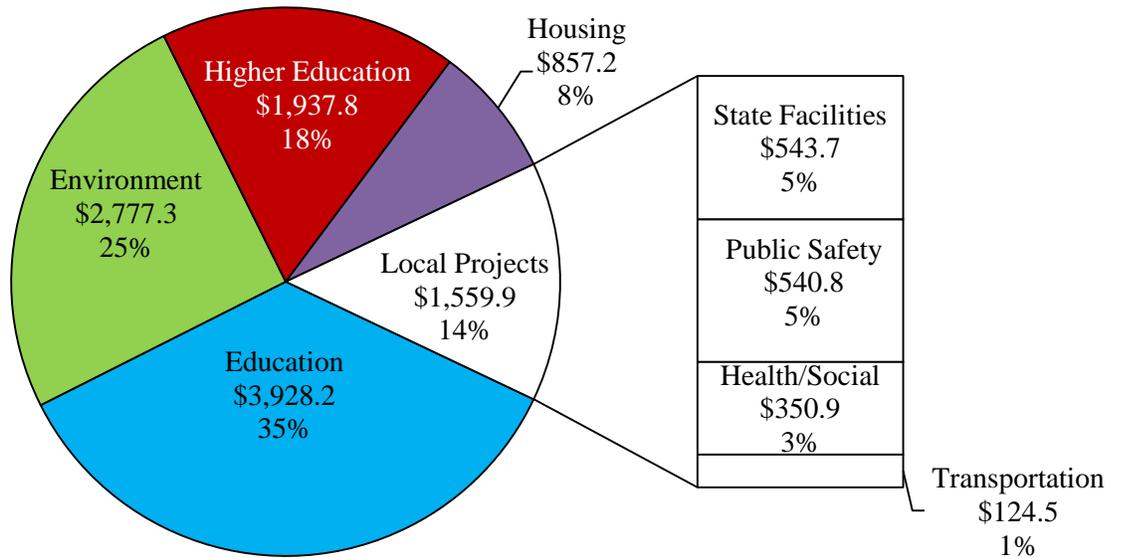
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**Exhibit 24  
Funding by Category  
All Funds**

**Fiscal 2016-2020**



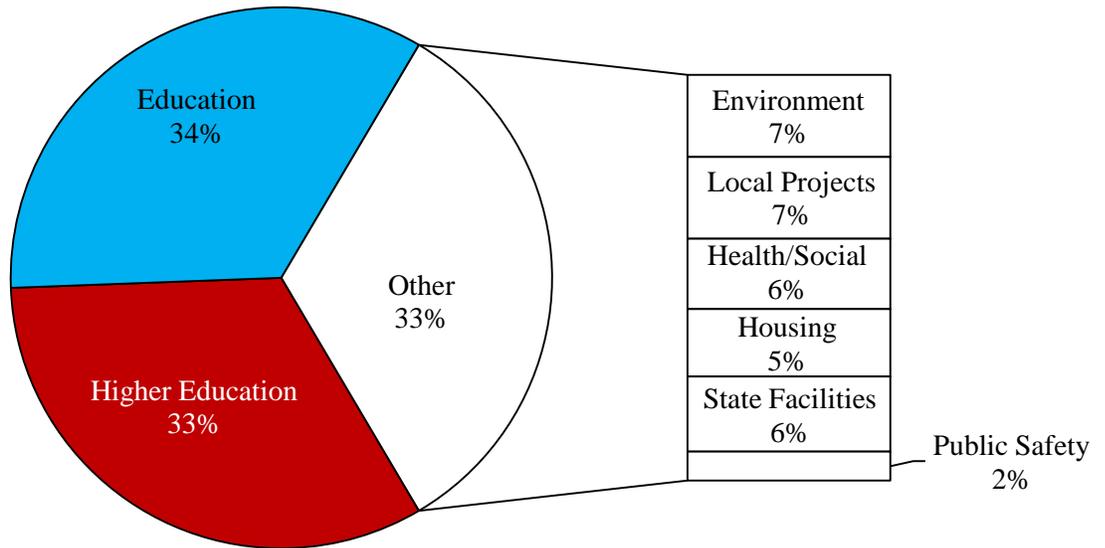
**Fiscal 2021-2025**



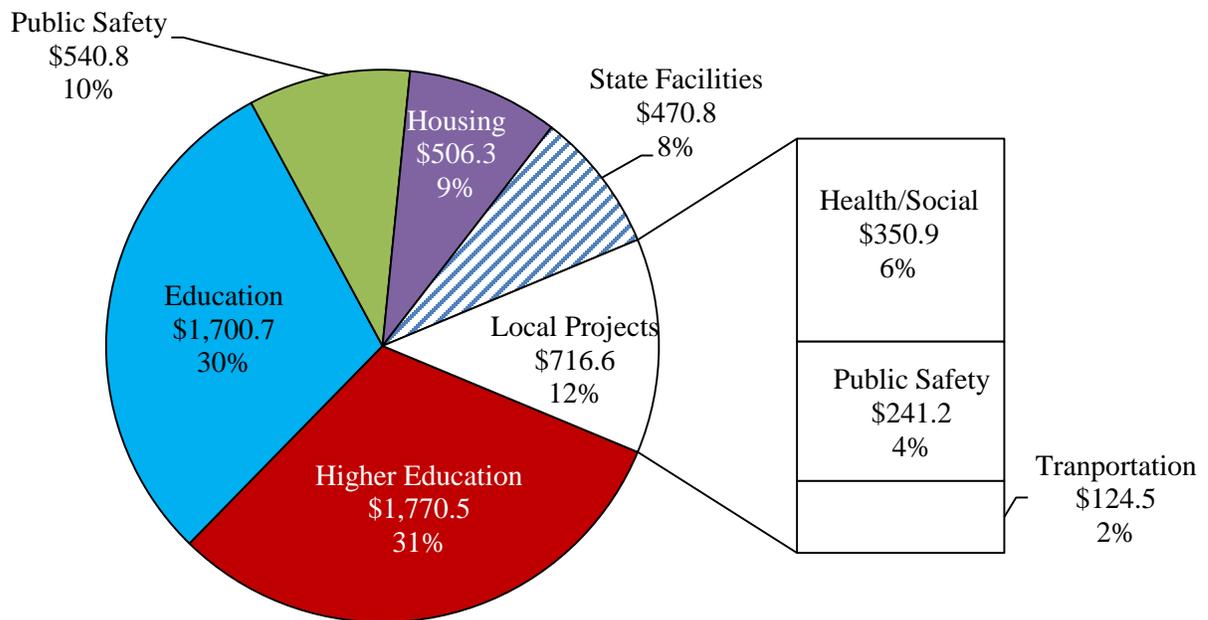
Source: Department of Budget and Management; Department of Legislative Services

**Exhibit 25  
Funding by Category  
General Obligation Bonds Only**

**Fiscal 2016-2020**



**Fiscal 2021-2025**



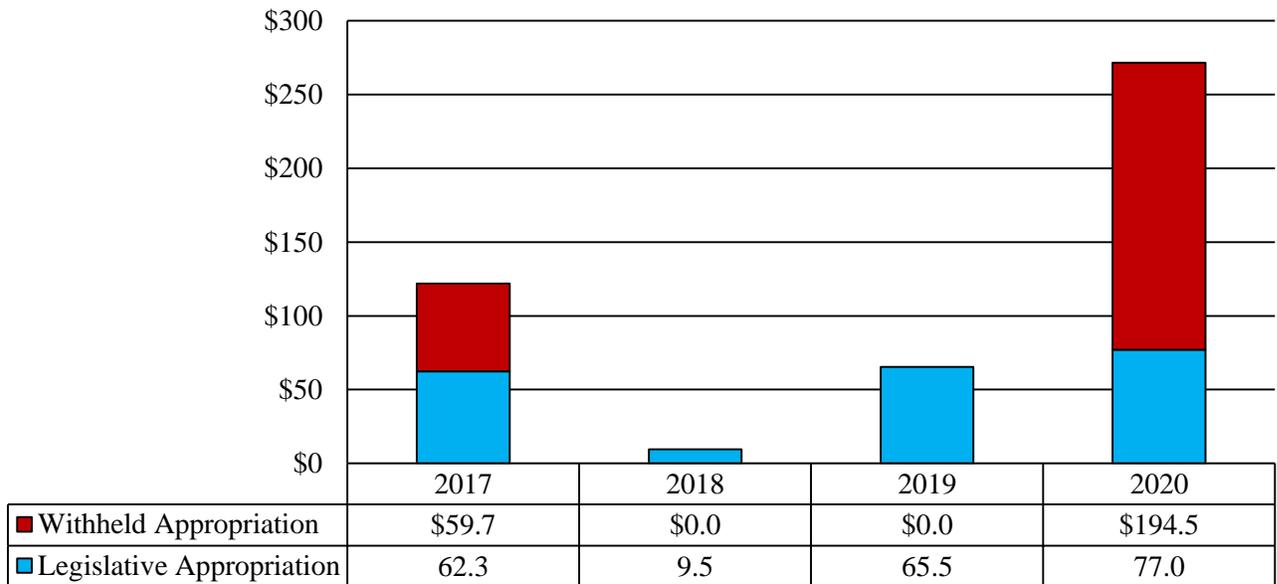
Source: Department of Budget and Management; Department of Legislative Services

Appendix 1

**General Fund Support for the Capital Program Remains Constrained**

The State’s cash position and projected structural deficit has constrained the use of general fund support of the capital program. Recent efforts by the legislature to increase the amount of pay-as-you-go capital, by restricting general fund appropriations for specific capital purposes, have been largely rejected by the Governor. As illustrated in **Exhibit 1**, in fiscal 2017, the Governor withheld and reverted \$59.7 million of general fund appropriations restricted to support capital programs and, again in fiscal 2020, withholding \$194.5 million.

**Exhibit 1**  
**General Fund PAYGO Capital**  
**Fiscal 2017-2020**  
**(\$ in Millions)**



PAYGO: pay-as-you-go

Source: Department of Budget and Management

**General Fund Support for the Capital Program Decreases**

General fund support of the capital program is set to decline relative to what was programmed in the 2019 *Capital Improvement Program* (CIP). As illustrated in **Exhibit 2**, the 2019 CIP programmed \$106.2 million for fiscal 2021 compared to the \$63.9 million budgeted and \$253.3 million programmed

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in the 2019 CIP compared to the \$211.5 million programmed in the 2020 CIP for the four-year period that the CIPs overlap (fiscal 2021 through 2024). Just under 52% of the revised 2020 CIP figure is for capital related Program Open Space repayment.

Several adjustments make up most of the difference, including adding \$3.5 million annually for Nonpublic School Safety Improvement grants that the 2019 CIP did not program beyond fiscal 2020, and the proposed use of revenue bonds through the Building Opportunity Fund to fund mandated funding for the Healthy Schools Facility Fund and Public School Safety Grant Program that removes \$70 million of general funds programmed in the 2019 CIP.

**Exhibit 2**  
**General Fund PAYGO 2019 CIP Compared to 2020 CIP**  
**Fiscal 2021 Comparison and Fiscal 2021-2024 Comparison**  
**(\$ in Millions)**

	<b>2021</b>		<b>2021-2024</b>	
	<b><u>CIP 2019</u></b>	<b><u>Forecast</u></b>	<b><u>CIP 2019</u></b>	<b><u>Forecast</u></b>
<b>Mandates</b>				
DNR – Transfer Tax Repayment (Chapter 10 of 2016 as amended by Chapter 10 of 2018) – DPA	\$38.170	\$38.170	\$66.870	\$76.870
MSDE – Healthy School Facility Fund (Chapter 561 of 2018)	30.000	0.000	30.000	0.000
MSDE – School Safety Enhancement (Chapter 14 of 2018)	10.000	0.000	40.000	0.000
DHCD – Seed Community Development Anchor Institution Fund (Chapter 31 of 2016 – Chapter 25 of 2019)	5.000	0.000	10.000	15.000
MHEC – Aid to Community Colleges – Facilities Renewal Program (Chapters 687 and 688 of 2018)	4.000	0.000	16.000	12.000
<b><i>Subtotal Mandates</i></b>	<b><i>\$87.170</i></b>	<b><i>\$38.170</i></b>	<b><i>\$162.870</i></b>	<b><i>\$103.870</i></b>
<b>Other</b>				
DNR – Transfer Tax Repayment (Chapter 10 of 2016 as amended by Chapter 10 of 2018) – DPA	\$0.000	\$0.000	\$32.400	\$32.400
MDSE – Nonpublic School Safety Improvements	0.000	3.500	0.000	14.000
MDP – Maryland Heritage Structure Rehabilitation Tax Credit	9.000	9.000	36.000	36.000

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	<b>2021</b>		<b>2021-2024</b>	
	<b><u>CIP 2019</u></b>	<b><u>Forecast</u></b>	<b><u>CIP 2019</u></b>	<b><u>Forecast</u></b>
DHCD – Baltimore Regional Neighborhood Initiative (Chapter 29 of 2016)	9.000	0.000	18.000	9.000
DHCD – Rental Housing Program	0.000	12.000	0.000	12.000
DHCD – Neighborhood Business Works Program	0.000	0.500	0.000	0.500
MDE – Comprehensive Flood Management (Chapter 652 of 2019)	0.000	0.200	0.000	0.200
MDE – Hazardous Substance Clean-up Program	1.000	0.500	4.000	3.500
<b><i>Subtotal Other</i></b>	<b><i>\$19.000</i></b>	<b><i>\$25.700</i></b>	<b><i>\$90.400</i></b>	<b><i>\$107.600</i></b>
<b>Total General Fund PAYGO Capital</b>	<b>\$106.170</b>	<b>\$63.870</b>	<b>\$253.270</b>	<b>\$211.470</b>

CIP: *Capital Improvement Program*

DHCD: Department of Housing and Community Development

DNR: Department of Natural Resources

DPA: Dedicated Purpose Account

MDE: Maryland Department of the Environment

MDP: Maryland Department of Planning

MHEC: Maryland Higher Education Commission

MSDE: Maryland State Department of Education

PAYGO: pay-as-you-go

Source: Department of Budget and Management, *Capital Improvement Program*, January 2019 and 2020

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**Appendix 2**  
**Top Funded Capital Programs and Projects – All Funds**  
**Fiscal 2021 as Introduced**  
**(\$ in Millions)**

<u>Agency</u>	<u>Project Title</u>	<u>GO Bond</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	<u>Total Funds</u>
IAC	Building Opportunity Fund	\$0.0	\$340.0	\$0.0	\$0.0	\$0.0	\$340.0
IAC	Public School Construction Program	280.0	0.0	0.0	0.0	0.0	280.0
MDE	Maryland Water Quality Revolving Loan Fund	7.7	0.0	0.0	111.6	38.4	157.7
MHEC	Community College Construction Grant Program	84.5	0.0	0.0	0.0	0.0	84.5
MDE	Bay Restoration Fund	0.0	0.0	0.0	75.0	0.0	75.0
USMO	University of Maryland at Southern Maryland Third Academic Building	62.2	0.0	0.0	0.0	0.0	62.2
DHCD	Rental Housing Program	25.0	0.0	12.0	16.5	8.0	61.5
UMES	School of Pharmacy and Health Professions	61.3	0.0	0.0	0.0	0.0	61.3
DNR	Program Open Space – State	0.0	0.0	11.4	42.1	3.0	56.5
DNR	Program Open Space – Local	0.0	0.0	8.5	44.2	0.0	52.7
MDA	Maryland Agricultural Land Preservation Program	0.0	0.0	6.5	42.1	0.0	48.6
IAC	Supplemental Capital Grant Program	40.0	0.0	0.0	0.0	0.0	40.0
FSU	Education and Health Sciences Center	30.1	5.0	0.0	0.0	0.0	35.1
BPW	Facilities Renewal Fund	34.7	0.0	0.0	0.0	0.0	34.7
MDE	Maryland Drinking Water Revolving Loan Fund	4.0	0.0	0.0	14.8	14.7	33.5
SMCM	Academic Building and Auditorium	30.7	0.0	0.0	0.0	0.0	30.7
IAC	Healthy School Facilities Fund	0.0	30.0	0.0	0.0	0.0	30.0
DHCD	Strategic Demolition Fund	26.5	0.0	0.0	0.0	0.0	26.5
IAC	Local Share of School Construction Costs Revolving Loan Fund	0.0	20.0	0.0	0.0	0.0	20.0
DNR	Rural Legacy Program	0.0	0.0	1.9	18.0	0.0	19.9
DHCD	Homeownership Programs	16.0	0.0	0.0	3.0	0.0	19.0
MES	Infrastructure Improvement Fund	11.6	0.0	1.9	4.7	0.0	18.2

<u>Agency</u>	<u>Project Title</u>	<u>GO Bond</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	<u>Total Funds</u>
DPSCS	High Temperature Distribution and Perimeter Security Improvements	18.1	0.0	0.0	0.0	0.0	18.1
CSU	Percy Julian Sciences Building	17.5	0.0	0.0	0.0	0.0	17.5
DNR	Waterway Improvement Fund	0.0	0.0	0.0	13.5	2.5	16.0
MDE	Bay Restoration Fund Septic System Program	0.0	0.0	0.0	15.0	0.0	15.0
DPSCS	Therapeutic Treatment Center	15.0	0.0	0.0	0.0	0.0	15.0
DNR	Natural Resources Development Fund	0.0	0.0	3.3	9.0	0.0	12.3
USMO	Capital Facilities Renewal	0.0	12.0	0.0	0.0	0.0	12.0
DHCD	Community Development Grant Program	0.0	0.0	0.0	0.0	12.0	12.0
DHCD	Baltimore Regional Neighborhoods Initiative	12.0	0.0	0.0	0.0	0.0	12.0
DHCD	Neighborhood Business Development Program	8.0	0.0	0.5	2.2	0.0	10.7
DHCD	Housing and Building Energy Programs	1.0	0.0	0.0	8.6	1.0	10.6
DHCD	Special Loan Programs	4.0	0.0	0.0	4.4	2.0	10.4
IAC	Public School Safety Grant Program	0.0	10.0	0.0	0.0	0.0	10.0
UMCP	Campuswide Building Systems	5.0	5.0	0.0	0.0	0.0	10.0
MSU	Deferred Maintenance and Site Improvements	10.0	0.0	0.0	0.0	0.0	10.0
UMES	Campus Flood Mitigation Project	0.0	10.0	0.0	0.0	0.0	10.0
<b>Subtotal: Top Funded Programs and Projects</b>		<b>\$804.8</b>	<b>\$432.0</b>	<b>\$46.0</b>	<b>\$424.7</b>	<b>\$81.6</b>	<b>\$1,789.2</b>
<b>Subtotal: Other Funded Programs and Projects</b>		<b>\$299.3</b>	<b>\$0.0</b>	<b>\$17.9</b>	<b>\$6.3</b>	<b>\$0.0</b>	<b>\$323.4</b>
<b>Total</b>		<b>\$1,104.1</b>	<b>\$432.0</b>	<b>\$63.9</b>	<b>\$431.0</b>	<b>\$81.6</b>	<b>\$2,112.6</b>
<b>Deauthorizations as Introduced</b>		<b>-\$9.1</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>-\$9.1</b>
<b>Grand Total</b>		<b>\$1,095.0</b>	<b>\$432.0</b>	<b>\$63.9</b>	<b>\$431.0</b>	<b>\$81.6</b>	<b>\$2,103.5</b>

BPW: Board of Public Works  
CSU: Coppin State University  
DHCD: Department of Housing and Community Development  
DNR: Department of Natural Resources  
DPSCS: Department of Public Safety and Correctional Services  
GO: general obligation  
FSU: Frostburg State University  
IAC: Interagency Committee on School Construction  
MDA: Maryland Department of Agriculture

MDE: Maryland Department of the Environment  
MES: Maryland Environmental Service  
MHEC: Maryland Higher Education Commission  
MSU: Morgan State University  
SMCM: St. Mary's College of Maryland  
UMCP: University of Maryland, College Park Campus  
UMES: University of Maryland Eastern Shore  
USMO: University System of Maryland Office

Note: The General fund figures include \$38.2 million budgeted in the Dedicated Purpose Account for Program Open Space repayments as required by Chapter 10 of 2016.

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Appendix 3  
**Capital Program Summary for the 2021 Session**  
(\$ in Millions)

<u>Function</u>	<u>Bonds</u>		<u>PAYGO</u>			<u>Total</u>
	<u>GO</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	
<b>State Facilities</b>						<b>\$63.5</b>
Facilities Renewal	\$40.7	\$0.0	\$0.0	\$0.0	\$0.0	
State Facilities Other	22.8	0.0	0.0	0.0	0.0	
<b>Health/Social</b>						<b>\$30.4</b>
Health Other	\$9.3	\$0.0	\$0.0	\$0.0	\$0.0	
Health State Facilities	0.4	0.0	0.0	0.0	0.0	
Private Hospitals	20.7	0.0	0.0	0.0	0.0	
<b>Environment</b>						<b>\$553.4</b>
Agriculture	\$9.1	\$0.0	\$6.5	\$42.1	\$0.0	
Environment	23.8	0.0	0.7	216.4	53.1	
Maryland Environmental Service	11.6	0.0	1.9	4.7	0.0	
Natural Resources	15.4	0.0	29.8	132.8	5.5	
<b>Public Safety</b>						<b>\$63.0</b>
Local Jails	\$11.6	\$0.0	\$0.0	\$0.0	\$0.0	
State Corrections	48.1	0.0	0.0	0.0	0.0	
State Police	3.3	0.0	0.0	0.0	0.0	
<b>Education</b>						<b>\$740.8</b>
School Construction	\$329.6	\$400.0	\$3.5	\$0.0	\$0.0	
Education Other	7.7	0.0	0.0	0.0	0.0	
<b>Higher Education</b>						<b>\$410.7</b>
Community Colleges	\$101.8	\$0.0	\$0.0	\$0.0	\$0.0	
Morgan State University	20.2	0.0	0.0	0.0	0.0	
Private Colleges/Universities	8.0	0.0	0.0	0.0	0.0	
St. Mary's College of Maryland	35.2	0.0	0.0	0.0	0.0	
University System	213.5	32.0	0.0	0.0	0.0	
<b>Housing and Community Development</b>						<b>\$207.6</b>
Housing	\$121.7	\$0.0	\$12.5	\$34.7	\$23.0	
Housing Other	6.4	0.0	9.0	0.3	0.0	
<b>Local Projects</b>						<b>\$43.2</b>
Local Project – Administration	\$43.2	\$0.0	\$0.0	\$0.0	\$0.0	
<b>Current Year Nontransportation Total</b>	<b>\$1,104.1</b>	<b>\$432.0</b>	<b>\$63.9</b>	<b>\$431.0</b>	<b>\$81.6</b>	<b>\$2,112.7</b>

*Capital Budget Fiscal Briefing*

<u>Function</u>	<u>Bonds</u>		<u>PAYGO</u>			<u>Total</u>
	<u>GO</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	
<b>Deauthorizations</b>						<b>-\$9.1</b>
Deauthorizations	-\$9.1	\$0.0	\$0.0	\$0.0	\$0.0	
<b>Adjusted Current Year</b>						
<b>Nontransportation Total</b>	<b>\$1,095.0</b>	<b>\$432.0</b>	<b>\$63.9</b>	<b>\$431.0</b>	<b>\$81.6</b>	<b>\$2,103.5</b>
<b>Fiscal 2019 Deficiencies</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>Transportation CTP</b>	<b>\$0.0</b>	<b>\$505.0</b>	<b>\$0.0</b>	<b>\$697.7</b>	<b>\$1,225.8</b>	<b>\$2,428.5</b>
<b>Transportation DPA</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$125.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$125.0</b>
<b>Current Year Grand Total</b>	<b>\$1,104.1</b>	<b>\$937.0</b>	<b>\$188.9</b>	<b>\$1,128.7</b>	<b>\$1,307.4</b>	<b>\$4,666.2</b>

CTP: *Consolidated Transportation Program*

DPA: *Dedicated Purpose Account*

GO: *general obligation*

PAYGO: *pay-as-you-go*

**Appendix 4  
Capital Program for the 2020 Session as Introduced**

<b>Bonds</b>	<b>Current Funds (PAYGO)</b>
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<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>
	<b>State Facilities</b>						
DA0201A	MDOD: Accessibility Modifications	\$1,851,000	\$0	\$0	\$0	\$0	\$1,851,000
DE0201A	BPW: Construction Contingency Fund	2,500,000	0	0	0	0	2,500,000
DE0201B	BPW: Facilities Renewal Fund	34,726,000	0	0	0	0	34,726,000
DE0201C	BPW: Fuel Storage Tank Replacement Program	1,000,000	0	0	0	0	1,000,000
DE0201D	BPW: Lawyer's Mall Underground Infrastructure Replacement	5,000,000	0	0	0	0	5,000,000
DE0201E	BPW: Shillman Building Conversion	713,000	0	0	0	0	713,000
DH0104A	MD: Combined Support Maintenance Shop	5,049,000	0	0	0	0	5,049,000
DH0104B	MD: Maryland Emergency Management Agency Headquarters Renovation and Expansion	585,000	0	0	0	0	585,000
FB04A	DoIT: Public Safety Communications System	9,613,000	0	0	0	0	9,613,000
RP00A	MPBC: Maryland Public Television Transmission Systems Replacement	900,000	0	0	0	0	900,000
RP00B	MPBC: Studio A Renovation and Addition	545,000	0	0	0	0	545,000
ZA00AD	MISC: Historic Annapolis Restoration	1,000,000	0	0	0	0	1,000,000
	<b>Subject Category Subtotal</b>	<b>\$63,482,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$63,482,000</b>

<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>Health/Social</b>						
DA0701A	MDOA: Senior Centers Capital Grant Program	\$344,000	\$0	\$0	\$0	\$0	\$344,000
MA01A	MDH: Community Health Facilities Grant Program	6,500,000	0	0	0	0	6,500,000
MA01B	MDH: Federally Qualified Health Centers Grant Program	2,500,000	0	0	0	0	2,500,000
RQ00A	UMMS: Comprehensive Cancer and Organ Transplant Treatment Center	7,500,000	0	0	0	0	7,500,000
RQ00B	UMMS: R Adams Cowley Shock Trauma Center – Phase III	3,000,000	0	0	0	0	3,000,000
ZA00AG	MISC: Johns Hopkins Bayview Medical Center – New Inpatient Building and Renovations	2,000,000	0	0	0	0	2,000,000
ZA00AP	MISC: MedStar Franklin Square Hospital – New Surgical Tower	2,000,000	0	0	0	0	2,000,000
ZA01A	MISC: Atlantic General Hospital	800,000	0	0	0	0	800,000
ZA01B	MISC: Frederick Memorial Hospital	2,500,000	0	0	0	0	2,500,000
ZA01C	MISC: The Johns Hopkins Hospital	691,000	0	0	0	0	691,000
ZA01D	MISC: Kennedy Krieger Children’s Hospital	450,000	0	0	0	0	450,000
ZA01E	MISC: MedStar Montgomery Medical Center	400,000	0	0	0	0	400,000
ZA01F	MISC: Meritus Medical Center	509,000	0	0	0	0	509,000
ZA01G	MISC: Mount Washington Pediatric Hospital	750,000	0	0	0	0	750,000
ZA01H	MISC: Sinai Hospital of Baltimore – Center of Hope	500,000	0	0	0	0	500,000
	<b>Subject Category Subtotal</b>	<b>\$30,444,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$30,444,000</b>

<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>Environment</b>						
KA0510A	DNR: Natural Resources Development Fund	\$0	\$0	\$3,296,000	\$9,000,000	\$0	\$12,296,000
KA0510B	DNR: Critical Maintenance Program	0	0	4,651,177	4,000,000	0	8,651,177
KA0510C	DNR: Program Open Space – State	0	0	11,445,839	42,090,768	3,000,000	56,536,607
KA0510D	DNR: Program Open Space – Local	0	0	8,535,751	44,185,905	0	52,721,656
KA0510E	DNR: Rural Legacy Program	0	0	1,893,047	17,999,092	0	19,892,139
KA05A	DNR: Community Parks and Playgrounds	2,500,000	0	0	0	0	2,500,000
KA0906A	DNR: Ocean City Beach Maintenance	0	0	0	2,000,000	0	2,000,000
KA1401A	DNR: Waterway Improvement Fund	0	0	0	13,500,000	2,500,000	16,000,000
KA1402A	DNR: Coastal Resiliency Program	4,160,000	0	0	0	0	4,160,000
KA1701A	DNR: Oyster Restoration Program	8,730,000	0	0	0	0	8,730,000
LA1111A	MDA: Maryland Agricultural Land Preservation Program	0	0	6,455,292	42,105,178	0	48,560,470
LA1205A	MDA: Salisbury Animal Health Laboratory Replacement	1,074,000	0	0	0	0	1,074,000
LA15A	MDA: Maryland Agricultural Cost-Share Program	8,000,000	0	0	0	0	8,000,000
UA0104	MDE: Hazardous Substance Cleanup Program	0	0	500,000	0	0	500,000
UA0111A	MDE: Bay Restoration Fund	0	0	0	75,000,000	0	75,000,000
UA0112	MDE: Bay Restoration Fund Septic System Program	0	0	0	15,000,000	0	15,000,000
UA01A	MDE: Comprehensive Flood Management Program	5,980,000	0	200,000	0	0	6,180,000
UA01B	MDE: Maryland Drinking Water Revolving Loan Fund	4,032,000	0	0	14,800,000	14,716,000	33,548,000
UA01C	MDE: Maryland Water Quality Revolving Loan Fund	7,686,000	0	0	111,600,000	38,430,000	157,716,000

<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>	
UA01D	MDE: Mining Remediation Program	500,000	0	0	0	0	500,000
UA01E	MDE: Supplemental Assistance Program	4,175,000	0	0	0	0	4,175,000
UA01F	MDE: Water Supply Financial Assistance Program	1,426,000	0	0	0	0	1,426,000
UB01A	MES: Infrastructure Improvement Fund	11,576,000	0	1,893,343	4,710,657	0	18,180,000
	<b>Subject Category Subtotal</b>	<b>\$59,839,000</b>	<b>\$0</b>	<b>\$38,870,449</b>	<b>\$395,991,600</b>	<b>\$58,646,000</b>	<b>\$553,347,049</b>
	<b>Public Safety</b>						
QR0202A	DPSCS: Housing Unit Windows and Steam Heating System	\$7,460,000	\$0	\$0	\$0	\$0	\$7,460,000
QS0101A	DPSCS: Jessup Region and Western Maryland Perimeter Security Upgrades	921,000	0	0	0	0	921,000
QS0101B	DPSCS: Jessup Region Electrical Infrastructure Upgrade	994,000	0	0	0	0	994,000
QS0208A	DPSCS: High Temperature Distribution and Perimeter Security Improvements	18,141,000	0	0	0	0	18,141,000
QT04A	DPSCS: Demolition of Buildings at the Baltimore City Correctional Complex	5,647,000	0	0	0	0	5,647,000
QT04B	DPSCS: Therapeutic Treatment Center	14,974,000	0	0	0	0	14,974,000
WA01A	DSP: New Berlin Barrack and Garage	158,000	0	0	0	0	158,000
WA01B	DSP: New Cumberland Barrack and Garage	2,352,000	0	0	0	0	2,352,000
WA01C	DSP: New Tactical Operations Building	742,000	0	0	0	0	742,000

<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>	
ZB02A	DPSCS: Frederick County Adult Detention Center Phase IV Medical Addition	1,263,000	0	0	0	0	1,263,000
ZB02B	DPSCS: Queen Anne’s County Detention Center Additions and Renovations	4,852,000	0	0	0	0	4,852,000
ZB02C	DPSCS: St. Mary’s County Adult Detention Center Upgrades, Housing, and Medical Units	5,530,000	0	0	0	0	5,530,000
	<b>Subject Category Subtotal</b>	<b>\$63,034,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$63,034,000</b>
	<b>Education</b>						
RA01A	MSLA: Public Library Capital Grant Program	\$7,300,000	\$0	\$0	\$0	\$0	\$7,300,000
RA0702A	IAC: Aging Schools Program	6,109,000	0	0	0	0	6,109,000
RA0702B	IAC: Public School Construction Program	280,000,000	0	0	0	0	280,000,000
RA0702C	IAC: Senator James E. “Ed” DeGrange Nonpublic Aging Schools Program	3,500,000	0	0	0	0	3,500,000
RA0702D	IAC: Supplemental Capital Grant Program	40,000,000	0	0	0	0	40,000,000
RA0702E	IAC: Building Opportunity Fund	0	340,000,000	0	0	0	340,000,000
RA0702F	IAC: Healthy School Facilities Fund	0	30,000,000	0	0	0	30,000,000
RA0702G	IAC: Public School Safety Grant Program	0	10,000,000	0	0	0	10,000,000
RA0702H	IAC: Local Share of School Construction Costs Revolving Loan Fund	0	20,000,000	0	0	0	20,000,000
RA0702I	IAC: Non-Public School Security Improvements	0	0	3,500,000	0	0	3,500,000
RE01A	MSD: Veditz Building Renovation	425,000	0	0	0	0	425,000
	<b>Subject Category Subtotal</b>	<b>\$337,334,000</b>	<b>\$400,000,000</b>	<b>\$3,500,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$740,834,000</b>

<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>Higher Education</b>							
RB21A	UMB: Central Electric Substation and Electrical Infrastructure Upgrades	\$9,944,000	\$0	\$0	\$0	\$0	\$9,944,000
RB22A	UMCP: Campuswide Building Systems	5,000,000	5,000,000	0	0	0	10,000,000
RB22B	UMCP: Chemistry Building Wing 1 Replacement	5,000,000	0	0	0	0	5,000,000
RB22C	UMCP: School of Public Policy	2,500,000	0	0	0	0	2,500,000
RB23A	BSU: Communication Arts and Humanities Building	6,100,000	0	0	0	0	6,100,000
RB24A	TU: New College of Health Progressions Building	6,437,000	0	0	0	0	6,437,000
RB25A	UMES: School of Pharmacy and Health Professions	61,287,000	0	0	0	0	61,287,000
RB25RB	UMES: Campus Flood Mitigation Project	0	10,000,000	0	0	0	10,000,000
RB26A	FSU: Education and Health Sciences Center	30,069,000	5,000,000	0	0	0	35,069,000
RB27A	CSU: Percy Julian Sciences Building	17,513,000	0	0	0	0	17,513,000
RB31A	UMBC: Utility Upgrades and Site Improvements	6,041,000	0	0	0	0	6,041,000
RB34A	UMCES: Chesapeake Analytics Collaboration Building	1,448,000	0	0	0	0	1,448,000
RB36A	USMO: University of Maryland at Southern Maryland Third Academic Building	62,202,000	0	0	0	0	62,202,000
RB36B	USMO: Capital Facilities Renewal	0	12,000,000	0	0	0	12,000,000
RC00A	BCCC: Liberty Campus Loop Road and Entrance Improvements	4,623,000	0	0	0	0	4,623,000
RD00A	SMCM: Academic Building and Auditorium	30,678,000	0	0	0	0	30,678,000

<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>	
RD00B	SMCM: Campus Infrastructure Improvements	4,472,000	0	0	0	0	4,472,000
RI00A	MHEC: Community College Construction Grant Program	84,456,000	0	0	0	0	84,456,000
RI00B	MHEC: Community College Facilities Renewal Grant Program	4,223,000	0	0	0	0	4,223,000
RM00A	MSU: Deferred Maintenance and Site Improvements	10,000,000	0	0	0	0	10,000,000
RM00B	MSU: New Health and Human Services Building	5,382,000	0	0	0	0	5,382,000
RM00C	MSU: New Student Services Support Building	4,851,000	0	0	0	0	4,851,000
ZA00X	MISC: Garrett College – Community Education and Performing Arts Center	8,500,000	0	0	0	0	8,500,000
ZA00AK	MICUA: Johns Hopkins University	2,667,000	0	0	0	0	2,667,000
ZA00AL	MICUA: Notre Dame of Maryland University	2,667,000	0	0	0	0	2,667,000
ZA00AM	MICUA: Maryland Institute College of Art	2,667,000	0	0	0	0	2,667,000
	<b>Subject Category Subtotal</b>	<b>\$378,727,000</b>	<b>\$32,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$410,727,000</b>
	<b>Housing and Community Development</b>						
DW0108A	MDP: Maryland Archeological Conservation Laboratory Expansion and Renovation	\$215,000	\$0	\$0	\$0	\$0	\$215,000
DW0108B	MDP: Patterson Center Renovations	4,590,000	0	0	0	0	4,590,000
DW0111A	MDP: African American Heritage Preservation Grant Program	1,000,000	0	0	0	0	1,000,000
DW0111B	MDP: Maryland Historical Trust Capital Grant Fund	600,000	0	0	0	0	600,000
DW0111C	MDP: Maryland Historical Trust Loan Fund	0	0	0	300,000	0	300,000

<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>	
DW0112A	MDP: Sustainable Communities Tax Credit	0	0	9,000,000	0	0	9,000,000
SA2402A	DHCD: Community Development Grant Program	0	0	0	0	12,000,000	12,000,000
SA24A	DHCD: Baltimore Regional Neighborhoods Initiative	12,000,000	0	0	0	0	12,000,000
SA24B	DHCD: Community Legacy Program	6,000,000	0	0	0	0	6,000,000
SA24C	DHCD: Neighborhood Business Development Program	8,000,000	0	500,000	2,200,000	0	10,700,000
SA24D	DHCD: Seed Community Development Anchor Institution Fund	5,000,000	0	0	0	0	5,000,000
SA24E	DHCD: Strategic Demolition Fund	26,500,000	0	0	0	0	26,500,000
SA24F	DHCD: National Capital Strategic Economic Development Fund	0	0	0	0	0	0
SA25A	DHCD: Homeownership Programs	16,000,000	0	0	3,000,000	0	19,000,000
SA25B	DHCD: Housing and Building Energy Programs	1,000,000	0	0	8,600,000	1,000,000	10,600,000
SA25C	DHCD: Local Government Infrastructure Fund – Rural Broadband	9,180,000	0	0	0	0	9,180,000
SA25D	DHCD: Partnership Rental Housing Program	6,000,000	0	0	0	0	6,000,000
SA25E	DHCD: Rental Housing Program	25,000,000	0	12,000,000	16,500,000	8,000,000	61,500,000
SA25F	DHCD: Shelter and Transitional Housing Facilities Grant Program	3,000,000	0	0	0	0	3,000,000
SA25G	DHCD: Special Loan Programs	4,000,000	0	0	4,400,000	2,000,000	10,400,000
	<b>Subject Category Subtotal</b>	<b>\$128,085,000</b>	<b>\$0</b>	<b>\$21,500,000</b>	<b>\$35,000,000</b>	<b>\$23,000,000</b>	<b>\$207,585,000</b>

<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>Local Projects</b>							
ZA00A	MISC: A Wider Circle – Community Service Center	\$500,000	\$0	\$0	\$0	\$0	\$500,000
ZA00B	MISC: Anne Arundel County – Defenders of Freedom Capital Gazette Memorial	300,000	0	0	0	0	300,000
ZA00C	MISC: Arch Social Club – Stabilization and Revitalization	500,000	0	0	0	0	500,000
ZA00D	MISC: Bainbridge Development Corporation Naval Training Center Site	500,000	0	0	0	0	500,000
ZA00E	MISC: Baltimore County – Public Safety Facility	500,000	0	0	0	0	500,000
ZA00F	MISC: Boy Scouts of America Baltimore Area Council Broad Creek Infrastructure Improvements	450,000	0	0	0	0	450,000
ZA00G	MISC: Brunswick Volunteer Ambulance and Rescue – Facility Expansion	150,000	0	0	0	0	150,000
ZA00H	MISC: Carroll County Agriculture Center and Shipley Area Facility Upgrades	250,000	0	0	0	0	250,000
ZA00I	MISC: Carroll County – Charles Carroll Community Center	250,000	0	0	0	0	250,000
ZA00J	MISC: Carroll County – New Sewer Pump Station	500,000	0	0	0	0	500,000
ZA00K	MISC: Carroll County Public Safety Training Center	1,000,000	0	0	0	0	1,000,000
ZA00L	MISC: Charles E. Smith Jewish Day School – Capital Improvements	600,000	0	0	0	0	600,000
ZA00M	MISC: Chesapeake Bay Maritime Museum – New Exhibition Building	300,000	0	0	0	0	300,000

<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>	
ZA00N	MISC: Chesapeake Culinary Center – New Community Space	50,000	0	0	0	0	50,000
ZA00O	MISC: City of Cumberland – Baltimore Street Town Centre	500,000	0	0	0	0	500,000
ZA00P	MISC: City of Frostburg – City Hall Relocation	500,000	0	0	0	0	500,000
ZA00Q	MISC: City of Gaithersburg – New Police Station	1,000,000	0	0	0	0	1,000,000
ZA00R	MISC: City of Hyattsville – Police Headquarters Renovation and Addition	200,000	0	0	0	0	200,000
ZA00S	MISC: Compass Regional Hospice – Hope and Healing Center	500,000	0	0	0	0	500,000
ZA00T	MISC: Compass Regional Hospice – New Hospice Center	400,000	0	0	0	0	400,000
ZA00U	MISC: Delmarva Community Services – Chesapeake Grove Intergenerational Center	1,000,000	0	0	0	0	1,000,000
ZA00V	MISC: Franciscan Center – Building Repairs	250,000	0	0	0	0	250,000
ZA00W	MISC: Frederick County Public Safety Training Facility Expansion and Renovation	1,500,000	0	0	0	0	1,500,000
ZA00Y	MISC: Girl Scouts of Central Maryland, Inc – Camp Woodlands Renovation	450,000	0	0	0	0	450,000
ZA00Z	MISC: Hagerstown Revitalization	2,500,000	0	0	0	0	2,500,000
ZA00AA	MISC: Harford County – Ma and Pa Trail	100,000	0	0	0	0	100,000
ZA00AB	MISC: Harford County – The Harford County Agricultural Center	400,000	0	0	0	0	400,000
ZA00AC	MISC: Helping Up Mission – Women’s and Children’s Center	500,000	0	0	0	0	500,000

<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>	
ZA00AE	MISC: House of Ruth Maryland – Administrative Building and Shelter	500,000	0	0	0	0	500,000
ZA00AF	MISC: Imagination Stage – New Storage Facility	250,000	0	0	0	0	250,000
ZA00AH	MISC: Kent School – New Performing Arts Wing	100,000	0	0	0	0	100,000
ZA00AI	MISC: Lexington Market	2,000,000	0	0	0	0	2,000,000
ZA00AJ	MISC: Maryland Historical Society – Building Renovations	1,000,000	0	0	0	0	1,000,000
ZA00AN	MISC: Maryland State Fair – Renovations	500,000	0	0	0	0	500,000
ZA00AO	MISC: Maryland Zoo in Baltimore	4,750,000	0	0	0	0	4,750,000
ZA00AQ	MISC: Mount Pleasant Development Corporation – Mount Pleasant Family Life Center	500,000	0	0	0	0	500,000
ZA00AR	MISC: National Aquarium in Baltimore	5,000,000	0	0	0	0	5,000,000
ZA00AS	MISC: NorthBay Education – Capital Improvements	250,000	0	0	0	0	250,000
ZA00AT	MISC: Olney Theatre Center – Site Improvements and Artists’ Village	250,000	0	0	0	0	250,000
ZA00AU	MISC: Paul’s Place – Community Training Kitchen	250,000	0	0	0	0	250,000
ZA00AV	MISC: Pearlstone Center – Campus Renovation and Expansion	1,000,000	0	0	0	0	1,000,000
ZA00AW	MISC: Queen Anne’s County Arts Council – Center for the Arts Renovation	250,000	0	0	0	0	250,000
ZA00AX	MISC: Ralph J. Bunche Community Center	250,000	0	0	0	0	250,000
ZA00AY	MISC: Ripken Stadium	1,419,000	0	0	0	0	1,419,000

<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>	
ZA00AZ	MISC: Roberta’s House – New Grief Support Center	500,000	0	0	0	0	500,000
ZA00BA	MISC: Ronald McDonald House Charities Baltimore – New Ronald McDonald House	500,000	0	0	0	0	500,000
ZA00BB	MISC: Salisbury Revitalization	1,000,000	0	0	0	0	1,000,000
ZA00BC	MISC: Sheppard Pratt Hospital – Sheppard Pratt at Elkridge	2,000,000	0	0	0	0	2,000,000
ZA00BD	MISC: Somerset County – Crisfield-Somerset County Airport Hangers	300,000	0	0	0	0	300,000
ZA00BE	MISC: St. Francis Neighborhood Center – Expansion	750,000	0	0	0	0	750,000
ZA00BF	MISC: St. Mary’s County – Regional Agricultural Center	200,000	0	0	0	0	200,000
ZA00BG	MISC: The League for People with Disabilities – Facility Upgrade	250,000	0	0	0	0	250,000
ZA00BH	MISC: The Y in Central Maryland – Infrastructure Improvements and New Family Center	1,000,000	0	0	0	0	1,000,000
ZA00BI	MISC: Town of La Plata – Kent Avenue Corridor Community Center	250,000	0	0	0	0	250,000
ZA00BJ	MISC: Town of Mount Airy – Rails to Trails CSX	300,000	0	0	0	0	300,000
ZA00BK	MISC: Town of New Market – Stormwater Drains Infrastructure	100,000	0	0	0	0	100,000
ZA00BL	MISC: University of Maryland – New Hillel Student Center	600,000	0	0	0	0	600,000
ZA00BM	MISC: Upper Bay Counseling and Support Services – Interior Outfitting	500,000	0	0	0	0	500,000

Budget Code	Project Title	Bonds		Current Funds (PAYGO)			
		General Obligation	Revenue	General	Special	Federal	Total Funds
ZA00BN	MISC: Washington County Public Service Academy – New Training Facility	500,000	0	0	0	0	500,000
ZA00BO	MISC: Waterfront Partnership of Baltimore – Rash Field Improvements	500,000	0	0	0	0	500,000
	<b>Subject Category Subtotal</b>	<b>\$43,169,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$43,169,000</b>
	<b>Current Year Total</b>	<b>\$1,104,114,000</b>	<b>\$432,000,000</b>	<b>\$63,870,449</b>	<b>\$430,991,600</b>	<b>\$81,646,000</b>	<b>\$2,112,622,049</b>
	<b>Deauthorizations</b>						
ZF00	Deauthorizations as Introduced	-\$9,114,000	\$0	\$0	\$0	\$0	-\$9,114,000
	<b>Subject Category Subtotal</b>	<b>-\$9,114,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>-\$9,114,000</b>
	<b>Adjusted Current Year Total</b>	<b>\$1,095,000,000</b>	<b>\$432,000,000</b>	<b>\$63,870,449</b>	<b>\$430,991,600</b>	<b>\$81,646,000</b>	<b>\$2,103,508,049</b>
	Transportation CTP	\$0	\$505,000,000	\$0	\$697,710,000	\$1,225,846,000	\$2,428,556,000
	Transportation DPA	\$0	\$0	\$125,000,000	\$0	\$0	\$125,000,000
	<b>Grand Total</b>	<b>\$1,104,114,000</b>	<b>\$937,000,000</b>	<b>\$188,870,449</b>	<b>\$1,128,701,600</b>	<b>\$1,307,492,000</b>	<b>\$4,666,178,049</b>

BCCC: Baltimore City Community College  
BPW: Board of Public Works  
BSU: Bowie State University  
CSU: Coppin State University  
CTP: *Consolidated Transportation Program*  
DHCD: Department of Housing and Community Development  
DNR: Department of Natural Resources  
DoIT: Department of Information Technology  
DPA: Dedicated Purpose Account  
DPSCS: Department of Public Safety and Correctional Services  
DSP: Department of State Police  
FSU: Frostburg State University  
IAC: Interagency Commission on School Construction  
MD: Military Department  
MDA: Maryland Department of Agriculture  
MDE: Maryland Department of the Environment  
MDH: Maryland Department of Health  
MDOA: Maryland Department of Aging  
MDOD: Maryland Department of Disabilities

MDP: Maryland Department of Planning  
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  
UMCES: University of Maryland Center for Environmental Science  
UMCP: University of Maryland, College Park Campus  
UMES: University of Maryland Eastern Shore  
UMMS: University of Maryland Medical System  
USMO: University System of Maryland Office

Source: Department of Budget and Management

**Appendix 5**  
**Capital Budget – Projects Deferred or Not Funded**  
**Fiscal 2021**  
**2019 CIP Compared to 2020 CIP**  
**(\$ in Millions)**

<u>Project / Program</u>	<u>Planned</u>	<u>Recommended</u>
Maryland School for the Deaf – Veditz Building Renovation	\$10.040	\$0.425
Maryland Department of Health – Clifton T. Perkins North Wing	6.677	0.000
Department of Juvenile Services (DJS) – Baltimore City Juvenile Justice Center Renovation	7.413	0.000
DJS – New Female Detention Center	19.357	0.000
Military Department – Maryland Emergency Management Agency Headquarters Renovation	8.400	0.585
Department of Natural Resources – Rural Legacy Program	5.000	0.000
Department of Planning – Maryland Archeological Conservation Laboratory Expansion and Renovation	4.699	0.215
Department of Public Safety and Correctional Services (DPSCS) – Jessup Regional Electrical Infrastructure Upgrade	6.400	0.994
DPSCS – Maryland Correctional Institution-Hagerstown Perimeter Security Upgrade	3.355	0.000
DPSCS – Roxbury Correctional Institution Gatehouse and Perimeter Security System and Americans with Disabilities Act Housing Unit	5.830	0.000
Board of Public Works (BPW) – Hagerstown District Court Addition	2.458	0.000
BPW – Shillman Building Renovation	16.390	0.713
Department of State Police – Berlin Barrack and Garage	6.744	0.158
University of Maryland Medical System – Comprehensive Cancer Treatment and Organ Transplant Center	20.000	7.500
University System of Maryland Office – Capital Facilities Renewal	10.000	0.000

CIP: *Capital Improvement Program*

*Capital Budget Fiscal Briefing*

**Appendix 6**  
**Capital Budget – Significant Adjustments to Preauthorizations Included in**  
**MCCBL of 2019 for Fiscal 2021 – Projects Deferred or Not Funded**  
**(\$ in Millions)**

<b><u>Project / Program</u></b>	<b><u>Preauthorized</u></b>	<b><u>Recommended</u></b>
HSMCC: Maryland Heritage Interpretive Center	\$7.500	\$0.000
MSU: Convocation Center	5.000	0.000
MISC: The League for People with Disabilities – Facility Upgrade	4.500	0.250
MISC: Round House Theatre	1.500	0.000
MISC: Olney Theatre	2.000	0.250
MISC: Merriweather Post Pavilion	2.000	0.000
MISC: Prince George’s County Public High School Athletic Facilities	3.000	0.000
MISC: JHU New Medical Research Building Children’s Medical/Surgical Center/North Tower Annex	12.000	0.000
MISC: Maryland Science Center	1.500	0.000
MISC: Prince George’s County Amphitheatre	14.000	0.000
MISC: Downtown Frederick Hotel and Conference Center Public Amenities	2.500	0.000
MISC: Bay Sox Stadium	1.000	0.000
MISC: MedStar Franklin Hospital	3.500	2.000
MISC: Sinai Hospital of Baltimore	1.000	0.000
MISC: Port Discovery	1.000	0.000

HSMCC: Historic St. Mary’s City Commission  
JHU: Johns Hopkins University  
MCCBL: Maryland Consolidated Capital Bond Loan  
MISC: miscellaneous  
MSU: Morgan State University

**Appendix 7**  
**Status of Capital Budget Mandates**  
**Fiscal 2021**  
**(\$ in Millions)**

	<u>Mandate Amount</u>	<u>Budget</u>	<u>Notes</u>
Supplemental School Construction	\$40,000,000	\$40,000,000	General obligation (GO) bonds
Program Open Space Repayment	38,170,449	38,170,449	General funds in Dedicated Purpose Account
Healthy Schools Facility Fund	30,000,000	30,000,000	Revenue bond funds – Building Opportunity Fund
Baltimore Regional Neighborhood Initiative	12,000,000	12,000,000	General funds
School Safety Enhancements	10,000,000	10,000,000	Revenue bond funds – Building Opportunity Fund
Seed Anchor Institution Funds	10,000,000	5,000,000	Budget Reconciliation and Financing Act (BRFA) repeals mandate
National Capital Strategic Economic Development Fund	7,000,000	0	BRFA eliminates the program
Aging Schools	6,109,000	6,109,000	GO bonds
Local Libraries	5,000,000	7,300,000	GO bonds
Rural Legacy	5,000,000	0	Deemed not a mandate
Aid to Community Colleges – Facilities Renewal	4,333,000	4,233,000	BRFA repeals general fund mandate, GO bonds replace general funds
Shelter and Transitional Housing	3,000,000	3,000,000	GO bonds
Comprehensive Flood Management Program	3,000,000	3,000,000	GO bonds
African American Heritage	1,000,000	1,000,000	GO bonds
<b>Total</b>	<b>\$174,612,449</b>	<b>\$159,812,449</b>	

**Appendix 8**  
**GO Bond Deauthorizations and Other Changes**  
**2020 Maryland Consolidated Capital Bond Loan**

**GO Bond Deauthorizations**

<u>Chapter Law</u>	<u>Agency</u>	<u>Project Title</u>	<u>Amount</u>	<u>Reason</u>
Chapter 424 of 2013, as amended by Chapter 463 of 2014	DJS	Cheltenham Youth Facility – New Detention Center	-\$366,167	Project complete.
Chapter 424 of 2013, as amended by Chapter 463 of 2014	DPS	Old Crime Lab (Headquarters Building K)	-369,324	Project complete.
Chapter 424 of 2013, as amended by Chapter 463 of 2014	BPW	Old Senate Chamber Reconstruction	-300,000	Project complete.
Chapter 463 of 2014, as amended by Chapter 495 of 2015	DJS	Cheltenham Youth Facility – New Detention Center II	-641,681	Project complete.
Chapter 463 of 2014, as amended by Chapter 495 of 2015	MHA	Sinai Hospital of Baltimore	-1,000,000	Funds not needed.
Chapter 463 of 2014, as amended by Chapter 495 of 2015	MISC	Piscataway Indian Museum	-100,000	Project complete.
Chapter 27 of 2016, as amended by Chapter 22 of 2017	MDP	St. Leonard’s Creek Shoreline Erosion Control	-999,828	Project complete.
Chapter 27 of 2016, as amended by Chapter 22 of 2017	BSU	Natural Sciences Center	-3,500,000	Project complete.
Chapter 14 of 2019	DPSCS	Roxbury Correctional Institution Gatehouse and Perimeter Security System	-611,000	Project delayed.
Chapter 14 of 2019	DPSCS	MCI-Hagerstown Perimeter Security Improvements	-1,226,000	Project delayed.
<b>Total</b>			<b>-\$9,114,000</b>	

**GO Bond Preauthorizations**

<u>Agency</u>	<u>Project Title</u>	<u>Fiscal 2022</u>	<u>Fiscal 2023</u>	<u>Fiscal 2024</u>
MD	Havre de Grace Combined Support Maintenance Shop	\$4,798,000		
DoIT	Public Safety Communications System	2,685,000	\$2,650,000	
DPSCS	Jessup Region Electrical Infrastructure Upgrade	8,924,000		
DPSCS	ECI High Temperature Distribution and Perimeter Security Improvements	11,514,000		
UMCP	Chemistry Building Wing 1 Replacement	45,190,000	38,146,000	
UMES	School of Pharmacy and Health Professions	13,716,000		
FSU	Education and Health Sciences Center	43,655,000		
CSU	Percy Julian Sciences Building	20,771,000		
UMBC	Utility Upgrades and Site Improvements	6,834,000		
USMO	University of Maryland at Southern Maryland Third Academic Building	3,229,000		
SMCM	Academic Building and Auditorium	18,837,000		
MHEC	Community College Construction Grant Program	66,816,000	16,884,000	\$11,747,000
MES	Infrastructure Improvement Fund	12,606,000		
<b>Total</b>		<b>\$259,575,000</b>	<b>\$57,680,000</b>	<b>\$11,747,000</b>

## Amendments to Prior GO Bond Authorizations and Other Items

<u>Chapter Law</u>	<u>Agency</u>	<u>Project Title</u>	<u>Proposed Amendment</u>
Chapter 24 of 2013	SMCM	Anne Arundel Hall Reconstruction	Extends the termination date of the funds to June 1, 2022.
Chapter 27 of 2016, as amended by Chapter 22 of 2017, Chapter 9 of 2018, and Chapter 737 of 2019	MISC	Downtown Frederick Public Parking and Infrastructure	Reprograms funds authorized as a grant to the Mayor and Board of Alderman of the City of Frederick to help support the cost of public infrastructure for the Downtown Frederick Hotel and Conference Center to instead be used as a grant to Frederick County for the dredging of Lake Linganore to remove sediment.
Chapter 27 of 2016, as amended by Chapter 14 of 2019	MHA	Adventist Healthcare Shady Grove Medical Center	Alters the project name and extends the date the grantee has to provide evidence of a matching fund to June 1, 2022.
Chapter 22 of 2017	MHA	Union Hospital of Cecil County	Extends the date the grantee has to provide evidence of a matching fund to June 1, 2022.
Chapter 22 of 2017, Chapter 9 of 2018, and Chapter 737 of 2019	MISC	Downtown Frederick Public Parking and Infrastructure	Reprograms funds authorized as a grant to the Mayor and Board of Alderman of the City of Frederick to help support the cost of public infrastructure for the Downtown Frederick Hotel and Conference Center to instead be used as a grant to Frederick County for the dredging of Lake Linganore to remove sediment.

BPW: Board of Public Works  
 BSU: Bowie State University  
 CSU: Coppin State University  
 DJS: Department of Juvenile Services  
 DoIT: Department of Information Technology  
 DPS: Department of State Police  
 DPSCS: Department of Public Safety and Correctional Services  
 ECI: Eastern Correctional Institution  
 FSU: Frostburg State University  
 GO: general obligation  
 MCI: Maryland Correctional Institution

MD: Military Department  
 MDP: Maryland Department of Planning  
 MES: Maryland Environmental Service  
 MHA: Maryland Hospital Association  
 MHEC: Maryland Higher Education Commission  
 MISC: miscellaneous  
 SMCM: St. Mary's College of Maryland  
 UMBC: University of Maryland Baltimore County  
 UMCP: University of Maryland, College Park Campus  
 UMES: University of Maryland Eastern Shore  
 USMO: University System of Maryland Office

Source: SB 191 and HB 151

**Appendix 9**  
**Comparison of CDAC, SAC, Governor’s Request Final Legislative Authorization**  
**1999-2020 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	1,075
2019	995	1,085	1,085	1,085
2020	1,095	1,095	1,095	

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 deauthorized 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, 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: 2019 *Capital Debt Affordability Committee Report*