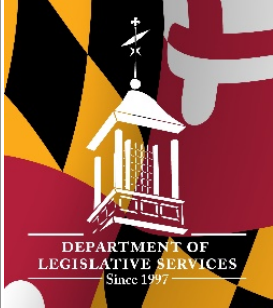

How to Request a Legislative Bond Initiative

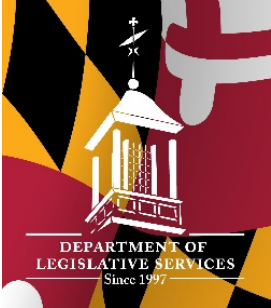


2022

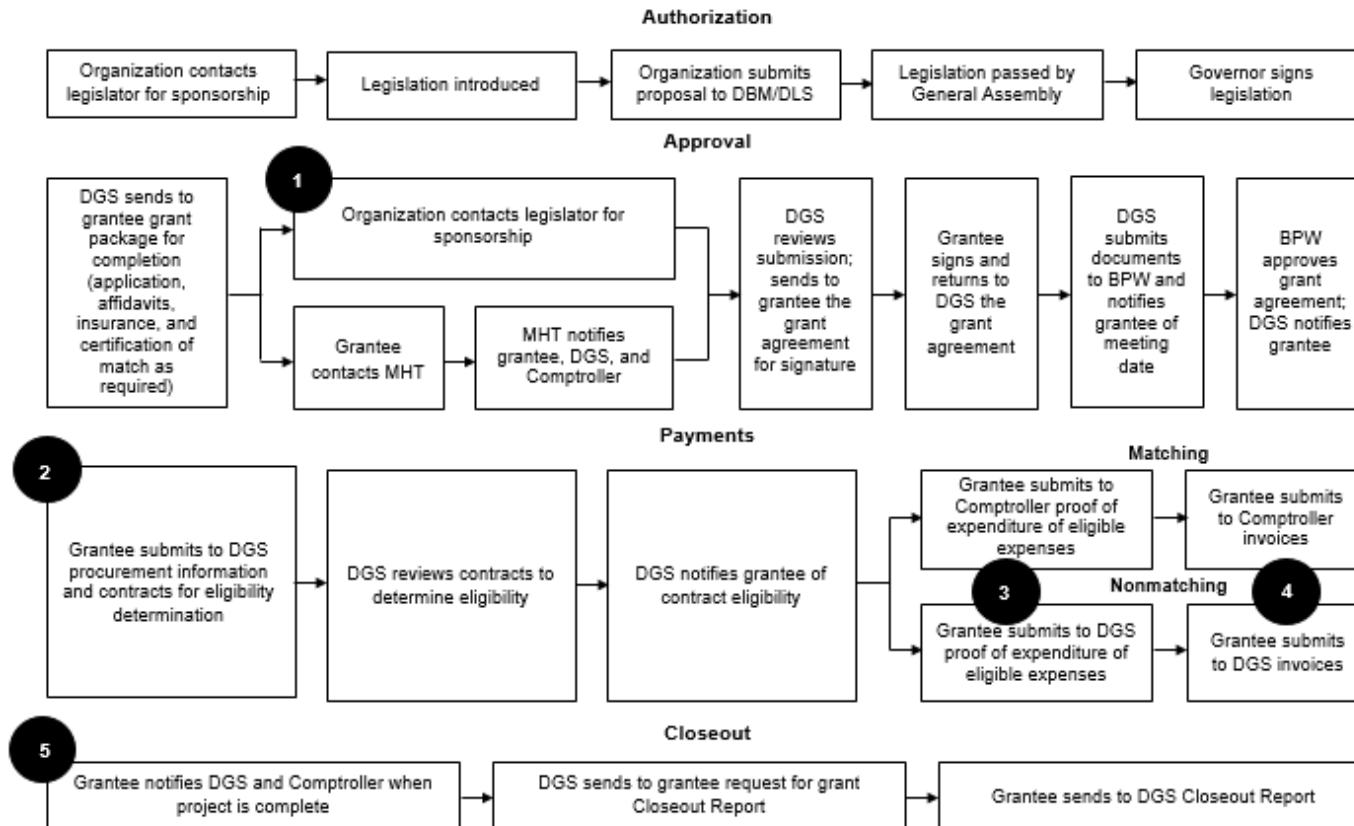


What Is a Legislative Bond Initiative?

- Legislative Bond Initiatives (LBI), formerly referred to as bond bills, are bond authorization requests filed by members of the Maryland General Assembly (MGA) to support specific local or non-State-owned capital projects
- Although not submitted as part of the Governor's capital budget, the authorization to fund an LBI is provided in the State's annual capital budget bill
- The Department of Legislative Services (DLS) reviews LBI requests in accordance with the rules and procedures established by MGA



Flow Chart of Process



BPW: Board of Public Works
 DBM: Department of Budget and Management
 DGS: Department of General Services

DLS: Department of Legislative Services
 MHT: Maryland Historical Trust

Note: Black numbered circle indicates step number in Maryland Capital Grants booklet.

Source: Department of General Services



Types of Projects/Expenditures

State or Local Public Purpose

- Examples
 - Community Centers
 - Health Facilities
 - Historic Preservation Projects
 - Museums
 - Sports and Recreational Facilities

Eligible Expenditures

- Examples
 - Real Property Acquisition
 - Project Planning and Design
 - Construction and Renovation
 - Certain Capital Equipment and Furnishings
 - **Operating Expenses Are Not Eligible**



Project Eligibility

- A project must
 - be capital in nature (land and/or structures)
 - have a 15-year service life
 - have a State or local public purpose
- Funds may not be used for religious/sectarian purposes
- Grantee must own the property to be improved with the grant funds or have a long-term lease of at least 15 years. If the grantee does not own the property, the State will require the property owner either be a co-grantee or agree to be a beneficiary in the grant agreement with the State
- Certain structures may be subject to a Maryland Historical Trust easement



Project Prioritization

- Project readiness
 - Adequate funding plan that demonstrates the availability and commitment of sufficient non-State funding sources to complete the project
 - Project schedule that supports the expeditious use of State grant funds. Project requests that can demonstrate that State grant funds will be expended within two years of authorization are given priority
 - Encumbrance and expenditures deadlines
- Employment creation/retention
- Alternative funding sources (*Guidelines for the Submission of Legislative Bond Initiative Requests to the General Assembly of Maryland*)
- Delegation support



LBIs for 2022

- Grants Only

- For the 2022 session, LBIs will not require the grantee expend a matching fund to the State grant
- Applicants that can demonstrate the availability of non-State funding sources are given priority in making funding decisions



Required Forms

LBI Request Form

- Submitted
 - By the sponsor when the LBI request is made
- Provides information to DLS to draft an LBI
 - Grantee **legal** name
 - Project title
 - Amount of request
- Form is available on the MGA website

LBI Fact Sheet

- Submitted
 - Electronically by the grantee through the fact sheet system
 - **After** LBI is introduced
- Provides information to the legislature to evaluate the project
- **Sponsor** receives an email link to the fact sheet form and must forward to the grantee.



LBI Process

- Organizations must arrange for legislative sponsorship
- Members must complete an LBI request form: [current-bond-initiative-info-sheet.pdf](#) and submit the form via email to LegislativeBondInitiative@mlis.state.md.us
- DLS enters the LBI request into the LBI database, and members receive an email acknowledging receipt
- LBIs must be requested by the 24th day (House) and the 27th day (Senate) and as “guarantee” dates. DLS guarantees the members will have what they need by the 55th day to drop signed LBI request forms with the clerks for introduction. After the 55th day, the clerk will accept, but the rules will need to be suspended to introduce



LBI Process: Request Form

- Provides information necessary for DLS to prepare an LBI request
 - Grantee legal name
 - Sponsor
 - Name/Co-sponsor
 - Cross file
 - Project title
 - Request amount
- Form is available
 - On MGA website under the Budget tab by selecting [current-bond-initiative-info-sheet.pdf](#) Bond Initiatives and then Documents
 - On members' floor system



LBI Process: Request Form

[current-bond-initiative-info-sheet.pdf](#)

House Guarantee
Date February 4, 2022

Guidelines

Senate Guarantee
Date February 7, 2022

Maryland General Assembly Legislative Bond Initiative Request Form

Sponsor Information

Sponsor Name *(Senator or Delegate)*: _____

Sponsor Email: _____

Co-Sponsor (3 max)

Co-Sponsor Name *(Senator or Delegate)* Co-Sponsor Email: _____

Co-Sponsor Name *(Senator or Delegate)* Co-Sponsor Email: _____

Cross File Sponsor Name *(Senator or Delegate)*: _____

Cross File Sponsor Name *(Senator or Delegate)*: _____

Cross File Sponsor Email: _____

Cross File Sponsor Email: _____

Project Information

Project Name: _____

Amount Requested: _____

Project County Location: _____

Legal Name of Recipient: _____

(If a corporation, please give name exactly as it appears in the Articles of Incorporation as registered with the State Department of Assessments and Taxation)

Legal Status of Recipient: _____

(e.g., corporation, local government)

If the recipient is a non-governmental entity, is it governed by: _____

If other, please explain: _____

Address of Project and Recipient *(If project and recipient have different address, include both)*

Briefly describe the purpose and reason for the project:

Does the project or recipient have any religious affiliation or involvement? _____

Please list the year of any previous bond bills or initiatives:

Project Contact Information

Name: _____

Address: _____

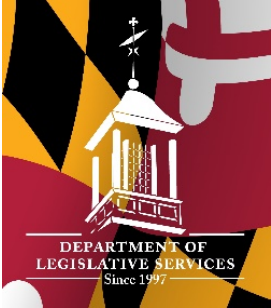
Phone Number: _____

Email: _____



LBI Process: Introduction

- Four copies of each LBI document are provided to the sponsor – requests processed before session will be available on the first day of session, and requests made during session will be provided shortly after the request has been processed by DLS
- The sponsor reviews the LBI document to ensure that it is consistent with the request. **If changes are needed, including adding sponsors, the member must email the changes to legislativebondinitiative@mlis.state.md.us. Once changes have been made, a new LBI document is printed and provided to the sponsor**
- Sponsor will deliver signed LBIs to the Secretary of the Senate/Chief Clerk of the House for introduction during a floor session. The Clerks Offices will only accept a “clean” signed LBI



LBI Process: Introduction (Cont.)

- Upon receipt of a signed LBI, an introductory LBI letter is created to be read across the desk during a floor session and entered into the proceedings
- Once an LBI is entered into the proceedings, it is made available in a report on the MGA website under the Budget tab by selecting Bond Initiatives
- The report displays all member LBIs but can be filtered by individual member. Each member's bill page also contains a link to the LBI report



LBI Process: LBI Document (Cont.)



Appendix 4 2020 Legislative Bond Initiative



The following Legislative Bond Initiative is submitted for the General Assembly's consideration for funding.

Sponsor Delegate Kirill Reznik

Synopsis Requesting the creation of a State Debt in the amount of \$400,000, the proceeds to be used as a grant to the Board of Directors of Residential Continuum, Inc. for the acquisition, planning, design, construction, repair, renovation, reconstruction, site improvement, and capital equipping of RCI group homes, located in Montgomery County.

	<u>Name</u>	<u>Signature</u>
Sponsor	Delegate Kirill Reznik	_____
Co-Sponsor	Co-sponsor1	_____
Co-Sponsor	Co-Sponsor2	_____

Instructions: This is an official Legislative Bond Initiative (LBI) document.

Please sign where indicated and obtain the signatures of any cosponsors.

Please note there is a maximum of three sponsors per LBI.

Once all signatures have been obtained, the document can be delivered to the Secretary of the Senate/Chief Clerk for formal introduction.

NOTE: If you need changes made to the LBI document before it is introduced, the **changes must be approved** and entered into the LBI System by the **Department of Legislative Services (DLS)**. The Secretary of the Senate/Chief Clerk will **NOT** accept a document for introduction that includes changes not approved by DLS. To have any necessary changes approved, please email Valerie Kwiatkowski at: valk@mlis.state.md.us. Once changes have been made a new LBI document will be printed and delivered to the sponsor.



LBI Process: Fact Sheet

- Grantees **must** complete and submit a *Legislative Bond Initiative Fact Sheet* to DLS
 - When an LBI is read across the desk and entered the proceedings, an email is sent to the requesting lead sponsor contact with instructions for completing an LBI Fact Sheet. The sponsor is responsible for sending the fact sheet to the requestor-designated grantee contact
 - The email provides a PDF copy of the *Guidelines for the Submission of Legislative Bond Initiative Requests to the General Assembly of Maryland*. These guidelines are also available on the MGA website under the Budget tab by selecting Bond Initiatives and then Documents
 - Provides information needed by the budget committees
 - Legislators use this information to make funding decisions – failure to submit a fact sheet may result in a decision not to fund a project
- Brevity is as important as accuracy
- The legal name of the grantee on record with the State Department of Assessments and Taxation should match the fact sheet



LBI Process: Fact Sheet (Cont.)

- Automated LBI Fact Sheet System
 - Sponsors will receive an email from DLS that provides a link and access to the applicant's fact sheet; this email should be forwarded to the grantee. Information in fields one through nine are locked and cannot be changed by the applicant
 - Fact sheet submission is completed from a dropdown menu within the document – once submitted, no further changes may be made
 - If a project was requested in the previous legislative session, the fact sheet will automatically populate with the information already provided




LBI Process: Tracking

- LBI status can be tracked from the MGA website; [Budget - Bond Initiatives](#)
- As each LBI is introduced and entered into the proceedings, the *Introduction of Legislative Bond Initiatives Report* is populated (available on the Budget tab by selecting Bond Initiatives). This report is also linked to each sponsor's bill page
- LBI Fact Sheets can be accessed and viewed and funding decisions tracked
- Prior session versions of the *Introduction of Legislative Bond Initiatives Report* can be accessed from the MGA website under the Search & Archives tab, selecting Bond Initiatives, and using the dropdown menu to select a year



LBI Process: Tracking (Cont.)

[Budget - Bond Initiatives](#)



MARYLAND GENERAL ASSEMBLY

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Project Name	Status	House Sponsors	Senate Sponsors	County	Amount Requested	House Initiative	Senate Initiative	Other Funding	Total Funding
600 Frederick Road Facility	Introduced	Hill	Lam	Baltimore	\$200,000	\$200,000			\$200,000
A Wider	Introduced	Solomon	Waldstreicher	Montgomery	\$50,000	\$50,000			\$50,000



Legislative Schedule

- **December 1 Until the First Day of Session**
 - Sponsors may begin to request LBIs. All LBIs requested before the first day of session will be available to the sponsor on the first day of session
- **First Day of Session Until Bill Introduction Date**
 - LBIs must be requested by the 24th day (House) and the 27th day (Senate) as “guarantee” dates
- **Bill Introduction Date Until the Last Day of Session**
 - DLS guarantees the sponsor will have what they need by the 55th day to drop signed LBI request forms with the clerks for introduction. After the 55th day, the clerk will accept LBI’s, but introduction will require the suspension of the rules



Legislative Schedule (Cont.)

- **Mid-March**

- Senate Budget and Taxation Committee and House Appropriations Committee hold a joint hearing on LBIs (Bond Bill Saturday)
- *A letter will be emailed to members from the Presiding Officers in the beginning of session and will include information regarding Bond Bill Saturday*

- **March/April**

- Budget committees vote on LBIs
- Both chambers vote on the final package of LBIs as part of the capital budget

- **June 1**

- Effective date for LBIs



Post Authorization Grant Process

- Following official designation of an LBI as a State capital grant, grantees work with the Department of General Services (DGS) to obtain grant funds
- Grantees must enter into a grant agreement with the State – administered by DGS
- Although the Board of Public Works (BPW) ultimately determines whether a grantee has met all grant requirements, DGS is the point of contact for grantees post legislative authorization



Termination Provisions

- Authorizations may terminate in whole or in part
 - if the grantee fails to enter into a grant agreement with the State within two years
 - if the grantee fails to certify a matching fund, if required, within two years
 - if funds remain unencumbered and unexpended seven years after authorization unless otherwise specified in an act of the General Assembly
- Termination notification
 - DGS sends notification letters to the grantee contacts and any legislative sponsor each January and again approximately 30 days prior to any BPW actions to terminate

Prior Authorization Request Process



- An organization may find that a State capital grant authorized in a prior legislative session requires changes in order to access the grant funds. If this is the case, the organization should seek legislative sponsorship of an amendment to their prior authorized grant (commonly referred to as a prior authorization amendment request)
- A prior authorization amendment is a request to alter an authorization of State debt enacted in a prior legislative session. **They are not requests for new funding**
- Alterations may include
 - extending the time to present evidence of a matching fund
 - modifying the types of funds that can be used as a matching fund
 - modifying the amount of matching funds
 - extending the time to expend or encumber the funds
 - modifying the scope and/or purpose of the project
 - adding, removing, or modifying the grantee organization



Prior Authorization Request Process (Cont.)

- Grantees must arrange for a member to officially request amendments to prior authorized State capital grants. Requests for amendments to prior authorizations do not require the introduction of new legislation
- Members must complete a Prior Authorization Request Form (available on the MGA website under the BUDGET tab) and submit the form via email to Prior.Authorization@mlis.state.md.us
- DLS enters the prior authorization request into a database, and sponsors receive an email with the link to the Fact Sheet to complete
- DLS compiles the prior authorization requests into an omnibus bill for consideration by the committees



Prior Authorization Request Process (Cont.)

- Requests processed before March 1 are included in the omnibus prior authorization bill as introduced
- Requests received after March 1 are considered by the budget committees as amendments to the omnibus prior authorization bill
- Members should review the Prior Authorization Web Report on the General Assembly website to ensure that it is consistent with the request. **If changes are needed, including adding sponsors, the member must email DLS at Prior.authorization@mlis.state.md.us. Once changes have been made, the Web Report will reflect the changes**
- Once the bill is introduced, it can be tracked on the General Assembly website



Prior Authorization Request Process (Cont.)

Budget - Prior Authorizations

Prior Authorization Request Form

[2022 Prior Authorization Guidelines](#)

Name of Project: _____

Name of Grantee: _____

Year Authorized: _____ Original Bond Amount: _____

County: Counties _____

Requestor(s):

Senate: _____

House: _____

Request Details (Briefly indicate how the sponsor would like the Prior Authorization Changed):

Original Bond Bill Request(s): (Include as much detail as possible i.e. chapter number, section, year, bill number, etc.)

Previous Prior Authorization Request(s)/Bill(s): (Include as much detail as possible i.e. chapter number, section, year, bill number, etc.)

Project/Grantee Contact Person:

Name: _____ Phone Number: _____

Email Address: _____

If changing grantee or project name:

New Contact Person: _____ New Phone Number: _____

New Email Address: _____

Please submit this form, and direct any questions to: Prior.Authorization@mlis.state.md.us

***Requests processed after March 1 will be considered as Committee Amendments to the Bill in each Chamber.**



Important Publications and Links

- Guidelines for the Submission of Legislative Bond Initiative Requests to the General Assembly of Maryland:
<http://mgaleg.maryland.gov/pubs-current/current-bond-initiative-submission-guidelines.pdf>
- Legislative Bond Initiative Request Form:
<https://mgaleg.maryland.gov/pubs-current/current-bond-initiative-info-sheet.pdf>
- Submit the completed request form to:
LegislativeBondInitiative@mlis.state.md.us
- Department of General Services Grants Guide:
<https://dgs.maryland.gov/Pages/Grants/index.aspx>
- Maryland Capital Grants Projects Information for State of Maryland Capital Grant Recipients:
<https://dgs.Maryland.gov/documents/grants/cglbook.pdf>



DGS Regional Assignment of Capital Grant Projects

**A list of contacts can be found on
the 2022 LBI Guidelines,
Appendix 10**

[Guidelines for the Submission of Individual Bond
Bill Requests to the Maryland General Assembly](#)