

Department of Legislative Services
 Maryland General Assembly
 2019 Session

FISCAL AND POLICY NOTE
 First Reader

House Bill 995 (Delegate Ivey, *et al.*)
 Health and Government Operations

State Government - President Barack Obama Statue - Placement and
 Commission

This bill requires that a statue of President Barack Obama be placed on the State House grounds. The Commission on Artistic Property must oversee the care and maintenance of the statue. The bill also establishes a Commission on the President Barack Obama Statue. The Maryland Department of Planning (MDP) must provide staff for the commission in consultation with other specified agencies. The commission must develop and implement a process to create the statue; advise the Governor, General Assembly, and State agencies on matters relating to the statue; and by December 31, 2019, develop a plan and capital program sufficient to support a capital budget appropriation for construction and installation of the statue. **The bill takes effect July 1, 2019, and terminates June 30, 2021.**

Fiscal Summary

State Effect: General fund expenditures increase by \$71,600 in FY 2020 and by \$62,200 in FY 2021. The statue may require approximately \$250,000 in capital spending in FY 2021, depending on the plan adopted by the commission, but the bill does not affect total capital spending. Revenues are not affected.

(in dollars)	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	71,600	62,200	0	0	0
Net Effect	(\$71,600)	(\$62,200)	\$0	\$0	\$0

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

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The Division of Historical and Cultural Programs in MDP must provide staff support for the commission, in consultation with other appropriate agencies, including the State House Trust, the Maryland State Arts Council, the Commission on African American History and Culture, and the Department of General Services. The commission must submit an interim report to the Governor and General Assembly by June 30, 2020, and complete all of its duties by June 30, 2021.

Commission members may not receive compensation but are entitled to reimbursement under the standard State travel regulations.

Current Law: The Commission on Artistic Property is the official custodian of all valuable paintings and other objects of decorative art owned by or loaned to the State, except for specified items in the Government House. The commission is responsible for the acquisition, custody, display, location, preservation, proper care, security, and restoration of the objects in its official custody.

The State House Trust is responsible for the restoration and preservation of the State House and the landscaping and construction of Lawyer's Mall. In addition, the trust must disapprove, or approve and supervise:

- any proposed repair, improvement, or other change to the State House or to any other building within State Circle, including any change to the furnishings or fixtures of those buildings;
- any proposed landscaping of the grounds of those buildings; and
- any proposed improvement, nonemergency repair, or other change to Lawyer's Mall.

Background: Barack Obama served as the forty-fourth President of the United States from 2009 to 2017. He attended Columbia University and Harvard Law School, where he became the first African American president of the *Harvard Law Review*. Before serving as President of the United States, Obama worked as a community organizer in Chicago and taught constitutional law at the University of Chicago. He served in the Illinois State Senate from 1997 to 2004 and represented Illinois in the U.S. Senate from 2005 to 2008. In 2008, Obama became the first African American elected to the U.S. presidency.

State Expenditures: The commission must develop a specified plan and capital program by December 31, 2019, and complete all of its duties by June 30, 2021. Therefore, for the purposes of this fiscal and policy note, it is assumed that any capital expenditures relating to the statue occur in fiscal 2021. The cost to install similar memorial statutes in Annapolis

in recent years has totaled \$150,000 for the Louis L. Goldstein Memorial Statue at the Goldstein Treasury Building and \$350,000 for the Thurgood Marshall Memorial Statue on Lawyer’s Mall. The level of capital expenditures depends on the design plan adopted by the commission but may total approximately \$250,000. While the bill does not affect total capital spending by the State, if capital funding is required for the statue, it means other projects are not funded.

General fund expenditures for MDP increase by \$71,553 in fiscal 2020, which accounts for a 90-day start-up delay. This estimate assumes the cost of hiring a full-time contractual staff person to coordinate commission meetings, commission reports, an artist application and selection process, and the development and installation of the statue. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses. In addition, this estimate includes honoraria for design competition finalists and a one-time cost of \$2,000 for software services to facilitate an online artist application submission process.

Contractual Position	1
Salary and Fringe Benefits	\$49,194
Honoraria	15,000
Software Services	2,000
Other Operating Expenses	<u>5,359</u>
Total FY 2020 State Expenditures	\$71,553

Fiscal 2021 general fund expenditures reflect ongoing operating expenses and termination of the contractual position on June 30, 2021, following the completion of the commission’s duties, as required by the bill.

This estimate does not include any health insurance costs that could be incurred for specified contractual employees under the State’s implementation of the federal Patient Protection and Affordable Care Act.

Any expense reimbursements for commission members are assumed to be minimal and absorbable within existing budgeted resources. In addition, the Maryland State Archives advises that the Commission on Artistic Property can preserve the statue with existing budgeted resources.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Commerce; Department of Budget and Management; Department of General Services; Maryland Department of Planning; Maryland State Archives; U.S. Senate; U.S. National Archives and Records Administration; University of Virginia Miller Center; Department of Legislative Services

Fiscal Note History: First Reader - February 22, 2019
mm/lgc

Analysis by: Elizabeth J. Allison

Direct Inquiries to:

(410) 946-5510

(301) 970-5510