

Department of Legislative Services
Maryland General Assembly
2006 Session

FISCAL AND POLICY NOTE

House Bill 116
Appropriations

(Delegate Bromwell)

Charles H. Hickey, Jr. School - Cessation of Operations - Transfer of Property

This bill requires the transfer of the real property and all rights to physical control over the real property of the Charles H. Hickey, Jr. School from the Department of Juvenile Services (DJS) to the Department of Natural Resources (DNR), notwithstanding the power of the Board of Public Works (BPW) to transfer property between units of the Executive Branch. The bill stipulates that the transfer shall not occur until after DJS ceases to operate the school and requires that the property transferred become a part of the Gunpowder Falls State Park.

Fiscal Summary

State Effect: Significant expenditure increase for DNR to rehabilitate the property for the needs of the park beginning in FY 2011.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: With some exceptions, State law permits BPW to transfer any property, and all rights of physical custody and control over the property, from a unit of the Executive Branch of the State government to another unit of the Executive Branch of the State government. The transferred property still remains subject to the continuing general jurisdiction of BPW. The following types of property cannot be transferred in this manner: (1) property that is pledged to secure the payment of principal or interest on

revenue bonds; or (2) real property that is owned or controlled by the State Highway Administration. State property not transferred in this manner is subject to the State clearinghouse. Under the State clearinghouse process, State and local agencies are allowed to express an interest in State surplus property and BPW decides how the property shall be disposed. Surplus property is defined as any property BPW determines is not needed currently or in the future, and may be disposed of.

Background: On June 30, 2005, Governor Ehrlich ordered that the Charles H. Hickey, Jr. School be closed. The school, which housed some of the State's most serious juvenile offenders, was a secure 144-bed facility sitting on 219.28 acres of land in northeastern Baltimore County. Approximately 70 acres of the school's land border the Gunpowder Falls River and tributaries of the river. The school officially closed on November 30, 2005. However, a 72-bed detention center continues to operate on the site. On January 2, 2006, the Governor announced that the acreage bordering the Gunpowder Falls River will be given to Gunpowder Falls State Park. All of the waterways that border this acreage drain into the Chesapeake Bay. The remaining acreage is targeted for various uses by the surrounding communities.

State Expenditures: The new detention center to replace the Charles H. Hickey, Jr. School is currently scheduled for completion in April 2010. Therefore, any costs related to this transfer will not begin until fiscal 2011.

Conforming the property to the needs of Gunpowder Falls State Park could result in significant increases in State expenditures for demolition of buildings, construction of park facilities, and ongoing operating costs. There are insufficient data at this time to reliably estimate the exact increase in State expenditures. However, *for illustrative purposes only*, Gunpowder Fall State Park has an annual operating cost of approximately \$2.0 million for 14,600 acres. This operating cost does not include law enforcement expenses related to the park.

Additional Information

Prior Introductions: None.

Cross File: SB 6 (Senator Klausmeier) – Education, Health, and Environmental Affairs.

Information Source(s): Department of Juvenile Services; Department of Natural Resources; "Hickey Campus Is Designated Preserved Land," Andrew A. Green, *Baltimore Sun*, January 2, 2006; Department of Legislative Services

Fiscal Note History: First Reader - January 30, 2006
ncs/rhh

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