

**Department of Legislative Services**  
Maryland General Assembly  
2001 Session

**FISCAL NOTE**  
**Revised**

House Bill 186 (Delegates Harrison and Rawlings)  
Appropriations

Finance

---

**Maryland African American Museum Corporation - Investments, Personnel,  
Meetings, and Museum Development**

---

This bill authorizes the Maryland African American Museum Corporation to establish compensation, holidays, and leave policies for corporation employees. The bill requires that any State-appropriated monies, and any monies the corporation is required by the General Assembly to raise for museum construction from sources other than the State, be invested in federal, State, or local bonds. The bill includes the officers and employees of the corporation in the list of State personnel who are immune from liability under the Maryland Tort Claims Act. Finally, the bill requires that the corporation, in the planning and development of the museum, submit the preliminary plans to Baltimore City for review and comments before approving the final plans.

The bill takes effect July 1, 2001.

---

**Fiscal Summary**

**State Effect:** Minimal or no impact on State expenditures due to the proposed changes to the corporation's structure.

**Local Effect:** None.

**Small Business Effect:** None.

---

## Analysis

**Current Law:** The Maryland African American Museum Corporation was created by Chapters 428 and 429 of 1998 to plan, develop, and manage a Maryland Museum of African American History and Culture in Baltimore City. The corporation is constituted as a public instrumentality and an independent unit in the executive branch. A 32-member board of directors manages the affairs of the corporation.

**Background:** State funds, provided to assist the corporation with its annual operating expenses, represent 75% of the corporation's total operating budget. Fundraising efforts by the corporation, previously budgeted as special funds in the State budget, cover the remaining 25% of the budget. During the 2000 legislative session, the budget committees, the Department of Budget and Management (DBM), the Department of Legislative Services (DLS), and the corporation agreed that privately raised revenues should no longer be reflected in the State budget.

Salaries are set by the corporation and are based upon the salaries of museum professionals at comparable facilities in the greater Baltimore area. Full-time employees are eligible to enroll in the Maryland State Retirement and Pension System and health plans.

**State Expenditures:** The Governor has committed (although no State law requires it) to propose a State general fund grant each year to the corporation equal to: 75% of the corporation's operating budget for the museum through the second full fiscal year the museum is open to the public, and 50% of the corporation's operating budget thereafter. The corporation's 25% share may include any corporation income and revenues other than the State grant, including fundraising revenues, and interest on the State grant and prior State grants. The fiscal 2002 budget appropriation for the corporation is \$739,438, which represents 75% of its operating budget.

The bill's provisions affecting compensation and personnel policies could raise or lower the corporation's expenses depending on the corporation's personnel decisions. The requirement that funds be invested in government bonds is likely to lower expenses by providing a guaranteed and low-expense return on any investments. The provision relating to tort immunity could lower corporation expenses by reducing the cost of insurance to cover its employees.

To the extent that the bill's provisions result in increased expenditures by the corporation, the State's 75% share of these costs would increase. To the extent the provisions lower costs, the State's share could decrease.

## Additional Information

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Department of Business and Economic Development, Department of Housing and Community Development, Governor's Office, Maryland African American Museum Corporation, Department of Legislative Services

**Fiscal Note History:** First Reader – January 26, 2001  
mld/jr Revised – Enrolled Bill – April 26, 2001

---

Analysis by: Matthew D. Riven

Direct Inquiries to:  
John Rixey, Coordinating Analyst  
(410) 946-5510  
(301) 970-5510