

Department of Legislative Services
Maryland General Assembly
2016 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 814

(Senator Pinsky)

Budget and Taxation

Creation of a State Debt - Prince George's County - Pyramid Atlantic Art Center

This bill authorizes the issuance of general obligation (GO) bonds to provide a grant to a recipient for the acquisition, planning, design, construction, expansion, repair, restoration, renovation, reconstruction, or capital equipping of a specified facility.

The bill takes effect June 1, 2016.

Fiscal Summary

State Effect: If adopted in whole or part, this grant will be part of the total GO debt authorization for FY 2017. The Spending Affordability Committee (SAC) recommended a GO debt authorization of \$1.055 billion for FY 2017. The Maryland Consolidated Capital Bond Loan (MCCBL) of 2016, referred to as the FY 2017 capital budget, provides GO debt authorizations totaling \$993.8 million, which is \$56.2 million below the SAC recommendation. As introduced, an additional \$8.6 million in prior year authorized GO bonds is to be deauthorized, thus increasing the amount of GO debt included in the MCCBL of 2016 to \$1,002.4 million.

Local Effect: None, unless the recipient is a local government.

Small Business Effect: None.

Analysis

Current Law/Background:

Bond Sales and Debt Service: The State last sold bonds on July 16, 2015, which included \$500 million in new money bonds in support of the State's capital program. Of the \$500 million, \$450 million was issued as new tax-exempt bonds and \$50 million as new taxable bonds. The bonds were sold in separate series, with a combined true interest cost of 2.83%, with an average maturity of 10.3 years for the tax-exempt issuance and 1.35% over 4 years for the taxable issuance. The shorter maturities for the taxable issuance explains the lower true interest cost compared to the tax-exempt issuance. The actual annual debt service cost is determined by the coupon rate achieved at the time the bonds were issued, which ranged from 2.75% to 5.0% for an average coupon rate of 4.5%. Therefore, State debt service is estimated to cost \$45.6 million annually based on the average coupon rate.

GO bonds authorized in a given year are not all issued the year in which they are authorized. The State Treasurer's Office estimates that just over half of the GO bonds authorized in a year are typically issued within the first two fiscal years. The Capital Debt Affordability Committee assumes bonds authorized in a given year will be fully issued over five years; specific issuances are 31% in the first year, 25% in the second year, 20% in the third year, 15% in the fourth year, and 9% in the fifth year. This delay in issuance results in a substantial lag between the time GO bonds are authorized and the time the bonds affect debt outstanding and debt service levels.

Legislative Initiatives: As introduced by the Governor, the MCCBL of 2016 does not include the customary earmark of \$15.0 million for legislative initiatives. However, because the General Assembly can both reduce and add to the capital budget, the budget committees may consider bond bill requests during the 2016 session and amend them into the MCCBL.

The bills listed below authorize the issuance of GO bonds to provide grants to various recipients for the acquisition, planning, design, construction, expansion, repair, restoration, renovation, reconstruction, and/or capital equipping of various facilities.

Most bills require either a "hard" or "soft" match, as noted. Where no match is required, the term "grant" is indicated. A "hard" match means the recipient provides a dollar-for-dollar match of the State funds and does not expend the matching funds until after the effective date of the authorizing act. A "soft" match is any other type of match. Soft matches include the use of the value of the real property as the match, in-kind contributions such as materials or construction services, or funds expended prior to the effective date of the bill. A match key is provided immediately below the list of projects.

The list is organized into two categories: statewide bond bills and local bond bills. Within the local bond bill category, the projects are sorted first by the county in which the project

is located and then alphabetically by project title. Most projects have both a House and a Senate bill.

2016 Session Bond Bills Introduced

<u>SB</u>	<u>Sponsor</u>	<u>HB</u>	<u>Sponsor</u>	<u>Project</u>	<u>County</u>	<u>Request</u>	<u>Match</u>
Local Bond Bills							
1045	Edwards	1539	Delegation	Friends Aware Facility	Allegany	150,000	Soft(all)
1044	Edwards	1538	Delegation	Frostburg Museum Relocation Project	Allegany	150,000	Soft(1)
900	Edwards	987	Delegation	Lefty Grove Statue	Allegany	75,000	Soft(U,all)
478	Astle	536	Busch	206 West Social Enterprise Project	Anne Arundel	250,000	Hard
180	Reilly	480	Saab	Arundel Volunteer Fire Department Community Center	Anne Arundel	400,000	Soft(all)
50	Reilly	1592	Malone	Belvoir-Scott's Plantation Historic Manor House	Anne Arundel	90,000	Soft(2)
		338	Carey	Broadneck High School Field House	Anne Arundel	250,000	Grant
419	Simonaire	415	Kipke	Downs Park Amphitheater	Anne Arundel	100,000	Soft(all)
672	DeGrange	1234	Carey	Glen Burnie High School Field House and Concession Stand	Anne Arundel	500,000	Soft(all)
1095	Astle	1593	McMillan	Hammond-Harwood House Preservation	Anne Arundel	100,000	Hard
60	Reilly	235	Malone	Historic Linthicum Walks	Anne Arundel	120,000	Soft(2)
		1523	Beidle	Kuethe Historical and Genealogical Research Center	Anne Arundel	12,000	Soft(1,2)
668	Simonaire	776	Kipke	Lake Shore Athletic Association	Anne Arundel	50,000	Hard
1160	Astle	473	Beidle	Samaritan House	Anne Arundel	200,000	Soft(1,3)
1090	Simonaire	1244	Carey	Sun Valley Park Playground	Anne Arundel	50,000	Grant
154	Reilly	175	Sophocleus	The Arc of the Central Chesapeake Region	Anne Arundel	300,000	Hard
479	Astle	618	Beidle	William Brown House at Historic London Town	Anne Arundel	125,000	Soft(2,3)
25	Reilly	302	Malone	Woods Community Center	Anne Arundel	325,000	Hard
850	Astle	1380	McMillan	YWCA Domestic Violence Safe House Shelter	Anne Arundel	100,000	Hard
486	Pugh	1564	B. Robinson	A Penn-North Initiative Youth Violence Prevention Center	Baltimore City	400,000	Soft(3)
790	Ferguson	432	Clippinger	Baltimore Museum of Industry	Baltimore City	500,000	Soft(1)
789	Ferguson	433	Lierman	Baltimore Regional Education and Training Center	Baltimore City	500,000	Soft(all)
165	Gladden	1621	Oaks	Berean Child Care Center	Baltimore City	160,000	Soft(1,3)
197	Nathan-Pulliam	690	Haynes	Community Empowerment and Wellness Center	Baltimore City	500,000	Soft(U,1,2)
562	Ferguson	143	Hammen	Creative Alliance Project	Baltimore City	600,000	Soft(all)
918	Gladden	942	Rosenberg	Cylburn Arboretum Carriage House and Nature Museum	Baltimore City	500,000	Soft(U,all)

279	McFadden	1606	Glenn	Dr. Christina Phillips Community Center	Baltimore City	300,000	Soft(1,3)
490	Pugh	899	Conaway	Druid Hill Park at Auchentoroly Terrace	Baltimore City	100,000	Hard
487	Pugh	1096	Hayes	Garrett-Jacobs Mansion Access and Safety Project	Baltimore City	400,000	Soft(2,3)
347	Gladden	1302	Carter	Get Involved Community Center	Baltimore City	350,000	Soft(U,all)
1098	Klausmeier	1597	Oaks	Girl Scouts of Central Maryland Urban Program and STEM Center	Baltimore City	250,000	Soft(1)
1161	Ferguson			Harbor Point Parks and Infrastructure	Baltimore City	250,000	Soft(1,3)
791	Ferguson	407	Lierman	Health Care for the Homeless Dental Clinic	Baltimore City	17,500	Hard(U)
1141	McFadden	1526	Branch	International Black Fire Fighters Museum	Baltimore City	250,000	Soft(2,3)
492	Pugh	1045	Hayes	Itineris Foundation	Baltimore City	100,000	Hard
803	Pugh	1055	Hayes	James Mosher Baseball League Field Enhancement	Baltimore City	45,000	Soft(3)
491	Pugh	1565	B. Robinson	Kappa Alpha Psi Youth and Community Center	Baltimore City	250,000	Soft(1,3)
792	Ferguson	1049	Clippinger	Leadenhall Community Outreach Center	Baltimore City	500,000	Soft(2,3)
798	Pugh	1044	B. Robinson	Lexington Market	Baltimore City	500,000	Hard
458	Conway	418	M. Washington	Maryland State Boychoir ADA Improvements	Baltimore City	325,000	Soft(2)
568	Gladden		Rosenberg	Maryland State Society Daughters of the American Revolution Headquarters	Baltimore City	75,000	Soft(2,3)
701	Nathan-Pulliam	1610	Haynes	Multifamily Low-Income Housing Project	Baltimore City	200,000	Soft(2)
489	Pugh	1567	B. Robinson	Orchard Street Church	Baltimore City	25,000	Soft(2)
563	Ferguson	1635	Clippinger	Port Discovery Children's Museum	Baltimore City	500,000	Grant
1053	Gladden	1613	Carter	Progressive Education Center Playground	Baltimore City	150,000	Soft(U,3)
827	Conway	1308	M. Washington	Restoration Gardens 2	Baltimore City	300,000	Hard
1067	Ferguson	1535	Hammen	Robert Long House	Baltimore City	40,000	Soft(1,3)
488	Pugh	1566	B. Robinson	Sarah's Hope	Baltimore City	200,000	Hard
394	Conway	48	M. Washington	Scottish Rite Temple Preservation and Restoration	Baltimore City	300,000	Soft(all)
796	Pugh	1093	B. Robinson	St. Francis Neighborhood Center	Baltimore City	500,000	Soft(2)

1013	Conway	1218	McIntosh	Stony Run Path	Baltimore City	300,000	Soft(3)
316	McFadden	478	McCray	Ulman Cancer Fund Home for Young Adult Cancer Patients and Caregivers	Baltimore City	200,000	Soft(all)
1012	Conway	1036	Anderson	Woodbourne Center Vocational Program	Baltimore City	125,000	Hard
251	Kasemeyer	1609	Lam	Arbutus Volunteer Fire Department	Baltimore	130,000	Soft(all)
		1600	Brooks	Baltimore Humane Society Animal Safety and Energy Efficiency Plan	Baltimore	165,000	Soft(all)
399	Brochin	552	Lafferty	Desert Storm, Operation Enduring Freedom, and Operation Iraqi Freedom Memorial	Baltimore	75,000	Soft(3)
205	Kasemeyer	328	Hill	Good Shepherd School	Baltimore	100,000	Soft(all)
892	Zirkin	935	Hettleman	HopeWell Cancer Support Center	Baltimore	500,000	Soft(3)
889	Zirkin	765	Hettleman	Irvine Nature Center Native American Village	Baltimore	150,000	Soft(all)
357	Zirkin	80	Morhaim	Jemicy School Lower and Middle School Campus Gymnasium	Baltimore	250,000	Soft(3)
1027	Zirkin	210	Stein	Jewish Community Center of Baltimore - Gordon Center	Baltimore	100,000	Hard
203	Brochin	89	Lafferty	Limekilns and Log House Stabilization Project at Cromwell Valley Park	Baltimore	200,000	Soft(2,3)
703	Nathan-Pulliam	941	Sydnor	Morning Star Family Life Center	Baltimore	630,000	Soft(U,all)
364	Brochin	625	Lafferty	Radebaugh Park	Baltimore	200,000	Soft(1)
1155	Zirkin			Talmudical Academy Gymnasium	Baltimore	500,000	Hard
1115	Brochin	1587	West	The Maryland Regional Agricultural Arena and Learning Center	Baltimore	500,000	Soft(2)
365	Brochin	945	Lafferty	Towson Manor Park	Baltimore	80,000	Hard
1118	Eckardt	1219	Mautz	Mt. Pleasant Heritage Preservation Community Education Center	Caroline	200,000	Soft(2)
1002	Hershey	959	Ghrist	Sharp Road Community Park	Caroline	100,000	Soft(U,2,3)
952	Carroll County Senators	894	Delegation	Sykesville Freedom District Fire Department	Carroll	50,000	Soft(1)
298	Carroll County Senators	176	Delegation	The Arc of Carroll County Building Renovation	Carroll	100,000	Soft(2)
714	Cecil County Senators	767	Delegation	YMCA of Cecil County Outdoor Pool	Cecil	300,000	Hard
	Middleton	624	Delegation	Hospice House of Charles County	Charles	305,000	Soft(1,2)

1011	Middleton	125	Delegation	Indian Head Center for the Arts Renovation	Charles	130,000	Soft(2)
988	Middleton	957	Delegation	Maryland Veterans Memorial Museum Land Acquisition	Charles	225,000	Soft(all)
391	Eckardt	907	Sample-Hughes	Chesapeake Grove Senior Housing and Intergenerational Center	Dorchester	500,000	Soft(1)
138	Eckardt	774	Adams	Dorchester County Family YMCA	Dorchester	250,000	Soft(3)
972	Peters	1203	C. Wilson	Patriot Point	Dorchester	500,000	Hard
871	Young			Barbara Hauer Fritchie Foundation Facility	Frederick	90,000	Hard
641	Hough			Brunswick Heritage Museum Building	Frederick	100,000	Hard
862	Young	323	Krimm	Emergency Family Services Shelter	Frederick	25,000	Soft(3)
720	Young	273	K. Young	Frederick Memorial Hospital Dental Clinic	Frederick	100,000	Soft(1,3)
1030	Hough			Helen Smith Studio	Frederick	50,000	Soft(1,2)
642	Hough			Northwest Trek Conservation and Education Center	Frederick	50,000	Soft(2)
		1555	Folden	Tuscarora High School Concession Stand	Frederick	50,000	Soft(all)
683	Edwards	1057	Beitzel	Emergency Operations Center	Garrett	250,000	Soft(all)
1087	Edwards	1585	Beitzel	Friendsville Veterans Memorial	Garrett	100,000	Soft(2)
731	Norman			Aberdeen B & O Railroad Station	Harford	50,000	Soft(U,2)
		1577	Lisanti	American Indian First Contact Waterfront Heritage Park	Harford	500,000	Soft(1,2)
567	Cassilly	793	Impallaria	Center for the Visual and Performing Arts Amphitheater	Harford	200,000	Hard
396	Norman			Historical Society of Harford County Building Restoration	Harford	100,000	Soft(2,3)
1117	Jennings			Rockfield Park Pavilion	Harford	116,000	Soft(2)
613	Howard County Senators	653	Delegation	Community Action Council Food Bank Facility	Howard	300,000	Hard
40	Kasemeyer	621	Delegation	Environmental Education Center Renovation and Expansion	Howard	250,000	Soft(all)
611	Howard County Senators	652	Delegation	Huntington Park	Howard	150,000	Soft(3)
612	Howard County Senators	656	Delegation	Solomon's Lodge #121	Howard	19,000	Soft(1)

610	Howard County Senators	651	Delegation	South Branch Park	Howard	100,000	Soft(3)
609	Howard County Senators	650	Delegation	Vantage House Retirement Community Renovations	Howard	250,000	Soft(2)
1138	Madaleno	1629	Carr	A Wider Circle Community Service Center	Montgomery	200,000	Soft(2,3)
987	Zucker	997	Kaiser	Damascus High School Turf Field	Montgomery	200,000	Hard
1051	Raskin	1534	Hixson	Easter Seals Inter-Generational Center	Montgomery	100,000	Hard
975	Lee	1275	Kelly	Friendship Heights Village Center	Montgomery	250,000	Hard
443	Manno	902	Kramer	Homecrest House	Montgomery	120,000	Soft(2,3)
438	Lee	702	Frick	Jewish Community Center of Greater Washington Children's Playground	Montgomery	150,000	Hard
1022	Manno	1512	Kramer	Jewish Foundation for Group Homes	Montgomery	100,000	Hard
1133	Raskin	1614	Hixson	Martin Luther King Jr. Recreational Park Improvements	Montgomery	100,000	Soft(2,3)
230	Feldman	695	A. Miller	Maryland SoccerPlex Fields	Montgomery	750,000	Soft(2,3)
985	Zucker	897	Luedtke	Maydale Nature Center	Montgomery	75,000	Soft(2,3)
444	Manno	901	Kramer	Melvin J. Berman Hebrew Academy	Montgomery	100,000	Soft(U,1,2)
1102	Manno	905	Morales	Montgomery Hospice Casey House	Montgomery	120,000	Hard
1137	Madaleno	1225	Gutierrez	Noyes Children's Library Renovation and Expansion	Montgomery	100,000	Hard
221	Kagan	469	Barve	Olde Towne Park Plaza	Montgomery	300,000	Hard
986	Zucker	985	Kaiser	Olney Theatre Center	Montgomery	150,000	Soft(1)
984	Zucker	988	Kaiser	Our House Youth Home	Montgomery	50,000	Hard
1105	Raskin	1583	Hixson	Pinecrest Local Park Improvements	Montgomery	100,000	Soft(all)
685	Kagan	923	Gilchrist	Rockville Swim and Fitness Center	Montgomery	175,000	Hard
983	Zucker	991	Kaiser	Sandy Spring Museum	Montgomery	40,000	Hard
1152	Manno	1625	Kramer	Torah School of Greater Washington	Montgomery	300,000	Soft(3)
838	Feldman	924	Fraser-Hidalgo	Western Piedmont Trail Connectivity	Montgomery	125,000	Soft(1,3)
1050	Muse			Accokeek Volunteer Fire Department	Prince George's	150,000	Soft(1)
675	Peters	1231	Vallario	American Legion Post 381 Annex	Prince George's	100,000	Soft(1)
705	Currie	1214	Davis	Bishop McNamara High School Dining Hall and Student Center	Prince George's	200,000	Soft(2,3)
1048	Muse	1528	Knotts	Camp Springs Elks Lodge No. 2332	Prince George's	20,000	Soft(2,3)
207	Miller			Community Support Systems Food Pantry	Prince George's	10,000	Soft(all)
710	Ramirez	951	Fennell	Elizabeth Seton High School Athletic Field	Prince George's	30,000	Grant

253	Benson	1056	Valderrama	Fil-American Multicultural Center Glenarden Apartments Redevelopment Project	Prince George's Prince George's	200,000 1,100,000	Soft(1,2) Hard
		938	Walker	Hillcrest Heights Community Center Pool	Prince George's	250,000	Soft(1)
782	Rosapepe			Hollywood Streetscape	Prince George's	200,000	Hard
1046	Ramirez	1514	Tarlau	Joe's Movement Emporium	Prince George's	100,000	Hard
1017	Pinsky	1517	Gaines	Maryland Multicultural Youth Centers	Prince George's	200,000	Soft(2)
727	Currie	1208	D. Barnes	Mt. Ephraim Multipurpose Room	Prince George's	100,000	Soft(1)
254	Benson			Net Zero Energy District Fairmount Heights Project	Prince George's	500,000	Soft(all)
68	Ramirez	287	Tarlau	New Horizons Disability Job Training and Recycling Center Phase II	Prince George's	250,000	Hard(U)
		1623	Davis	Olde Mill Community and Teaching Center	Prince George's	75,000	Soft(1)
1049	Muse			Piscataway Park	Prince George's	100,000	Soft(2,3)
925	Ramirez	952	Fennell	Port Towns Family Health and Wellness Center	Prince George's	250,000	Soft(U,2)
814	Pinsky	954	Gaines	Pyramid Atlantic Art Center	Prince George's	300,000	Hard
817	Peters	1081	Valentino- Smith	Tabernacle Church of Laurel Gymnasium	Prince George's	25,000	Soft(1)
255	Benson	207	Barron	The Arc of Prince George's County	Prince George's	300,000	Hard
1147	Waugh			Historic Sotterley Plantation	St. Mary's	100,000	Soft(2,3)
172	Miller			Historic St. Mary's City Commission - Dove Pier	St. Mary's	300,000	Grant
140	Eckardt	206	Mautz	Chesapeake Bay Maritime Museum	Talbot	250,000	Hard
139	Eckardt	208	Mautz	Phillips Wharf Aquaculture Jobs Training Center	Talbot	250,000	Soft(1)
743	Serafini			Doey's House	Washington	100,000	Hard
		893	B. Wilson	Robert W. Johnson Community Center	Washington	445,000	Soft(2)
744	Serafini			The Maryland Theatre	Washington	100,000	Hard
1151	Eckardt	1576	Sample- Hughes	Habitat for Humanity of Wicomico County	Wicomico	120,000	Hard
1042	Mathias	1612	Delegation	Ward Museum of Wildfowl Art	Wicomico	300,000	Hard
1034	Mathias	1573	Otto	Delmarva Discovery Center and Museum	Worcester	200,000	Soft(1)

\$32,379,500

Match Key:
1 = Real Property
2 = In-kind Contributions
3 = Prior Expenditures
4 = Unequal

Additional Information

Prior Introductions: None.

Cross File: HB 954 (Delegate Gaines, *et al.*) - Appropriations.

Information Source(s): Department of Legislative Services

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bnd/ljm

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