

Department of Legislative Services
 Maryland General Assembly
 2018 Session

FISCAL AND POLICY NOTE
 First Reader

Senate Bill 320 (Senator Brochin, *et al.*)
 Budget and Taxation

Baltimore-Washington International Thurgood Marshall Airport - Security
 Screening Checkpoint - Charitable Donations

This bill requires the Executive Director of the Baltimore-Washington International Thurgood Marshall Airport (BWI Marshall Airport) to place and maintain donation boxes at the airport, as specified, to collect money for the Rental Assistance Program (RAP) in the Department of Housing and Community Development (DHCD).

Fiscal Summary

State Effect: Minimal increase in general fund revenues from donations; general fund expenditures increase correspondingly. Transportation Trust Fund (TTF) expenditures increase by approximately \$20,000 annually beginning in FY 2019.

(in dollars)	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
GF Revenue	-	-	-	-	-
GF Expenditure	-	-	-	-	-
SF Expenditure	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Net Effect	(\$20,000)	(\$20,000)	(\$20,000)	(\$20,000)	(\$20,000)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: The bill does not materially affect local operations or finances.

Small Business Effect: None.

Analysis

Bill Summary: The donation boxes must be placed at the entrance to each security screening checkpoint at BWI Marshall Airport. The money collected pursuant to the bill

must be appropriated for the benefit of RAP and must be used to supplement, but not supplant, any other funding available for RAP.

Current Law/Background:

The Maryland Aviation Administration and BWI Marshall Airport

The Maryland Aviation Administration (MAA), as a unit of the Maryland Department of Transportation, has responsibility for fostering, developing, and regulating aviation activity throughout the State. MAA is responsible for operating, maintaining, and developing BWI Marshall Airport (a State-owned airport) as a major center of commercial air carrier service in the State.

DHCD's Rental Allowance Program

DHCD administers the RAP program to assist low-income households that are homeless or at risk of being homeless by providing housing assistance payments to (or on behalf of) eligible households. DHCD may administer RAP by providing monthly housing assistance payments to (or on behalf of) eligible households directly or through political subdivisions, their local housing agencies or departments, or nonprofit organizations. Eligible uses of payments include rent, security deposits, utilities, and other housing-related expenses. According to DHCD, RAP's annual budget is approximately \$1.7 million. Program funds are distributed to recipients throughout the State by formula. In fiscal 2017, RAP served 655 individuals.

Donation Boxes in Other Airports

In 2013, Denver International Airport implemented a similar program; donation boxes are placed outside security checkpoints, and funds are used to support homeless individuals. According to a [2016 press release](#), the airport collected about \$96,000 in 2014 and \$87,000 in 2015. Since that time, a number of other airports around the world, including in Phoenix, Arizona, have implemented similar programs.

State Fiscal Effect:

Donations for RAP

General fund revenues increase due to any donations collected by MAA. General fund expenditures increase correspondingly for DHCD's RAP, as required by the bill. Because BWI Marshall Airport has not previously implemented a donation box program, the total amount of revenue that may be generated cannot be reliably estimated. *For contextual purposes*, as noted above, Denver International Airport collected an average of \$91,000

annually in 2014 and 2015. However, Denver International Airport serves significantly more passengers than BWI Marshall Airport on an annual basis. Accordingly, any impact on general fund revenues and expenditures is not anticipated to be significant. Assuming the amount of additional funding for RAP resulting from the bill is not significant, DHCD can implement the bill with existing staff.

MAA Costs to Place and Maintain Donation Boxes

TTF expenditures increase by approximately \$20,000 annually beginning in fiscal 2019. This estimate includes \$5,000 in costs in fiscal 2019 only to purchase the donation boxes, which assumes that MAA uses the type of donation boxes used by Denver International Airport. It also includes costs for MAA to contract with its existing cash collection service to handle the money collected as a result of the bill (estimated at \$15,000 in fiscal 2019 and \$20,000 annually thereafter).

Additional Comments: MAA advises that placing donation boxes in front of security checkpoints may result in additional security risks depending on how the donations boxes are implemented. To the extent security issues arise, MAA advises that it may need additional law enforcement personnel. The Department of Legislative Services advises, however, that any such impact is speculative.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Housing and Community Development; Maryland Department of Transportation; Diamond Manufacturing, Inc.; Denver International Airport; Department of Legislative Services

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