

Department of Legislative Services
Maryland General Assembly
2016 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 609

(Howard County Senators)

Budget and Taxation

**Creation of a State Debt - Howard County - Vantage House Retirement
Community Renovations
Ho. Co. 1-16**

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 650 (Howard County Delegation) - Appropriations.

Information Source(s): Department of Legislative Services

Fiscal Note History: First Reader - March 10, 2016
bnd/ljm

Analysis by: Bond Bill Analyst

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