

**Department of Legislative Services**  
Maryland General Assembly  
2014 Session

**FISCAL AND POLICY NOTE**

Senate Bill 256

(Senator Colburn)

Budget and Taxation

Appropriations

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**Maryland Consolidated Capital Bond Loan of 2013 - Talbot County - Easton  
Head Start Center**

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This emergency bill allows matching funds for the Easton Head Start Center, as specified in the Maryland Consolidated Capital Bond Loan of 2013, to consist of funds expended prior to the June 1, 2013 effective date of Chapter 424 (the fiscal 2014 capital budget).

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**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 Talbot County.

**Small Business Effect:** None.

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**Analysis**

**Current Law:** Chapter 424 of 2013 authorized a total of up to \$150,000 in matching funds to the Board of Directors of Shore Up! Inc. for the construction and capital equipping of the Easton Head Start Center, located in Talbot County. The matching funds may not consist of real property, in-kind contributions, or funds expended prior to the June 1, 2013 effective date of Chapter 424. The grantee has until June 1, 2015, to present evidence that matching funds will be provided. The proceeds of the loan must be expended or encumbered by the Board of Public Works by June 1, 2020. If any funds remain unexpended or unencumbered after June 1, 2020, the amount of the unexpended or unencumbered authorizations must be canceled. Chapter 424 authorized two separate grants totaling \$150,000 for this project. The bill's changes apply to both grants.

**Background:** Shore Up! Inc. is an organization that provides a range of services to economically disadvantaged persons on the Eastern Shore. The organization's Head Start Program offers early childhood development opportunities to preschool-age children in multiple locations. Recently, the program relocated the Easton Head Start Center to the campus of Dobson Elementary School, in Easton, in order to provide a facility better equipped for early childhood development.

Shore Up! Inc. advises that it requested \$150,000 in 2013 to help with the construction and capital equipping of the Easton Head Start Center; however, the organization was able to complete the project prior to June 1, 2013, and no longer has the requisite cash on hand to meet the matching fund requirement in Chapter 424. Shore Up! Inc. further advises that, if matching funds can consist of funds expended prior to the June 1, 2013 effective date of Chapter 424, it will be able to meet the \$150,000 matching fund requirement and pay down the debt it incurred during the construction of the Easton Head Start Center.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** HB 238 (Delegate Cane) - Appropriations.

**Information Source(s):** Department of General Services, Shore Up! Inc., Department of Legislative Services

**Fiscal Note History:** First Reader - February 6, 2014  
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Analysis by: Matthew B. Jackson

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510