

Department of Legislative Services
Maryland General Assembly
2025 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1078
Appropriations

(Delegate Williams, *et al.*)

Prince George's County - Federal Bureau of Investigation Headquarters -
Mandated Appropriation

This bill requires the Governor to include in the annual operating or capital budget bill an appropriation of at least \$200 million for site redevelopment and to improve transportation infrastructure for the Federal Bureau of Investigation (FBI) headquarters relocation project if the U.S. General Services Administration relocates the FBI headquarters to Prince George's County. **The bill takes effect July 1, 2025.**

Fiscal Summary

State Effect: The bill has no effect assuming general obligation (GO) bond funding of \$200 million already authorized for the FBI headquarters project satisfies the bill's mandate, as discussed below. In conjunction with that assumption, should the already authorized GO bond funding for the FBI headquarters project be repurposed, the bill could be interpreted as merely requiring the same amount of funding to be appropriated if and when the project moves forward.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: On November 9, 2023, the U.S. General Services Administration selected Greenbelt, Maryland as the new site for the FBI headquarters.

GO bond funding of \$100 million was authorized for the FBI headquarters project in each of fiscal 2024 and 2025. This funding will support construction of an interchange along

I-95/I-495 at the Greenbelt Metro Station as well as other improvements necessary for relocation of FBI headquarters, with an estimated total project cost of \$266 million. The project is included in the *Consolidated Transportation Program (CTP)*, which assumes using the \$200 million in GO bond funding over three years, beginning in fiscal 2026, based on anticipated cash flow requirements.

State Expenditures: Although \$200 million in GO bond funding has already been authorized, those monies have not yet been expended. The CTP assumes GO bond expenditures of \$23.5 million in fiscal 2026, \$96.5 million in fiscal 2027, and \$80 million in fiscal 2028. Thus, this analysis assumes these GO bond expenditures fulfill the bill's mandate, and the bill has no fiscal effect. Even so, given recent uncertainty about the project, should the GO bond funding that has already been authorized be repurposed rather than expended for the FBI headquarters project, the bill ensures the same amount of funding if, and when, the project moves forward – again for no fiscal impact, just a possible shift in timing.

Additional Comments: The bill could also be interpreted as requiring an *additional* \$200 million for the FBI headquarters project. Under this interpretation, pay-as-you-go (PAYGO) Transportation Trust Fund (TTF) and/or GO bond expenditures increase by a combined \$200 million in FY 2027 to meet the bill's mandate.

The General Assembly cannot mandate appropriations in the capital budget, but the Governor may satisfy the mandated appropriation by including GO bond funding in the capital budget on a discretionary basis. Accordingly, PAYGO TTF expenditures increase by as much as \$200 million in fiscal 2027 if the funding mandate is fulfilled, at least in part, through the operating budget. If the mandated appropriation is met by including some, or all, of the \$200 million as GO bond funding in the capital budget, there is no further effect on total capital expenditures, which are fixed annually by the Governor and General Assembly through the capital budget process, subject to debt affordability limits. To the extent that GO bonds are used for the FBI headquarters project, funding for other capital projects is either reduced or delayed.

Under this interpretation, however, it is unclear how the additional funds would be expended as they would exceed the amount necessary for the project. More specifically, the CTP projects that the FBI headquarters project costs \$266 million, and total funding programmed for it already adds up to that amount (\$200 million in GO bonds, \$53 million in federal funds, and \$13 million in TTF PAYGO funding).

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: SB 997 (Senator A. Washington) - Rules.

Information Source(s): Prince George's County; Department of Budget and Management; Maryland Department of Transportation; U.S. General Services Administration; Department of Legislative Services

Fiscal Note History: First Reader - March 2, 2025
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