## **Department of Fiscal Services**

Maryland General Assembly

# FISCAL NOTE

House Bill 335 (Delegate Crumlin, *et al.*) Appropriations

### **Redskins Stadium - Road Construction - Contingent Funding Prohibition**

This emergency bill prohibits the Maryland Department of Transportation (MDOT) from spending any funds for road construction and other infrastructure related to the Redskins Stadium unless MDOT notifies the legislature in writing that it will construct specified north and south bound ramps prior to the opening of the stadium.

### **Fiscal Summary**

State Effect: Indeterminate effect on State revenues and expenditures.

Local Effect: Indeterminate effect on local revenues; expenditures would not be affected.

**Small Business Effect:** Potential meaningful impact on small businesses as discussed below.

### **Fiscal Analysis**

**State Effect:** MDOT advises that the southbound ramp specified in the bill is currently under construction and the northbound ramp is in the Consolidated Transportation Program (CTP). The Redskins Stadium is scheduled to be open for the 1997 football season; MDOT intends to have the necessary road structures in place by this time, including the southbound ramp. During the 1996 session, the General Assembly approved up to \$70.5 million to be used for stadium-related infrastructure projects.

Last year's CTP request, however, did not include any funds for the northbound ramp, which is in the current CTP with a projected cost of approximately \$9.4 million. Since these funds would not be available until the enactment of the operating budget by the General Assembly, it is unlikely that the ramp will be constructed prior to the opening of the stadium. Should

MDOT have to halt construction of ongoing projects related to the stadium, this could lead to an indeterminate but potentially significant expenditure due to penalty payments to existing contractors. In addition, additional claims could be made against the State by the stadium's owner.

A delay in the opening of the stadium would also delay any State tax revenues from stadiumrelated events.

**Local Effect:** Should work be halted on stadium-related projects, it is assumed that the revenues to the county due to stadium events would also be delayed.

**Small Business Effect:** Contractors working on stadium-related infrastructure projects would be negatively impacted if lack of funding forced work stoppages. However, MDOT was not able to supply any information on the number of contracts going to small businesses as a result of this project, or the total dollar value of those contracts.

**Information Source(s):** Maryland Department of Transportation, Department of Fiscal Services

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