

Department of Legislative Services
Maryland General Assembly
2013 Session

FISCAL AND POLICY NOTE

Senate Bill 952 (Senator Benson)
Budget and Taxation

Maryland Consolidated Capital Bond Loan of 2012 - Prince George's County -
Labor of Love Learning Center

This bill allows matching funds for the Labor of Love Learning Center project, as specified in the Maryland Consolidated Capital Bond Loan of 2012, to consist of funds expended prior to the June 1, 2012 effective date of Chapter 444 of 2012 (SB 151).

The bill takes effect June 1, 2013.

Fiscal Summary

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

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

Small Business Effect: None.

Analysis

Current Law: Chapter 444 authorized a total of up to \$200,000 in matching funds to the Board of Directors of the Community Outreach and Development Corporation for the renovation of the Labor of Love Learning Center, located in Capital Heights. Matching funds may not consist of real property, in-kind contributions, or funds expended prior to the June 1, 2012 effective date of Chapter 444. The grantee has until June 1, 2014, to present evidence that matching funds will be provided; however, the proceeds of the loans must be expended or encumbered by the Board of Public Works by December 1, 2015. If any funds remain unexpended or unencumbered after

December 1, 2015, the amount of the unexpended or unencumbered authorizations must be canceled. Chapter 444 authorized two separate grants totaling \$200,000 for this project. The bill's changes apply to both grants.

Background: The project is to complete the renovation of the Labor of Love Learning Center, which will become a state-of-the-art educational facility and provide quality care for 100 infants, toddlers, and before- and after-school children. The renovation phase includes purchase and installation of playground equipment as well as installation of an elevator, heating and air conditioning units, and flooring. Installation of these items is necessary and critical to the operations of the center, allowing for Americans with Disabilities Act (ADA) accessibility and providing at-risk children with quality facilities and programming. Educational services will be affordable to the community due to the acceptance of day care vouchers and an income-based sliding scale fee.

The grantee advises that the project was already in progress when it applied for the grant in 2012, and it had already spent \$400,000 on the project prior to the June 1, 2012 effective date of Chapter 444. The grantee further advises that, when it discovered that those funds were ineligible as matching funds, it had to halt construction due to lack of funds. Without the grant funds, the grantee reports it will be unable to complete resurfacing the playground, thereby also jeopardizing a donation of playground equipment for the center. The grantee advises that, with the bill's changes, it will be able to restart construction and meet the other terms of the grant.

Additional Information

Prior Introductions: None.

Cross File: HB 1410 (Delegate Vaughn, *et al.*) - Appropriations.

Information Source(s): Department of General Services, Community Outreach and Development Corporation, Department of Legislative Services

Fiscal Note History: First Reader - March 13, 2013
mc/ljm

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