

Department of Legislative Services  
Maryland General Assembly  
2003 Session

FISCAL AND POLICY NOTE

House Bill 1178

(Delegate Elmore)

Environmental Matters

Budget and Taxation

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Maryland Historical Trust - Historic Preservation Loan Fund - Refinancing  
Properties

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This bill expands the uses of the Historic Preservation Loan Fund of the Maryland Historical Trust (MHT) to authorize loans for refinancing historic properties.

The bill is effective July 1, 2003.

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Fiscal Summary

**State Effect:** None. The bill expands the uses for existing funds but does not increase total expenditures.

**Local Effect:** Potentially minimal increase in revenues to the extent that local governments receive additional loans.

**Small Business Effect:** Small nonprofit organizations or businesses that qualify for loans provided by the bill would benefit.

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Analysis

**Current Law:** The MHT Loan Fund may provide loans to nonprofit organizations, local jurisdictions, businesses, and individuals for acquiring, rehabilitating, or restoring historic properties or short-term financing for costs such as studies, surveys, and engineering services related to work required or recommended by MHT or the State Historic Preservation Officer. The short-term financing only applies to a construction project being funded with federal or State monies. The fund also covers administrative costs

directly related to the program and provides funds to buy properties for MHT or restore historic properties owned by MHT.

**Background:** The MHT Loan Fund is generally supported by PAYGO special funds and general obligation bonds. The proposed fiscal 2004 allowance for the fund is \$250,000 in PAYGO special loan funds and \$200,000 in general obligation bonds. In fiscal 2002, the program awarded \$250,000 in loans and incurred \$67,500 in administrative expenses.

**State Fiscal Effect:** The Department of Housing and Community Development can implement the provisions of the bill with existing resources. To the extent that the bill increases the number of eligible projects for loan awards, the availability of State loan funds could diminish more quickly.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Comptroller's Office, Department of Housing and Community Development, Department of Legislative Services

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