

Department of Legislative Services
Maryland General Assembly
2011 Session

FISCAL AND POLICY NOTE

Senate Bill 573 (Senators Muse and Currie)
Budget and Taxation

Maryland Consolidated Capital Bond Loan of 2009 - Prince George's County -
National Children's Museum

This bill extends the deadline to June 1, 2013, for the board of directors of the National Children's Museum, as grantee, to present evidence that a matching fund will be provided for the National Children's Museum project as required by the Maryland Consolidated Capital Bond Loan of 2009. The bill also specifies that the proceeds of the loan must be encumbered by the Board of Public Works or expended by the grantee by June 1, 2013. (The bill applies to two of the three grants authorized by the Maryland Consolidated Capital Bond Loan of 2009.)

The bill takes effect June 1, 2011.

Fiscal Summary

State Effect: The bill does not materially affect governmental operations or finances.

Local Effect: The bill does not directly affect the finances or operations of Prince George's County.

Small Business Effect: None.

Analysis

Current Law/Background: Chapter 485 of 2009 authorized a total of up to \$5 million in matching funds to the board of directors of the National Children's Museum for the acquisition, design, construction, and capital equipping of the new National Children's Museum. The matching fund may consist of funds expended prior to the June 1, 2009 effective date of Chapter 485. Matching funds may not consist of real property or in-kind

contributions. Chapter 485 authorized three separate grants for this project. Two of the grants are for \$1.75 million each; the third grant is for \$1.5 million. The bill's changes apply to the two grants totaling \$3.5 million.

In 2003, the U.S. Congress designated the Capitol Children's Museum as the new National Children's Museum. The Capitol Children's Museum, which was located near Union Station in Washington, DC, closed in 2004 after nearly 30 years in operation. In 2013, the National Children's Museum is slated to reopen at its new location in National Harbor, a 300-acre mixed-use waterfront development, near the Potomac River in Prince George's County.

The grantee advises that the project is slated to break ground in 2011, but some design and construction delays have set the project back to the extent that additional time to present evidence of a matching fund is needed. Nonetheless, the grantee expects matching funds to be certified within one year and that museum will open in 2013 as planned.

In addition to the \$5 million in matching funds authorized by Chapter 485 of 2009, the State has authorized an additional \$7 million in matching funds to the grantee since 2008: Chapter 483 of 2010 authorized \$5 million and Chapter 336 of 2008 authorized \$2 million for the project. Further, the Governor's proposed fiscal 2012 capital budget authorizes \$3 million in matching funds for this project.

The roughly \$150 million project is funded by federal, State, and local sources, as well as with private funds and real estate sales.

Additional Information

Prior Introductions: None.

Cross File: HB 489 (Delegate Griffith, *et al.*) - Appropriations.

Information Source(s): National Children's Museum, Prince George's County, Department of General Services, Department of Legislative Services

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ncs/ljm

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