

Department of Legislative Services
Maryland General Assembly
2012 Session

FISCAL AND POLICY NOTE

Senate Bill 914 (Senator Currie)
Budget and Taxation

**Maryland Consolidated Capital Bond Loan of 2010 - Prince George's County -
Largo High School PTSA Track Renovation**

This bill reduces the amount of matching funds that the Prince George's County Board of Education, as grantee, must present to receive \$180,000 in State grant monies for the planning, design, construction, repair, renovation, and reconstruction of the Largo High School Track project, as required by the Maryland Consolidated Capital Bond Loan of 2010, as amended by Chapter 187 of 2011. The amount of the matching fund is reduced to \$45,000 (from a match of \$90,000 as specified by Chapter 187).

The bill also extends the deadline – from June 1, 2012, to June 1, 2013 – for the grantee to present evidence that a matching fund will be provided. 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 takes effect June 1, 2012.

Fiscal Summary

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

Local Effect: Under the bill, Prince George's County may access the \$180,000 grant with a reduced match until June 1, 2013.

Small Business Effect: None.

Analysis

Current Law: Chapter 483 of 2010 authorized up to \$180,000 in matching funds to the Largo High School Parent Teacher Association for the planning, design, construction, repair, renovation, and reconstruction of the Largo High School track. Matching funds may consist of in-kind contributions, real property, or funds expended prior to the June 1, 2010 effective date of Chapter 483.

Chapter 187 of 2011 changed the grantee from the Largo High School Parent Teacher Association to the Prince George's County Board of Education. Chapter 187 also reduced the amount of matching funds that the grantee must present to receive the \$180,000 from an equal match of \$180,000 down to \$90,000.

Despite a request for an extension, Chapter 187 maintained the existing deadline of June 1, 2012, for the grantee to present evidence of a matching fund. Likewise, Chapter 187 maintained the requirement that the proceeds must be encumbered by the Board of Public Works or expended by June 1, 2012.

Background: The Largo High School track is used both by the school and members of the community for various athletic and recreational events. When the grant was requested, the Largo High School Parent Teacher Student Association advised that the original surface of the track is more than 35 years old and has been resurfaced once since 2000. As a result, the foundation is uneven from sections of asphalt that have either worn away or have completely separated from the original foundation. The \$180,000 in State grant monies will be used to replace the existing track with an entirely new surface.

Prince George's County advises that the county fully funds the capital program for the county board of education. Thus, the matching fund requirement becomes an obligation of the county's capital program if matching funds are not raised by the board of education.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - March 11, 2012
mc/ljm

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