
Capital Budget Fiscal Briefing

**Department of Legislative Services
Office of Policy Analysis
Annapolis, Maryland**

February 2016

For further information contact: Matthew D. Klein

Phone: (410) 946-5530

Analysis of the FY 2017 Maryland Executive Budget, 2016

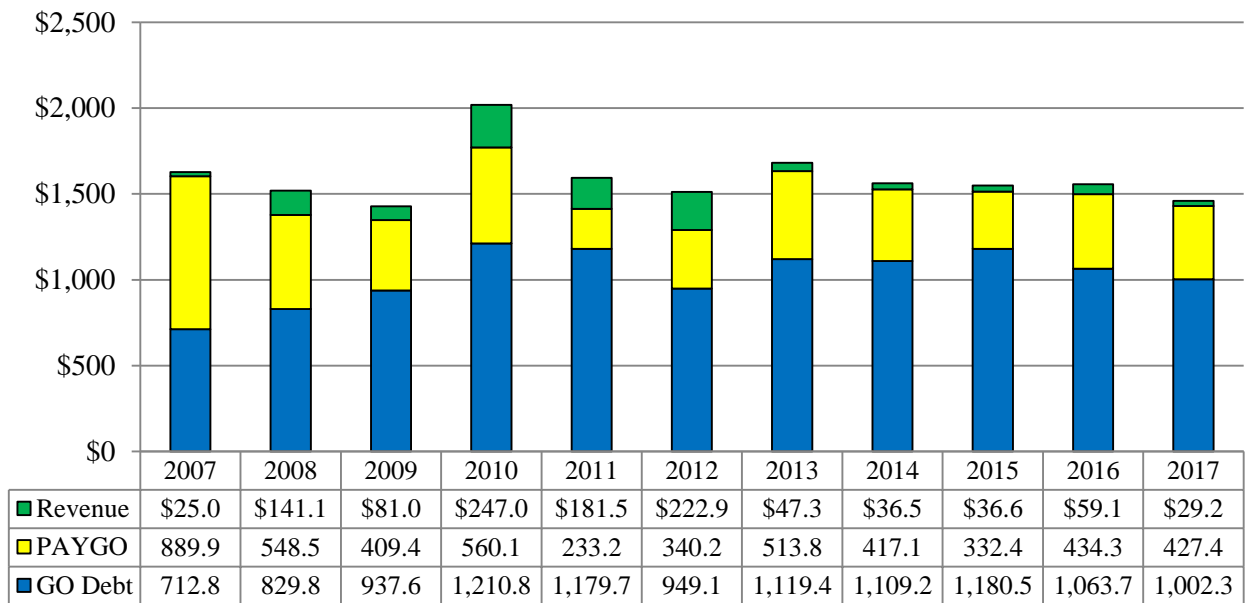
Capital Budget Fiscal Briefing

Capital Program

Capital Program

Exhibit 1 shows the level of capital investment from fiscal 2007 through the proposed fiscal 2017 budget. All funds included, the fiscal 2017 capital program excluding transportation totals \$1.459 billion.

Exhibit 1
Capital Funding by Major Source
Fiscal 2007-2017
(\$ in Millions)



GO: general obligation
 PAYGO: pay-as-you-go

Note: Revenue totals include \$4.7 million of Qualified Zone Academy Bonds.

Source: Department of Budget and Management

Debt

New general obligation (GO) bond authorizations for the 2016 session total \$1.002 billion, comprised of \$993.8 million in new authorizations and \$8.6 million in the reprogramming of de-authorizations proposed in the bill. Additional debt authorizations include \$24.5 million of Academic Revenue Bonds for University System of Maryland (USM) projects, which is \$30.0 million

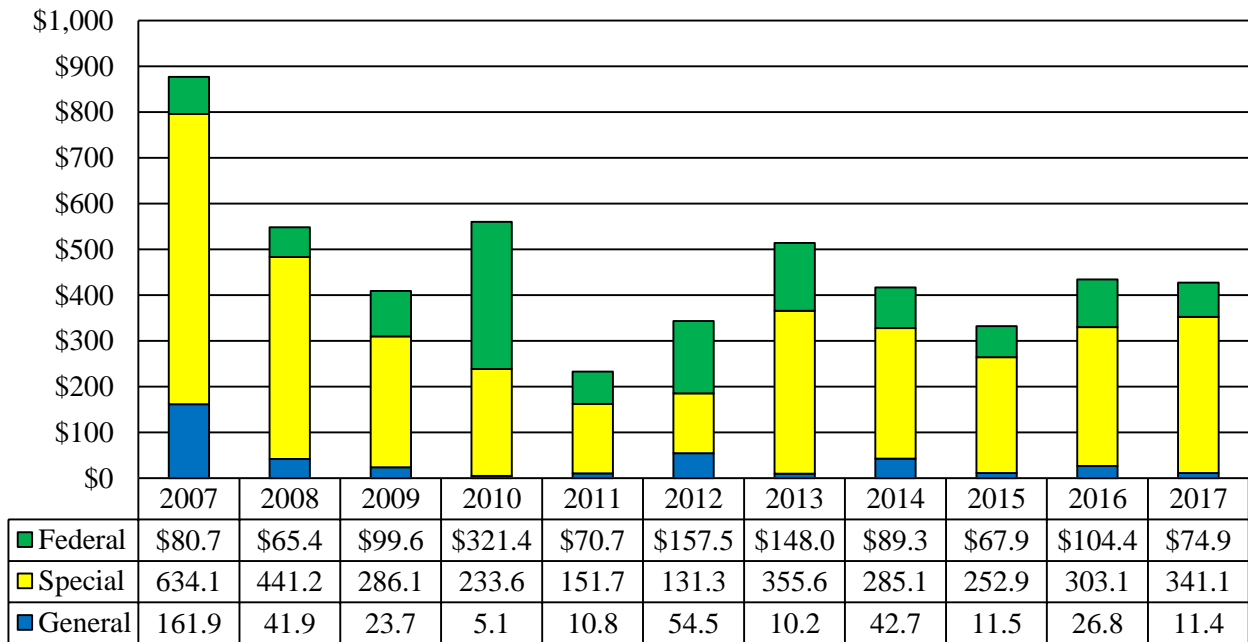
Capital Budget Fiscal Briefing

under what was authorized last session. The decrease results from language added to Chapter 471 of 2015, which increased authorization levels by \$20.0 million above what was programmed for fiscal 2016, for a total of \$54.5 million, to support the funding plan for the New Bioengineering Building at the University of Maryland, College Park. The language stipulated that the additional \$20.0 million authorized in fiscal 2016 should be deducted from authorization levels programmed in the 2015 session *Capital Improvement Program (CIP)* for fiscal 2017 and 2018 by \$10.0 million each, thereby keeping the total amount of academic debt authorizations for the five-year CIP planning level consistent with what was programmed in the 2015 session CIP. The budget also includes \$4.7 million of Qualified Zone Academy Bonds (QZAB) for QZAB-qualified K-12 capital-eligible projects in accordance with the criteria established under the Aging Schools Program.

Pay-as-you-go

Exhibit 2 shows the level of capital pay-as-you-go (PAYGO) investment from fiscal 2007 through the proposed fiscal 2017 budget.

Exhibit 2
PAYGO Capital Funding
Fiscal 2007-2017
(\$ in Millions)



PAYGO: pay-as-you-go

Source: Department of Budget and Management

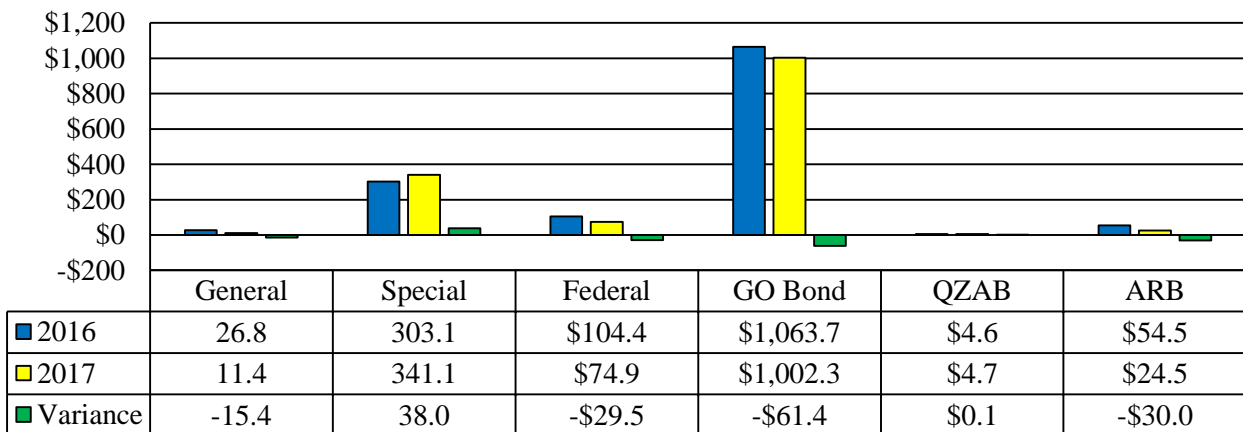
Capital Budget Fiscal Briefing

The PAYGO component of the capital program, comprised of general, special, and federal fund capital appropriations in the operating budget bill, totals \$427.4 million. The use of general funds in support of the capital program again remains almost nonexistent despite the projected general fund balance. In total, the budget provides only \$11.4 million in general fund PAYGO of which \$9.0 million is for the Sustainable Communities Tax Credit program. Special funds, comprised primarily of funds from the Bay Restoration Fund and Water Quality and Drinking Water loan programs, transfer tax funded programs, and special funds from Department of Housing and Community Development (DHCD) grant and loan programs, total \$341.1 million. While statute requires the diversion of a portion of the State’s transfer tax revenues (funds that would normally support capital programs) to the General Fund in fiscal 2017 and 2018, the Governor’s proposed spending plan makes more funding available for the capital program by reducing the amount diverted by \$20.0 million in fiscal 2017 and \$40.0 million in fiscal 2018 (SB 383 and HB 462). The capital program is supported with \$74.9 million of federal funds, much of which supports Water Quality and Drinking Water loan programs and programs administered by DHCD.

Fiscal 2017 Proposed Capital Program

Exhibit 3 compares fiscal 2016 and proposed fiscal 2017 capital program funding by major fund source, and **Exhibit 4** compares programmed levels by source in the state’s five-year CIP relative to actual funding for the two previous five-year periods.

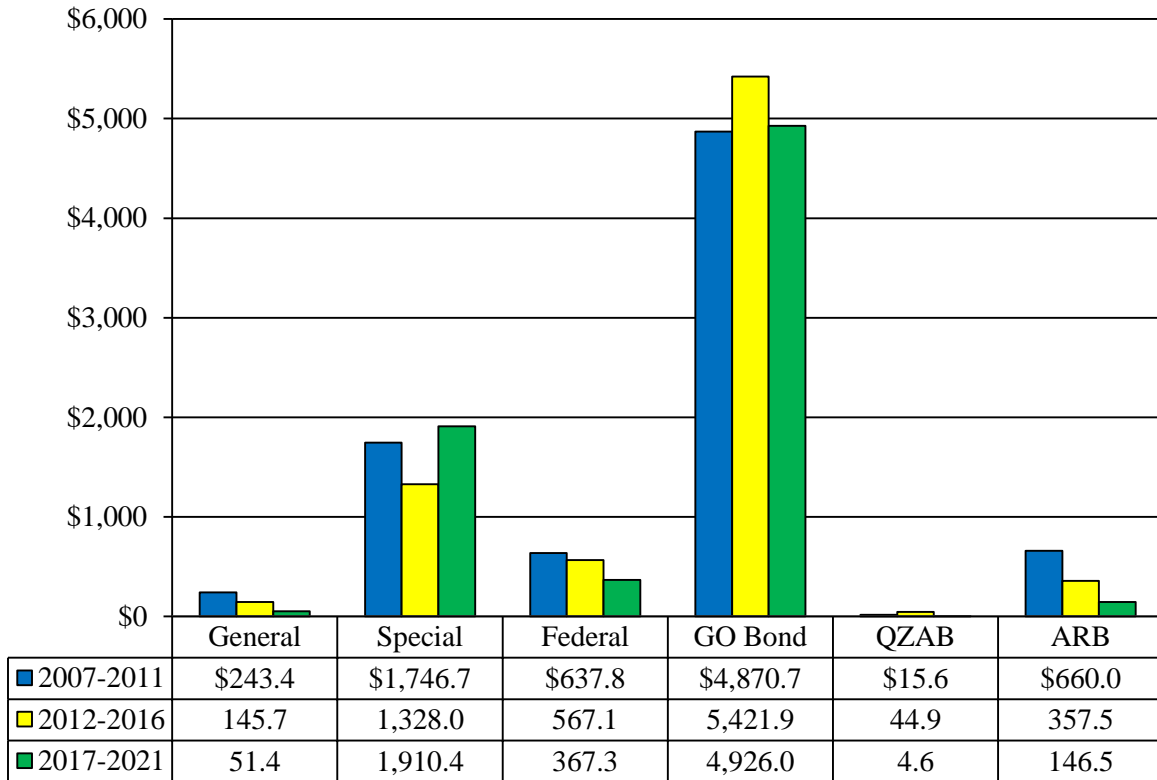
Exhibit 3
Capital Programs by Funding Source Comparison of Fiscal 2016 and 2017
(\$ in Millions)



ARB: Academic Revenue Bond
GO: general obligation
QZAB: Qualified Zone Academy Bond

Source: Department of Budget and Management

Exhibit 4
Capital Program by Funding Source Comparison
Fiscal 2007-2011; Fiscal 2012-2016; and Fiscal 2017-2021
(\$ in Millions)

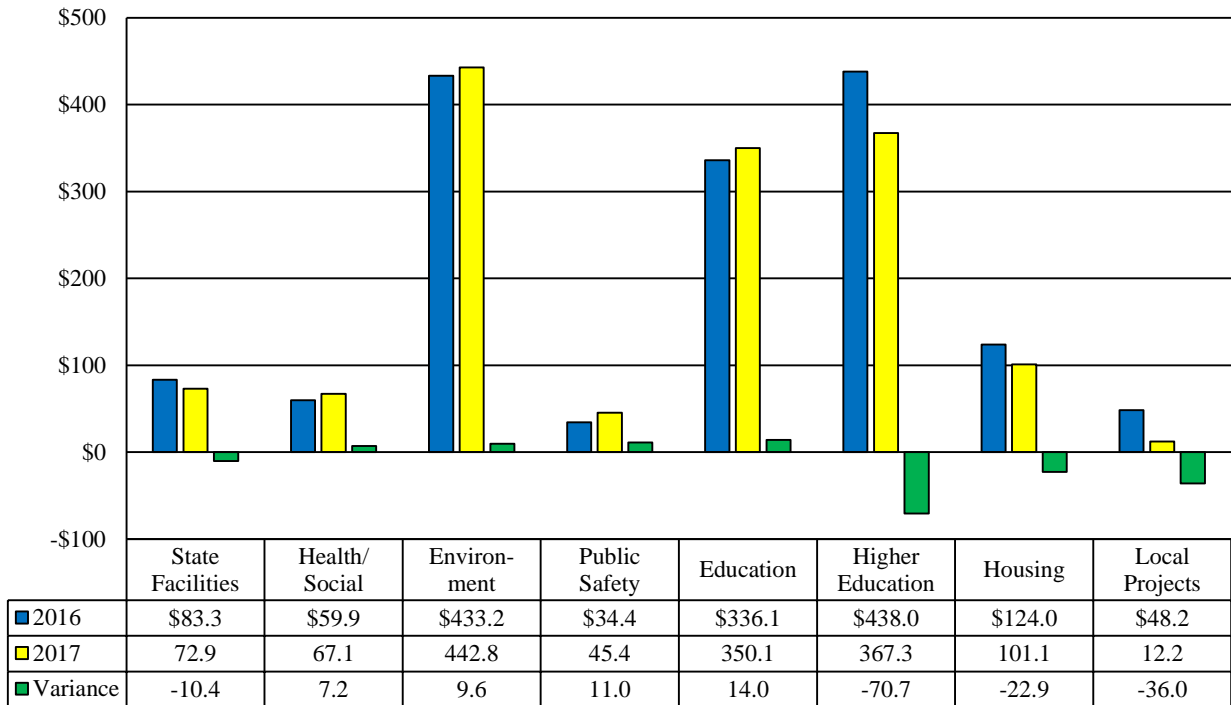


ARB: Academic Revenue Bond
 GO: general obligation
 QZAB: Qualified Zone Academy Bond

Source: Department of Budget and Management

Exhibit 5 further illustrates, by major funding category, where the proposed fiscal 2017 capital investments will be targeted as compared to the fiscal 2016 capital program.

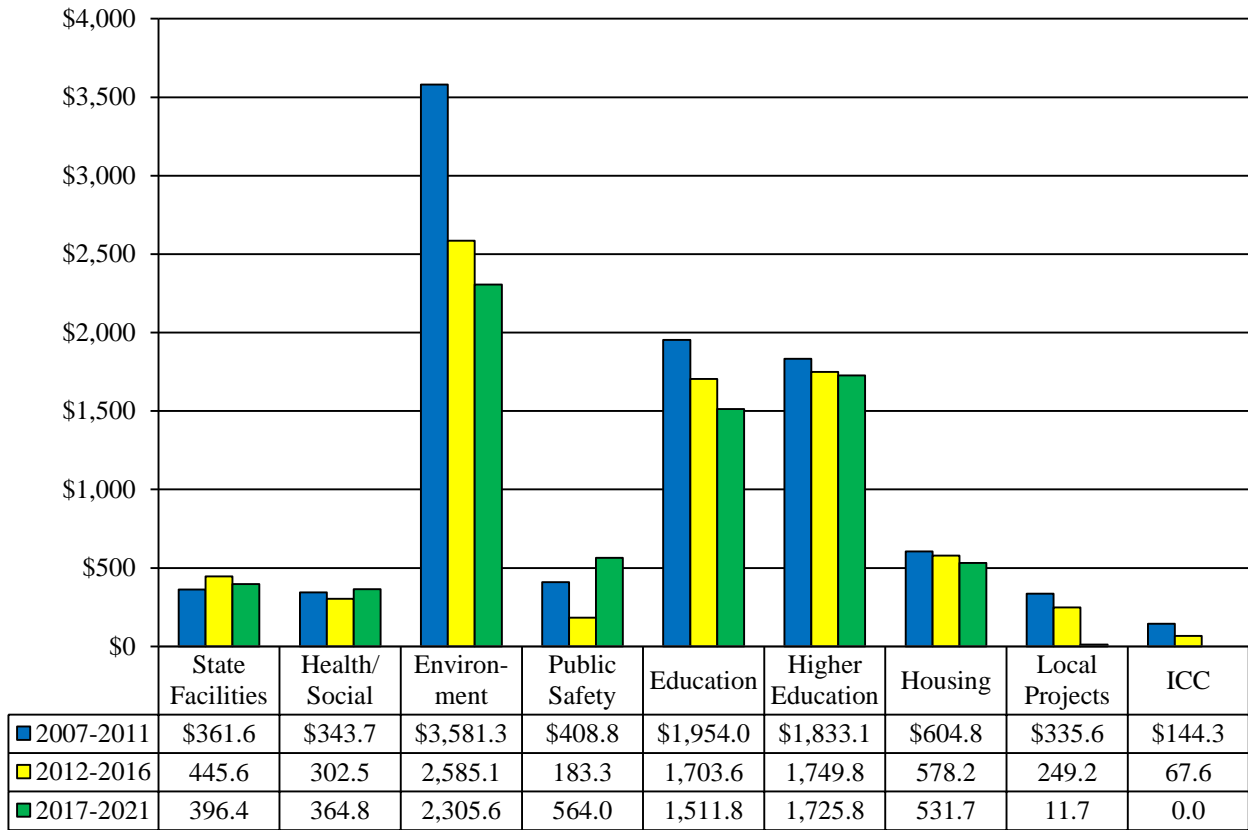
Exhibit 5
Fiscal 2017 Proposed Capital Program Compared to Fiscal 2016 Program
By Major Funding Category
 (\$ in Millions)



Source: Department of Budget and Management

Exhibit 6 and **7** compare programmed funding levels category in the State’s five-year CIP relative to actual funding for the two previous five-year periods.

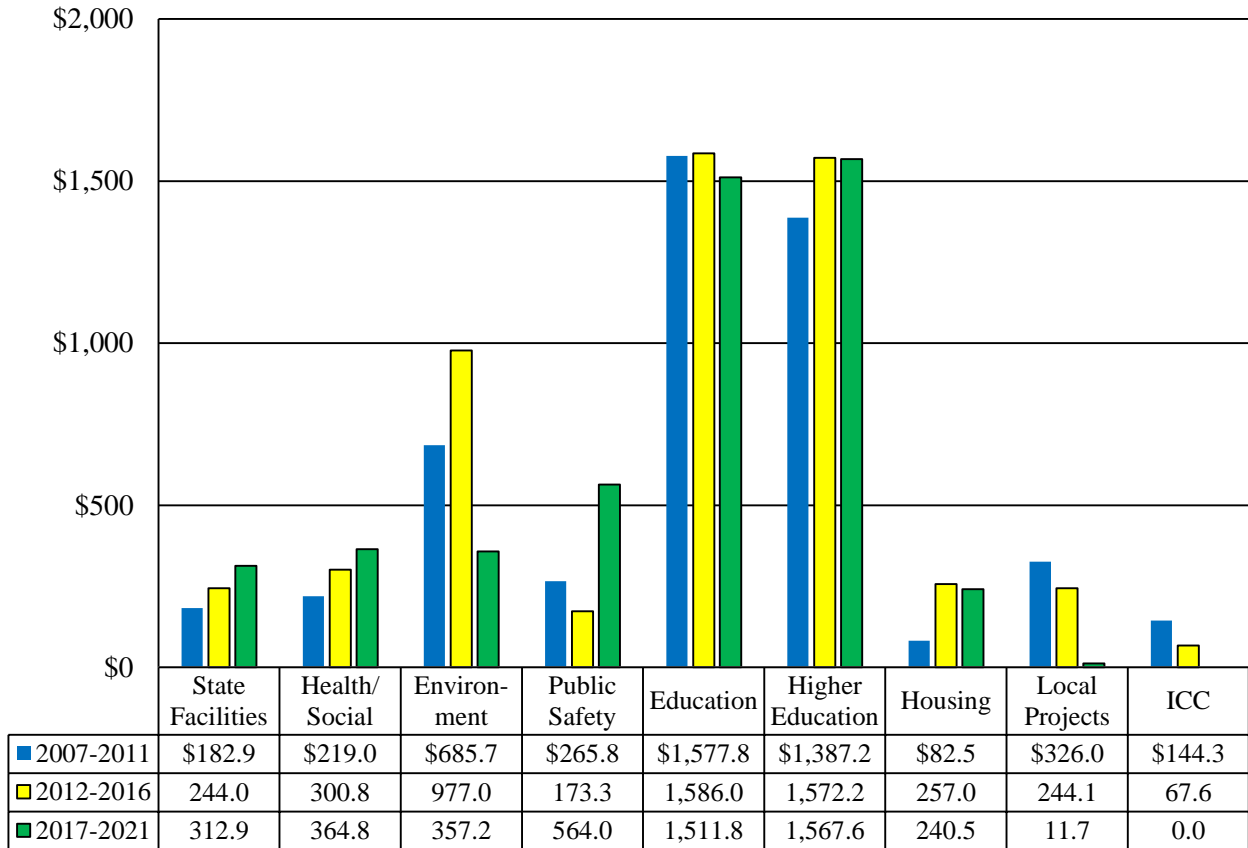
Exhibit 6
Capital Programs by Major Funding Category – All Funds
Fiscal 2007-2011; Fiscal 2012-2016; and Fiscal 2017-2021
(\$ in Millions)



ICC: InterCounty Connector

Source: Department of Budget and Management

Exhibit 7
Capital Programs by Major Funding Category – GO Funds
Fiscal 2007-2011; Fiscal 2012-2016; and Fiscal 2017-2021
(\$ in Millions)



GO: general obligation
 ICC: InterCounty Connector

Source: Department of Budget and Management

Exhibit 8 shows the top funded capital projects and programs for fiscal 2017 by major fund source. **Appendix 2** summarizes the capital program by function. **Exhibits 9** and **10** illustrate the distribution of State capital funds for State-owned projects and Grant and Loan Programs. **Appendix 3** provides a list of the projects included in the proposed fiscal 2017 capital budget.

Exhibit 8
Top Funded Capital Programs and Projects – All Funds
Fiscal 2017
(\$ in Millions)

<u>Project Title</u>	<u>GO Bond</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	<u>Total Funds</u>
BPW: Public School Construction Program	\$280.0	\$0.0	\$0.0	\$0.0	\$0.0	\$280.0
MDE: Maryland Water Quality Revolving Loan Fund	6.8	0.0	0.0	89.2	34.0	130.0
UMB: Health Sciences Research Facility III and Surge Building	81.0	0.0	0.0	0.0	0.0	81.0
MDE: Bay Restoration Fund Wastewater Projects	0.0	0.0	0.0	80.0	0.0	80.0
UMCP: A. James Clark Hall – New Bioengineering Building	62.5	7.5	0.0	0.0	0.0	70.0
MHEC: Community College Facilities Grant Program	59.4	0.0	0.0	0.0	0.0	59.4
MSU: New Behavioral and Social Sciences Building	35.7	0.0	0.0	0.0	0.0	35.7
BSU: New Natural Sciences Center	31.5	0.0	0.0	0.0	0.0	31.5
DHCD: Rental Housing Program	10.0	0.0	0.0	15.5	4.0	29.5
BPW: New Catonsville District Court	28.5	0.0	0.0	0.0	0.0	28.5
MISC: Prince George’s Hospital System	27.5	0.0	0.0	0.0	0.0	27.5
UMCP: Brendan Iribe Center for Computer Science and Innovation	27.0	0.0	0.0	0.0	0.0	27.0
MSDE: State Library Resource Center	26.4	0.0	0.0	0.0	0.0	26.4
DNR: Program Open Space – Stateside	0.0	0.0	0.0	19.4	5.8	25.1
MDE: Biological Nutrient Removal Program	25.0	0.0	0.0	0.0	0.0	25.0
MES: Infrastructure Improvement Fund	24.8	0.0	0.0	0.0	0.0	24.8
MDE: Maryland Drinking Water Revolving Loan Fund	3.0	0.0	0.0	10.6	10.4	24.0
DNR: Program Open Space – Local	0.0	0.0	0.0	21.7	0.0	21.7
MDA: Agricultural Land Preservation Program	0.0	0.0	0.0	21.2	0.0	21.2
BPW: Supplemental Capital Grant Program for Local School Systems	20.0	0.0	0.0	0.0	0.0	20.0
DPSCS: New Baltimore Justice Center	18.3	0.0	0.0	0.0	0.0	18.3
DNR: Rural Legacy Program	5.0	0.0	0.0	12.7	0.0	17.7
USMO: Capital Facilities Renewal Program	0.0	17.0	0.0	0.0	0.0	17.0
DPSCS: Demolition of Buildings at the Baltimore City Correctional Complex	16.6	0.0	0.0	0.0	0.0	16.6
MDE: Energy – Water Infrastructure Program	0.0	0.0	0.0	16.2	0.0	16.2

Capital Budget Fiscal Briefing

<u>Project Title</u>	<u>GO Bond</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	<u>Total Funds</u>
DJS: New Female Detention Center	15.2	0.0	0.0	0.0	0.0	15.2
DoIT: Public Safety Communications System	15.0	0.0	0.0	0.0	0.0	15.0
BPW: Facilities Renewal Fund	15.0	0.0	0.0	0.0	0.0	15.0
MDE: Bay Restoration Fund Septic System Program	0.0	0.0	0.0	14.0	0.0	14.0
DNR: Waterway Improvement Program	0.0	0.0	0.0	10.5	2.1	12.6
<i>Subtotal: Top Funded Programs and Projects</i>	<i>\$834.1</i>	<i>\$24.5</i>	<i>\$0.0</i>	<i>\$311.0</i>	<i>\$56.2</i>	<i>\$1,225.8</i>
<i>Subtotal: Other Funded Programs and Projects</i>	<i>\$173.0</i>	<i>\$0.0</i>	<i>\$11.4</i>	<i>\$30.1</i>	<i>\$18.8</i>	<i>\$233.2</i>
Total	\$1,007.1	\$24.5	\$11.4	\$341.1	\$74.9	\$1,459.0
De-authorizations as Introduced	-\$8.6	\$0.0	\$0.0	\$0.0	\$0.0	-\$8.6
	\$998.4	\$24.5	\$11.4	\$341.1	\$74.9	\$1,450.4

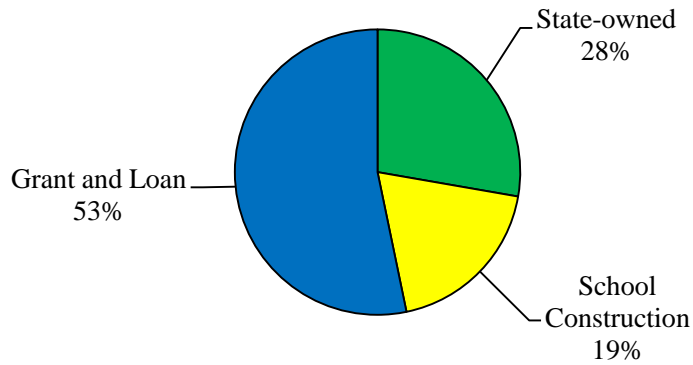
BPW: Board of Public Works
 BSU: Bowie State University
 DHCD: Department of Housing and Community Development
 DJS: Department of Juvenile Services
 DNR: Department of Natural Resources
 DPSCS: Department of Public Safety and Correctional Services
 DoIT: Department of Information Technology
 MDA: Maryland Department of Agriculture
 MDE: Maryland Department of the Environment
 MES: Maryland Environmental Service
 MHEC: Maryland Higher Education Commission
 MISC: miscellaneous
 MSDE: Maryland State Department of Education
 MSU: Morgan State University
 UMB: University of Maryland, Baltimore
 UMCP: University of Maryland, College Park
 USMO: University System of Maryland Office

Note: GO bond figures include \$4.7 million of Qualified Zone Academy Bonds.

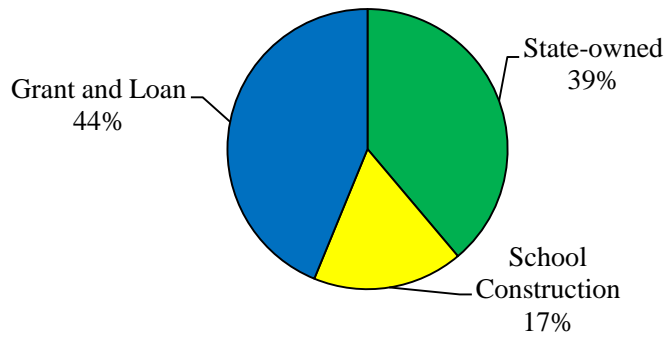
Source: Department of Budget and Management

Exhibit 9
Funding Shares for State-owned Projects, Public School Construction, and Grant and Loan Program – All Funds

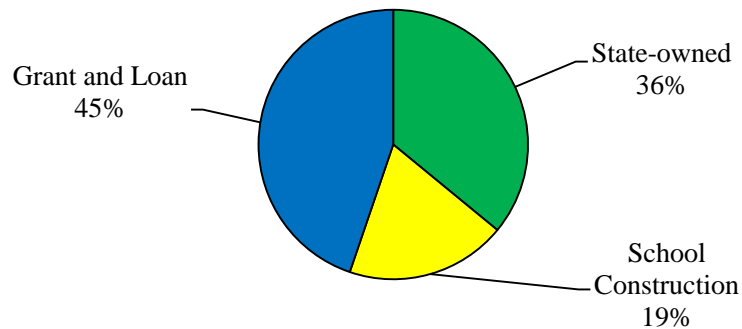
Fiscal 2012-2016



Fiscal 2017-2021



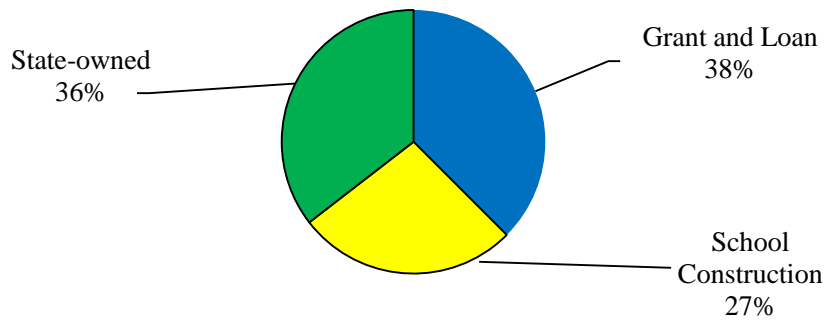
Fiscal 2017



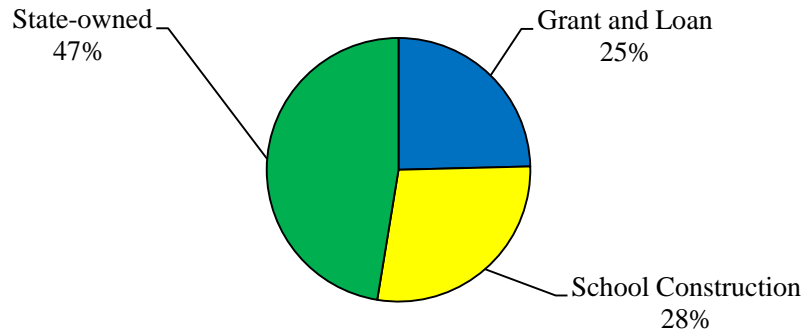
Source: Department of Budget and Management; Department of Legislative Services

Exhibit 10
Funding Shares for State-owned Projects, Public School Construction, and Grant and Loan Program – General Obligation Funds Only

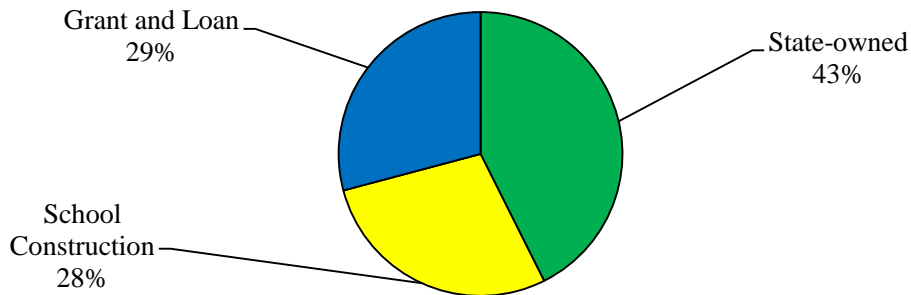
Fiscal 2012-2016



Fiscal 2017-2021



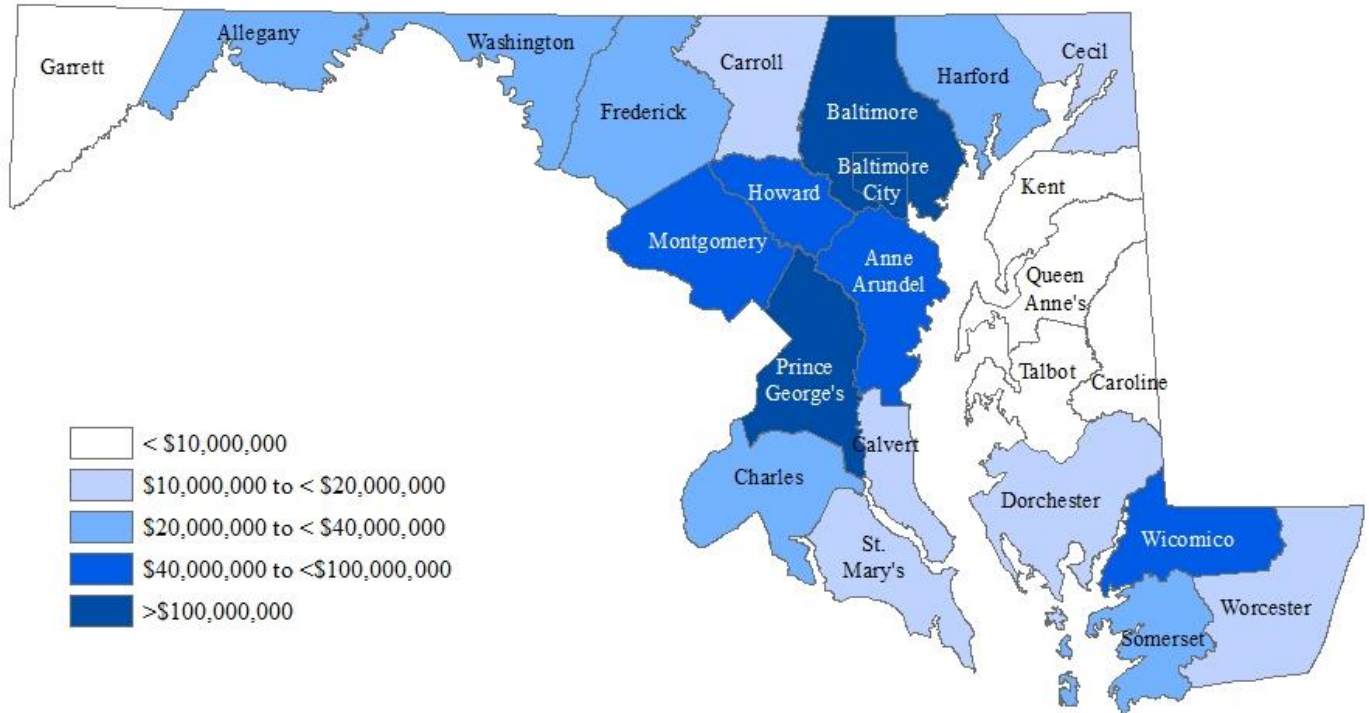
Fiscal 2017



Source: Department of Budget and Management; Department of Legislative Services

Exhibits 11, 12, and 13 show the geographical distribution of nontransportation capital funding.

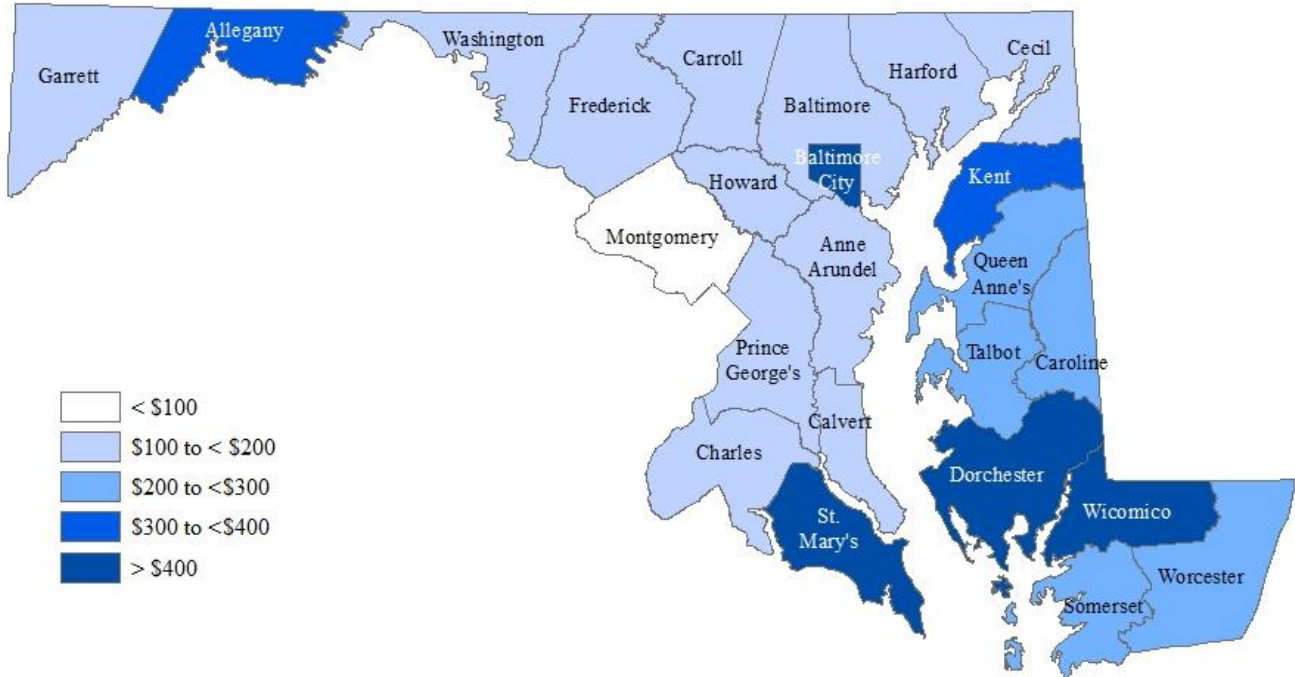
Exhibit 11
Geographical Distribution of State Capital Nontransportation Capital Funding
Fiscal 2007-2016 Annual Average



Note: This data represents the sum of capital projects and grant programs included in the fiscal 2017 operating and capital budgets and reflects the particular projects anticipated to be funded at the time the budget is adopted. The data includes all projects regardless of funding source but excludes State university projects funded with auxiliary revenue bonds. Transportation projects are not included in this data. The county data also does not include funding categorized as “statewide” which accounts for approximately 30% of the capital program funding for which specific projects are not identified at the time of appropriation.

Source: Department of Legislative Services calculations from the Department of Budget and Management data

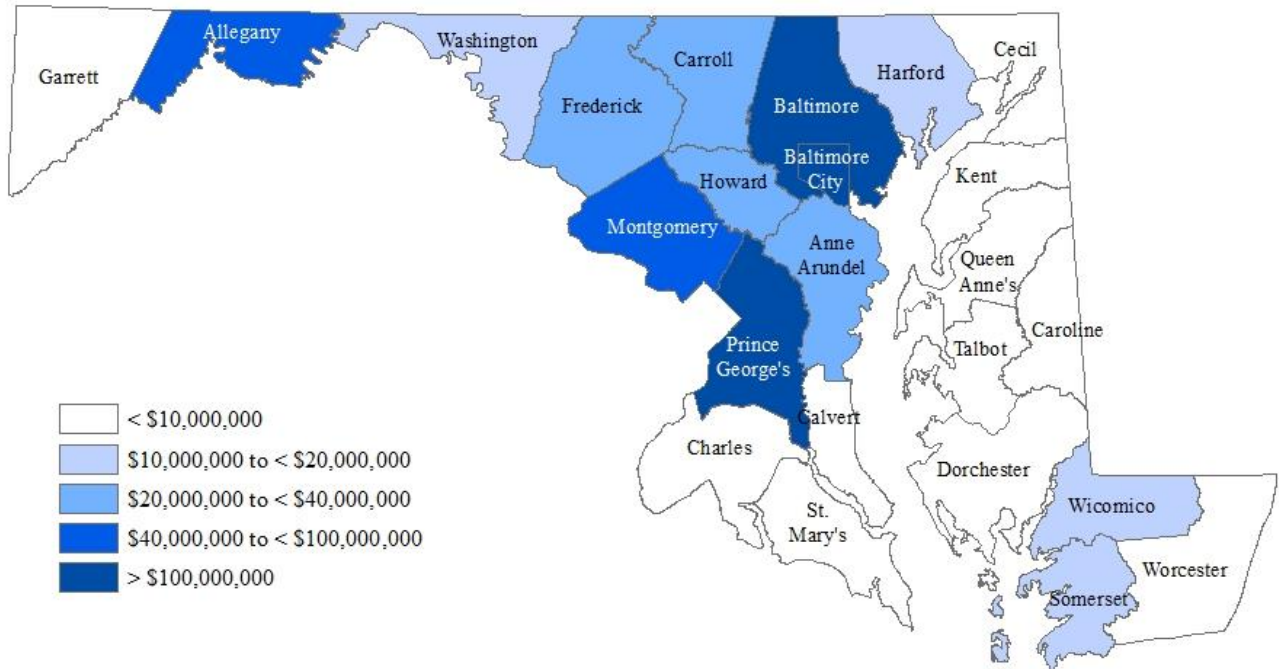
Exhibit 12
Geographical Distribution of State Capital Nontransportation Capital Funding
Fiscal 2007-2016 Annual Average Per Capita
(\$ in Millions)



Note: This data represents the sum of capital projects and grant programs included in the operating and capital budgets each fiscal year. It reflects the particular projects anticipated to be funded at the time the budgets were adopted. The actual projects funded and/or the amount of funding for specific projects could have changed depending on which projects were ready to move forward and final costs. The data includes all projects regardless of funding source but excludes State university projects funded with auxiliary revenue bonds. Transportation projects are not included in this data. The county data also does not include funding categorized as “statewide” which accounts for approximately 30% of the capital program funding for which specific projects are not identified at the time of appropriation.

Source: Department of Legislative Services calculations from the Department of Budget and Management data

Exhibit 13
Geographical Distribution of State Capital Nontransportation Capital Funding
Fiscal 2017 As Proposed by Governor



Note: This data represents the sum of capital projects and grant programs included in the operating and capital budgets each fiscal year. It reflects the particular projects anticipated to be funded at the time the budgets were adopted. The actual projects funded and/or the amount of funding for specific projects could have changed depending on which projects were ready to move forward and final costs. The data includes all projects regardless of funding source but excludes State university projects funded with auxiliary revenue bonds. Transportation projects are not included in this data. The county data also does not include funding categorized as “statewide” which accounts for approximately 30% of the capital program funding for which specific projects are not identified at the time of appropriation.

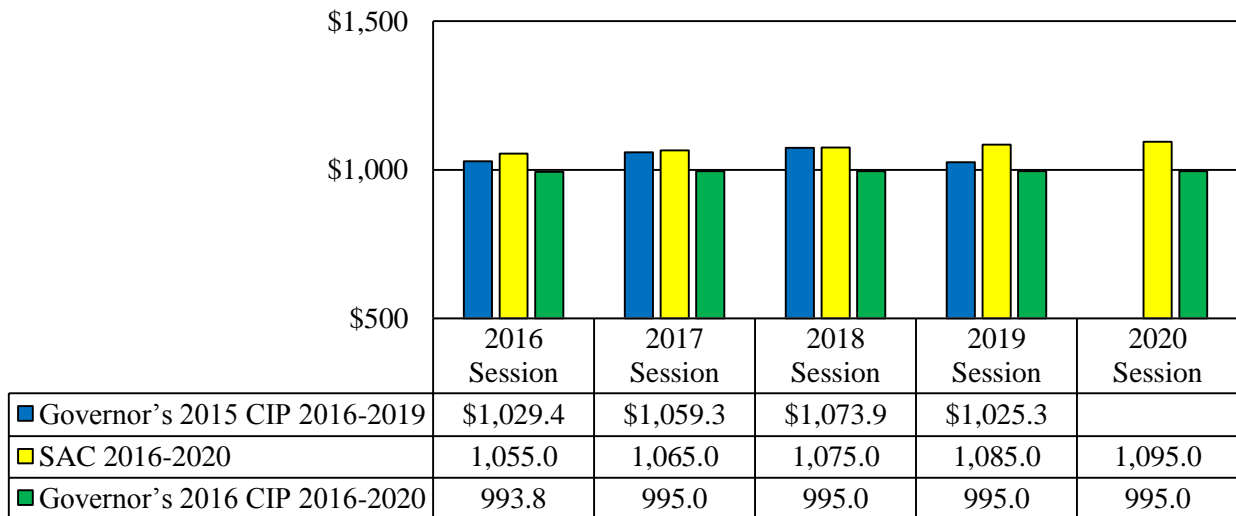
Source: Department of Legislative Services calculations from the Department of Budget and Management data

Fiscal Climate Impact on GO Bond Authorization Levels and the CIP

Reduced GO Bond Authorization Levels

As shown in **Exhibit 14**, the Governor’s planned level of new GO bond authorizations are below the levels established by the Spending Affordability Committee (SAC) and below the levels forecast in the 2015 session CIP. Over the five-year plan, the Governor’s proposal removes \$209 million of planned new GO bond authorizations from what was forecast in the 2015 CIP for the four years the two plans overlap, and \$401 million below what SAC recommended in its December 2015 interim report where it recommended limiting the growth in new GO bond authorizations at 1% annually based off of the \$1.045 billion authorized in the 2015 session. **Appendix 1** shows recent Capital Debt Affordability (CDAC) recommended GO bond authorization levels.

Exhibit 14
New General Obligation Bond Authorization Levels
2015 Spending Affordability Recommendation –
2015 and 2016 Governor’s Capital Improvement Programs
2016-2020 Sessions
(\$ in Millions)



CIP: Capital Improvement Program
 SAC: Spending Affordability Committee

Source: Department of Budget and Management, *Capital Improvement Program*, January 2015 and January 2016; Spending Affordability Committee Report, December 2015

Capital Budget Fiscal Briefing

The CDAC debt service affordability limit requires that debt service costs not exceed 8% of the revenues supporting them. **Exhibit 15** shows that both the Administration plan and the SAC recommendation are affordable. CDAC also has a criterion that debt outstanding not exceed 4% of personal income. The State is well below this criterion.

Exhibit 15
Debt Service to Revenue Ratios for Options
Fiscal 2017-2021

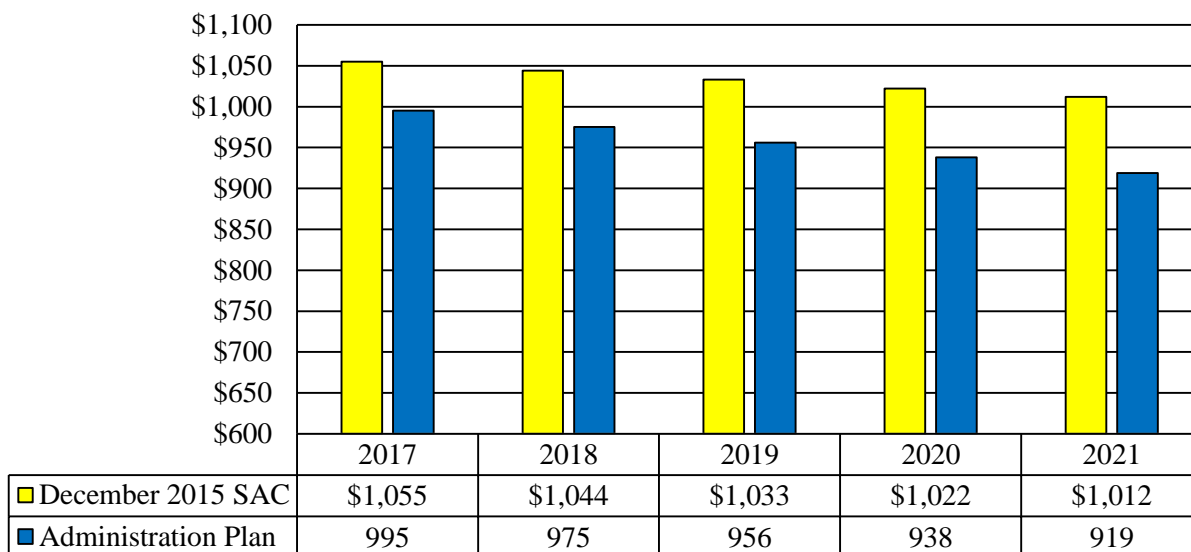
<u>Year</u>	<u>Administration</u>	<u>2015 SAC</u>
2017	7.51%	7.51%
2018	7.79%	7.80%
2019	7.57%	7.61%
2020	7.53%	7.60%
2021	7.51%	7.65%

SAC: Spending Affordability Committee

Source: Spending Affordability Committee; Capital Debt Affordability Committee; Department of Legislative Services

Past capital budgets have recognized that capital projects are subject to mild inflationary pressures and that the population of Maryland tends to increase over time. The inflationary pressures can erode capital spending while additional population tends to increase the demand for projects. When CDAC increased the capital program's annual escalation to 3% in its 2006 report, it did so to recognize a 2% increase to offset inflation and a 1% increase to provide for increased demand attributable to population growth. As shown in **Exhibit 16**, the Department of Legislative Services estimates that 2% inflation erodes the value of \$995 million in fiscal 2021 to \$919 million, a loss of \$76 million.

Exhibit 16
GO Bond Authorization Levels – Impact of Annual Construction Cost Inflation
Fiscal 2017-2021
(\$ in Millions)



GO: general obligation
 SAC: Spending Affordability Committee

Note: Construction inflation has increased as an average annual rate of 1.8% from January 2011 through January 2016. Figures reflect inflation adjusted 2017 dollars.

Source: Bureau of Labor Statistics Producer Price Index for Materials and Components of Construction.

Reliance on GO Bonds for Private Use and Activities Continues after Budget Improves

The Internal Revenue Code limits the use of tax-exempt bonds for private activity use to no more than 5% of the tax-exempt bonds of any issuance to a maximum of \$15 million per issuance. For this reason, the State traditionally funds capital programs with high levels of private activity use with general fund PAYGO funds. However, it is not unusual in periods of economic difficulty for the State to move programs traditionally funded with general fund PAYGO into the GO bond funded portion of the capital program, which the State has done in recent years. While this allows general funds to be used for other budget priorities, it has resulted in the need for the Treasurer to issue taxable bonds in recent bond issuances, which cost more than tax-exempt bonds.

Exhibit 17 shows that the fiscal 2017 capital budget includes \$47 million in private activity authorizations. Out-year private loan authorizations range from \$41 million in fiscal 2018 to

Capital Budget Fiscal Briefing

\$39 million in fiscal 2021. This represents a continued reliance on GO bond funds to support projects and programs that are traditionally supported with general fund PAYGO appropriations. SAC in its December 2015 Interim Report anticipated that after compliance with minimum fund balance and operating budget spending limits stipulated in its recommendations that the State would have an available cash balance that would afford the opportunity to dedicate general funds to address the State's infrastructure needs while minimizing future debt service costs. As such, SAC recommended that PAYGO funded infrastructure investments for projects and programs statutorily mandated or included in the 2015 five-year CIP and investments funded from programs that are not eligible to receive bond proceeds from tax-exempt bonds be excluded from the affordability calculation for the 2016 session. To the extent that the overall fiscal situation has improved enough to allow for a substantial fund balance, the State should consider ending the use of GO bonds to support programs that cannot be funded with tax-exempt GO bond financing and instead appropriating general funds.

Exhibit 17
Private Activity Authorizations by Department
Fiscal 2017-2021
(\$ in Thousands)

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>Total</u>
Private Business Use						
State Agency						
Morgan State University	\$714	\$56	\$0	\$0	\$0	\$770
University System of Maryland	2,866	3,994	2,244	2,316	0	11,420
Subtotal	\$3,580	\$4,049	\$2,244	\$2,316	\$0	\$12,190
Private Loans						
State Agency						
Department of Housing and Community Development	\$33,100	\$33,800	\$32,900	\$33,100	\$31,600	\$164,500
Maryland Department of the Environment	9,795	7,510	7,510	7,510	7,510	39,835
Department of Planning	150	150	150	150	150	750
Subtotal	\$43,045	\$41,460	\$40,560	\$40,760	\$39,260	\$205,085
Total	\$46,625	\$45,509	\$42,804	\$43,076	\$39,260	\$217,275

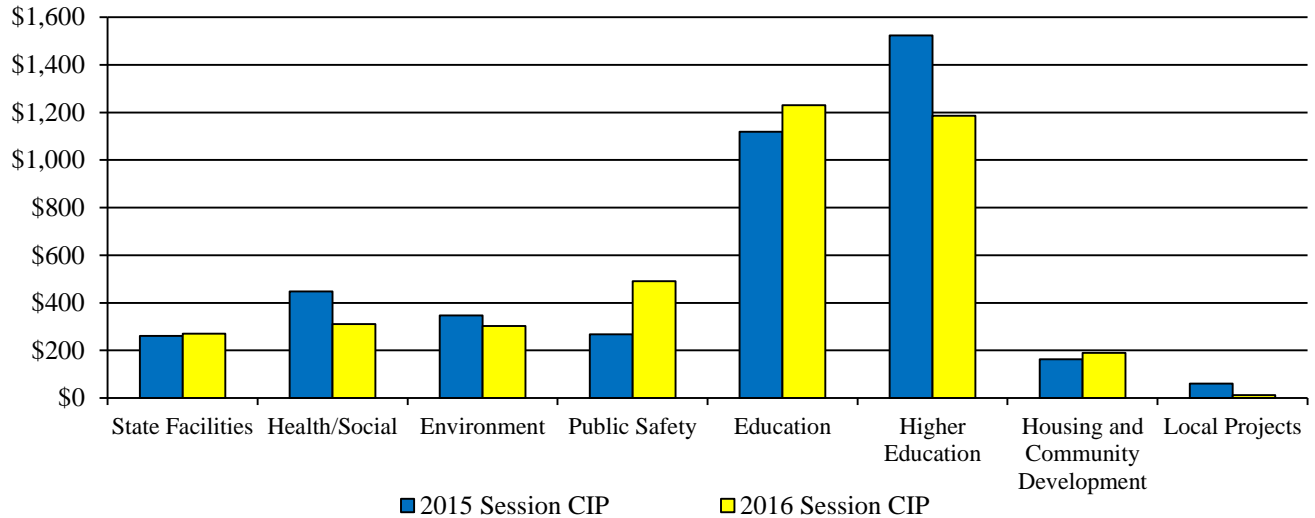
Note: Numbers may not sum to total due to rounding.

Source: Department of Budget and Management, *Capital Improvement Program*, January 2016

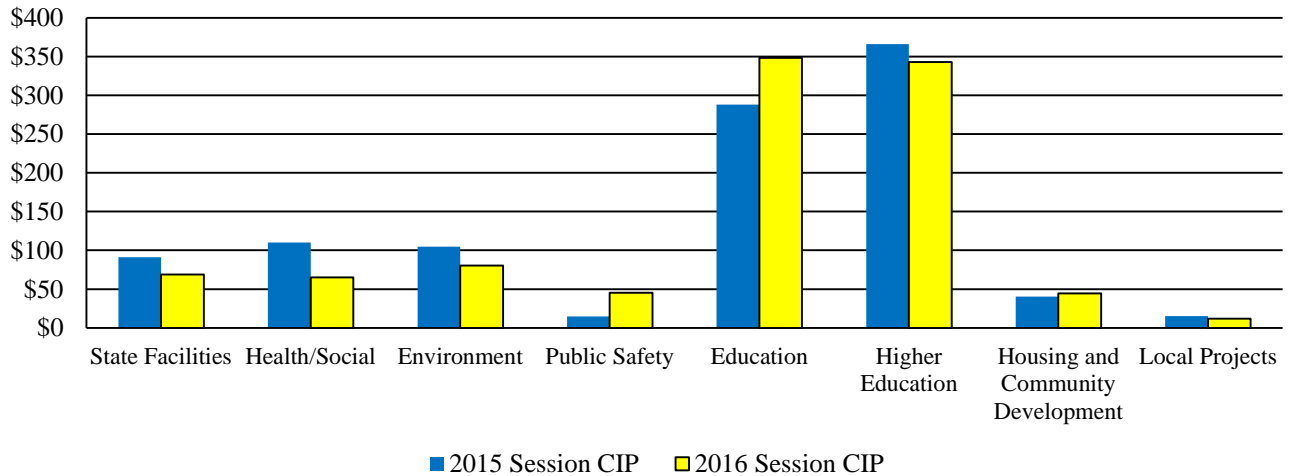
Exhibits 18 and 19 compare programmed funding levels in the 2015 CIP relative to the revised funding levels in the 2016 CIP.

Exhibit 18
General Obligation Bond Capital Program
Comparison of 2015 vs. 2016 Capital Improvement Program
Fiscal 2017-2020 and Fiscal 2017 Funding by Category – GO Bond Only
(\$ in Millions)

Fiscal 2017-2020



Fiscal 2017 Only

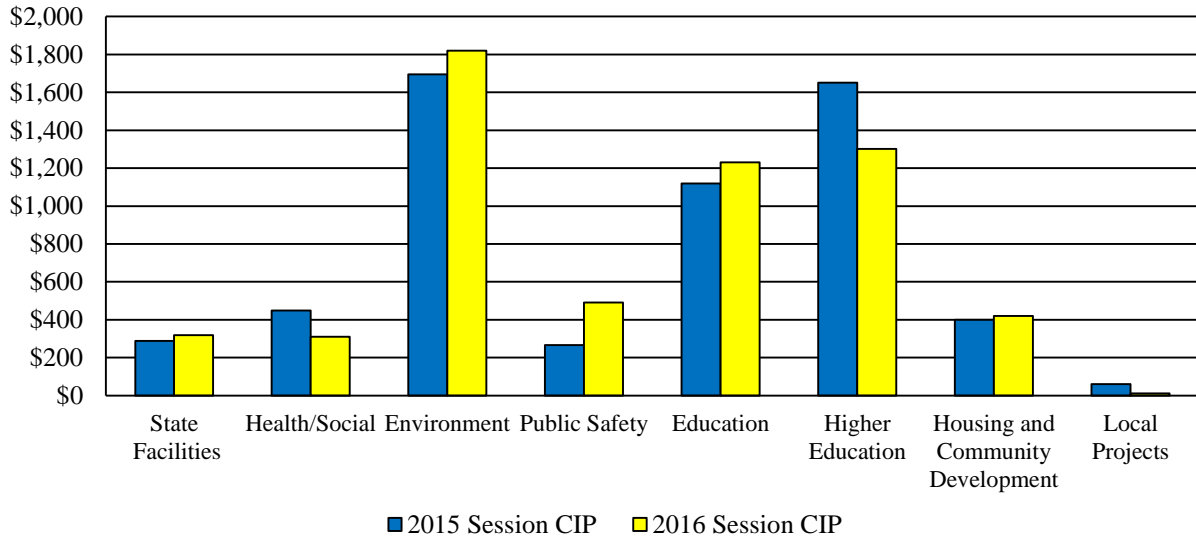


CIP: Capital Improvement Program
 GO: general obligation

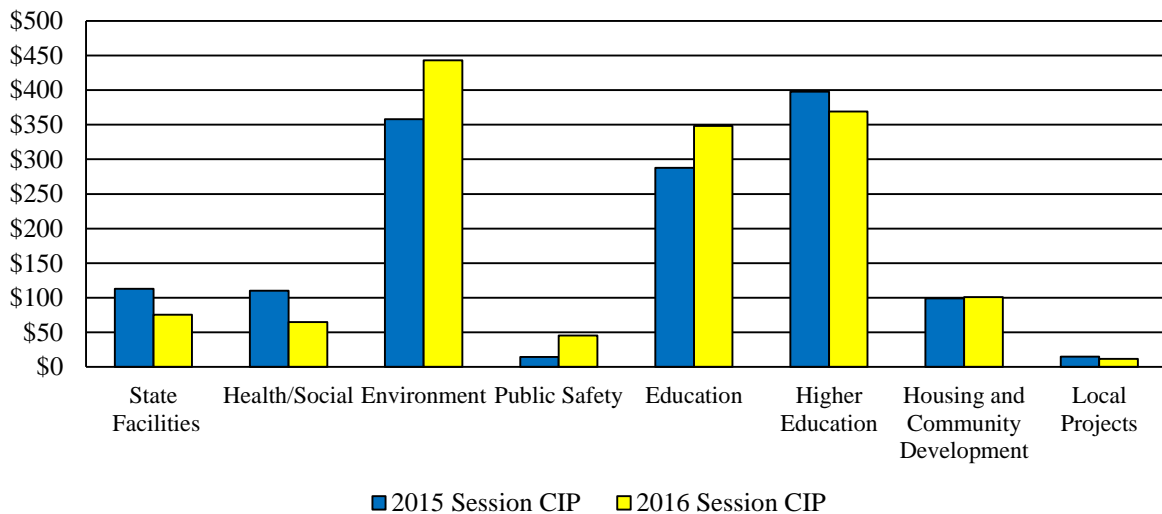
Source: Department of Budget and Management

Exhibit 19
Capital Program All Funds
Comparison of 2015 vs. 2016 Capital Improvement Program
Fiscal 2017-2020 and Fiscal 2017 Funding by Category – All Funds
 (\$ in Millions)

Fiscal 2017-2020



Fiscal 2017 Only



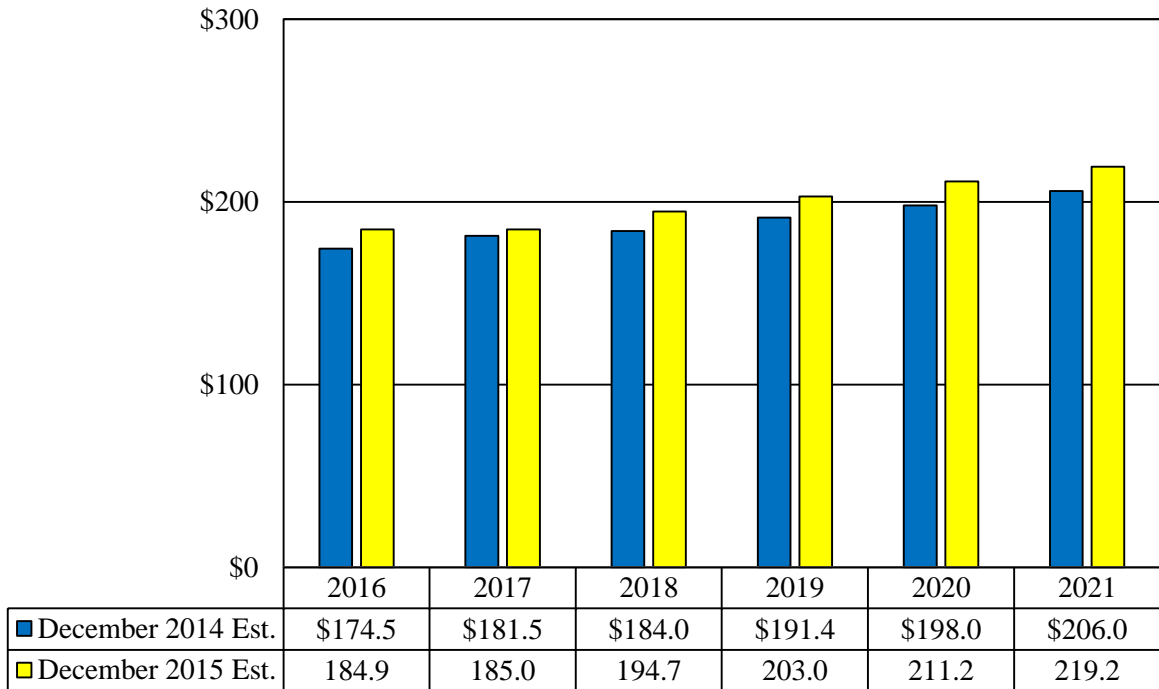
CIP: Capital Improvement Program

Source: Department of Budget and Management

Transfer Tax

As proposed, the fiscal 2017 budget provides additional special funds to capital programs from the distribution of transfer tax revenues above what was programmed in the 2015 session CIP. **Exhibit 20** illustrates revisions to forecasted transfer tax revenues and shows that the amount of fiscal 2017 revenue before transfers to the General Fund is \$10.3 million more than the budgeted amount for fiscal 2016 and \$3.5 million greater than what was forecasted for fiscal 2017 in the December 2014 forecast. Also adding to the amount of available fiscal 2017 transfer tax revenue is the fact that the fiscal 2016 budget included negative deficiency appropriations totaling \$32.5 million for fiscal 2015 to reflect the estimated underattainment of transfer tax revenues below budgeted amounts for fiscal 2015, which otherwise would have been reflected as reduced revenue available for fiscal 2017. Of this amount, \$7.1 million affected capital programs.

Exhibit 20
Transfer Tax Revenue Estimates
Comparison of December 2014 and December 2015 Estimates
 (\$ in Millions)

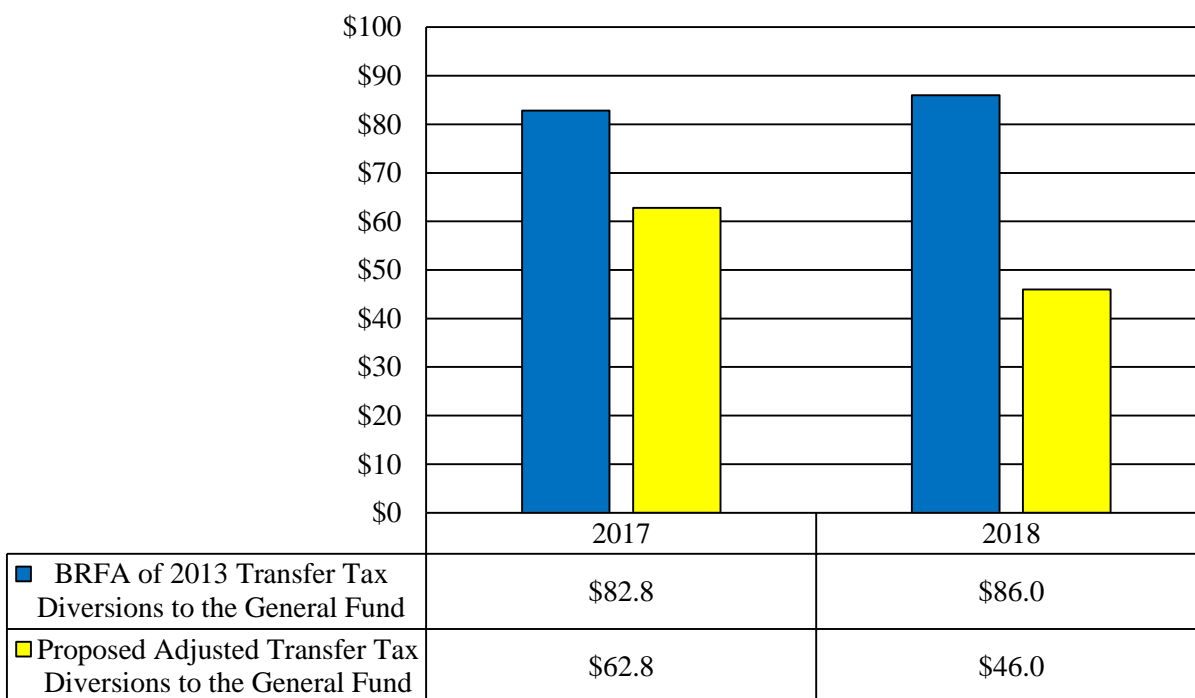


Source: Department of Budget and Management

Capital Budget Fiscal Briefing

Also adding to the amount of available transfer tax revenue to capital programs is the Administration’s proposal to adjust the amount of programmed transfers in both fiscal 2017 and 2018. As shown in **Exhibit 21**, the Administration proposes reducing the fiscal 2017 authorized transfer by \$20.0 million from \$82.8 million to \$62.8 million, and the fiscal 2018 transfer by \$40.0 million from \$86.0 million to \$46.0 million. **Exhibit 22** illustrates how the additional funds available from the proposed transfer reduction would be distributed in fiscal 2017 among the various capital programs supported from the transfer tax.

Exhibit 21
Proposed Revisions to Transfer Tax Diversions to the General Fund
Fiscal 2017-2018
(\$ in Millions)



BRFA: Budget Reconciliation and Financing Act

Source: Department of Budget and Management

Exhibit 22
Transfer Tax Distribution for Land Preservation Programs
Receiving Enhancements
Fiscal 2017
(\$ in Millions)

<u>Program</u>	<u>Statutory Allocation</u>	<u>BRFA of 2013 General Fund Transfer</u>	<u>Allowance Before Enhancement</u>	<u>Enhancement</u>	<u>Allowance</u>
DNR – Land Acquisition and Planning					
Program Open Space – State share	\$39.0	-\$23.6	\$15.4	\$4.0	\$19.4
Program Open Space – Local share	39.6	-22.9	16.7	5.0	21.7
Rural Legacy Program	17.0	-9.2	7.8	4.9	12.7
Capital Development	16.6	-9.7	6.9	2.6	9.6
Maryland Department of Agriculture – Maryland Agricultural Land Preservation Foundation					
	30.1	-17.4	12.7	3.5	16.2
Distribution for Programs with Enhancements	142.3	-82.8	59.5	20.0	79.5

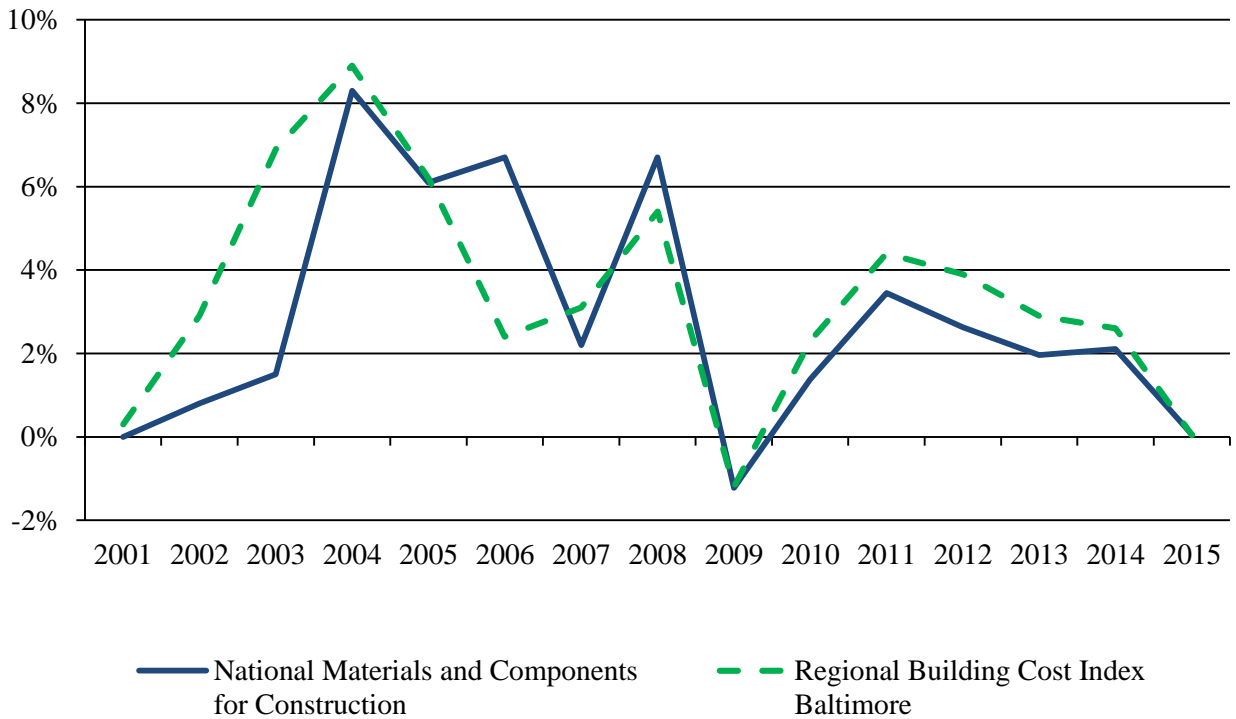
BRFA: Budget Reconciliation and Financing Act
DNR: Department of Natural Resources

Source: Department of Budget and Management; Department of Legislative Services

Construction Cost Inflation

As shown in **Exhibit 23**, the year-over-year measure for inflation in the building and construction market nationally and regionally has declined each year since calendar 2011 after several years of increases from calendar 2009 to 2011.

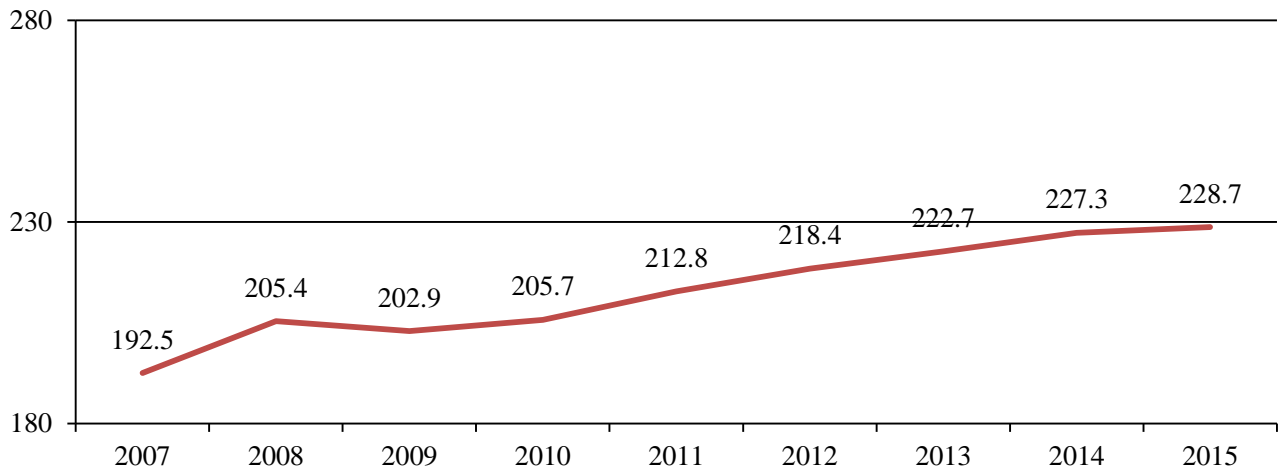
Exhibit 23
Year-over-year Construction Cost Inflation
Calendar 2001-2015



Source: Bureau of Labor Statistics; Engineering New-Record

Although the rate of year-over-year inflation has decreased since calendar 2011, as shown in **Exhibit 24**, construction inflation overall has increased at an average annual rate of 1.8% from calendar 2011 through December estimates for calendar 2015.

Exhibit 24
Indexed Average Annual Construction Cost Inflation
Calendar 2007-2015



Source: Bureau of Labor Statistics; Engineering New-Record

Escalation Rates Used in Cost Estimating

Base square foot costs increase by 3.6% for projects requested in the 2016 session to account for annual construction cost inflation. The Department of Budget and Management has set inflationary factors for cost estimate worksheets calculated to the mid-point of construction to account for the year-over-year impact of inflation on project costs estimates. The rates are set at 3.0% annually for calendar 2015 and 3.0% for calendar 2016 and each subsequent year thereafter.

School Construction Project Costs

The Interagency Committee on School Construction increased the square foot construction cost allowance for the Public School Construction program to \$335.58 per square foot for new construction projects that include site development. This is up from the \$260.96 rate used for fiscal 2016 and substantially above the \$155.40 rate used in fiscal 2004. **Exhibit 25** shows the past and projected school construction square foot costs allowances.

Exhibit 25
Past and Projected School Construction Square Foot Costs
(\$ in Millions)

<u>Bid Date</u>	<u>Building (New Construction without Site Development)</u>	<u>Construction (New Construction with Site Development)</u>
July 2003	\$138.75	\$155.40
July 2004	140.00	156.80
July 2005	157.00	175.84
July 2006	190.00	212.80
July 2007	215.00	240.80
July 2008	215.00	240.80
July 2009	224.00	250.88
July 2010	200.00	224.00
July 2011	200.00	224.00
July 2012	207.00	231.84
July 2013	215.00	240.80
July 2014	224.00	250.88
July 2015	233.00	260.96
July 2016	282.00	335.58

Source: Interagency Committee on School Construction

Pre-authorizations and Split Funding

The Maryland Consolidated Capital Bond Program (MCCBL) of 2015 included \$382.1 million of pre-authorizations for funding to be authorized in the MCCBL of 2015. **Exhibit 26** lists these pre-authorizations as well as the amounts included in the 2016 session capital budget bill, as introduced.

Exhibit 26
Pre-authorizations Included in MCCBL of 2015 for the 2016 Session
(\$ in Millions)

<u>Project Title</u>	<u>2015 Session (Fiscal 2017)</u>	<u>2016 Session (Fiscal 2017)</u>	
BPW: Sarasota State Center – Garage Improvements	\$2,225,000	\$0	Project no longer planned.
MD: Combined Support Maintenance Shop Automotive Maintenance Facility	1,650,000	0	Prior federal funds sufficient to start design and construction – State GO bond funds programmed for fiscal 2018.
MD: Easton Readiness Center	2,000,000	0	Prior federal funds sufficient to start design and construction – State GO bond funds programmed for fiscal 2018.
MD: Havre de Grace Readiness Center	4,100,000	4,115,000	
DNR: Bloede Dam Removal	1,000,000		Funded in fiscal 2016 in DNR Natural Resources Development Fund.
DPSCS: Hot Water and Steam System Improvement Eastern Correctional Institute	2,000,000	1,945,000	Fiscal 2017 funding level based on approved contract.
DPSCS: New Youth Detention Center	3,300,000	2,462,000	Fiscal 2017 construction funding based on approved contract.
MSDE: State Library Resource Center	23,200,000	29,060,000	Fiscal 2017 construction funding based on approved contract and revised project cash flow schedule.
UMB: Health Sciences Research Facility III	70,500,000	74,650,000	Fiscal 2017 construction funding based on approved contract and revised project cash flow schedule.
UMCP: Brendan Iribe Center for Computer Science and Innovation	27,000,000	27,000,000	
UMCP: Edward St. John Learning and Teaching Center	500,000	500,000	

<u>Project Title</u>	<u>2015 Session (Fiscal 2017)</u>	<u>2016 Session (Fiscal 2017)</u>	
UMCP: Clark Bioengineering Building	45,350,000	69,955,000	Fiscal 2017 construction funding based on approved contract and revised project cash flow schedule. Total project cost reduced by \$5.4 million relative to 2015 CIP estimate.
BSU: New Natural Sciences Center	28,250,000	28,201,000	
CSU: Percy Julian Science Renovation	3,400,000	0	Initial design funding deferred in 2016 CIP to fiscal 2019.
USMO: Shady Grove Educational Center	72,000,000	0	Initial construction funding deferred to fiscal 2020 in the 2016 session CIP.
MHEC: Community College Facilities Grant Program	50,945,000	38,475,986	
MSU: New Behavioral and Social Sciences Building	30,150,000	28,550,000	Fiscal 2017 construction funding based on approved contract and revised project cash flow schedule.
MES: Infrastructure Improvement Fund	14,058,000	13,159,000	
Miscellaneous: Angel's Watch Shelter	500,000	750,000	
Total	\$382,128,000	\$318,822,986	

BPW: Board of Public Works
 BSU: Bowie State University
 CIP: Capital Improvement Program
 CSU: Coppin State University
 DNR: Department of Natural Resources
 DPSCS: Department of Public Safety and Correctional Services
 GO: general obligation
 MCCBL: Maryland Consolidated Capital Bond Loan

MD: Military Department
 MES: Maryland Environmental Service
 MHEC: Maryland Higher Education Commission
 MSDE: Maryland State Department of Education
 MSU: Morgan State University
 UMB: University of Maryland, Baltimore
 UMCP: University of Maryland, College Park
 USMO: University System of Maryland Office

Source: Department of Budget and Management

Capital Budget Fiscal Briefing

Exhibit 27 shows the pre-authorizations included in the MCCBL of 2015 for authorizations intended for the 2016 through 2018 sessions. In some instances, a pre-authorization is paired with proposed fiscal 2016 authorizations to allow construction bids for projects to be awarded during the fiscal year without having to dedicate the entire amount of estimated construction funds needed to complete the project.

Exhibit 27
Pre-authorizations Included in the MCCBL of 2016
Fiscal 2018-2020
(\$ in Millions)

<u>Budget Code</u>	<u>Project Title</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>Final</u>
BPW	Annapolis Post Office	\$4.2			\$4.2
BPW	New Catonsville District Court	40.9			40.9
MD	Easton Readiness Center	4.4			4.4
MD	Havre de Grace CSMS	1.6	\$1.0		2.6
DPSCS	Demolition of Buildings at the Baltimore City Correctional Complex	16.9			16.9
MSDE	State Library Resource Center	30.5	3.5		34.0
UMB	Health Sciences Research Facility III	3.4			3.4
UMCP	A. James Clark Hall – New Bioengineering Building	11.2	3.5		14.8
UMCP	Brendan Iribe Center for Computer Science	69.6			69.6
UMCP	New Cole Field House	12.2	6.0		18.2
UB	Langsdale Library	3.2			3.2
MHEC	Community College Facilities Grant Program	45.8	13.5	\$10.5	69.8
MSU	New Behavioral and Social Sciences Building	2.8			2.8
MES	Infrastructure Improvement Fund	6.8	0.7		7.5
DJS	New Female Detention Center	28.8	14.4		43.1
Fiscal Year Total Pre-authorizations as Introduced		282.2	42.6	10.5	335.3

BPW: Board of Public Works
 CSMS: Combined Support Maintenance Shop
 DJS: Department of Juvenile Services
 DPSCS: Department of Public Safety and Correctional Services
 MCCBL: Maryland Consolidated Capital Bond Loan
 MD: Military Department
 MES: Maryland Environmental Service

MHEC: Maryland Higher Education Commission
 MSDE: Maryland State Department of Education
 MSU: Morgan State University
 UB: University of Baltimore
 UMB: University of Maryland, Baltimore
 UMCP: University of Maryland, College Park

Source: Department of Budget and Management

Recent History of GO Bond Authorization Level Increases 2001 through 2019 Session

Year-over-year Change in GO Bond Authorization Levels

Appendix 1 illustrates the year-over-year revision in CDAC-recommended authorization levels. The table portion illustrates the capacity to contract planned authorization levels when fiscal and debt affordability constraints warrant, as occurred during the great recession, but also expand to meet certain fiscal and policy objectives such as the Public School Facilities Act of 2004 and to take advantage of recent historically low interest rates

**Comparison of Recent Capital Debt Affordability Committee
Recommendations for Annual New GO Bond Authorizations
(\$ in Millions)**

		Session																			
		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	
CDAC																					CDAC
	2015														995	995	995	995	995	995	2015
	2014													1170	1180	1275	1315	1280	1320	1360	2014
	2013											1160	1170	1180	1275	1315	1280	1320	1360		2013
	2012										1075	1085	1095	1105	1200	1240	1280	1320	1360		2012
	2011									1075	925	935	945	955	1200	1240	1280	1320			2011
	2010								925	925	925	935	945	955	1200	1240	1280				2010
	2009							1140	1020	1050	1080	1110	1140	1170	1200	1240					2009
	2008						1110	990	1020	1050	1080	1110	1140	1170	1200						2008
	2007					935	960	990	1020	1050	1080	1110	1140	1170							2007
	2006				810	835	860	890	920	950	980	1010	1040								2006
	2005			690	710	730	745	770	795	820	845	870									2005
	2004		\$670	685	700	715	630	645	660	675	690										2004
	2003	\$650	665	680	695	710	630	645	660	675											2003
	2002	\$740	555	570	585	600	615	625	640	655											2002
	2001	535	550	565	580	595	610	625	640												2001

<u>Initial Authorization</u>	<u>Amount Authorized</u>	<u>Effect on Capital Spending</u>
Chapter 103 of 2002	\$5 million annually	Fund Tobacco Transition Program
Chapter 290 of 2002	\$200 million in fiscal 2003	Move PAYGO capital projects into GO bond program
Chapter 204 of 2003	\$200 million in fiscal 2004	Move PAYGO capital projects into GO bond program
Chapter 432 of 2004	\$100 million annually for five years	Increase the State capital program
Chapter 46 of 2006	Increase escalation to 3%, \$100 million annually in fiscal 2010	Increase the State capital program
Chapter 488 of 2007	\$100 million annually	Increase the State capital program
Chapter 336 of 2008	\$100 million annually	Increase the State capital program
Chapter 485 of 2009	\$150 million in fiscal 2010	Move PAYGO capital projects into GO bond program
Chapter 419 of 2009	\$70 million in fiscal 2010	Maintain POS spending in fiscal 2010
Chapter 483 of 2010	\$150 million in fiscal 2011	Move PAYGO capital projects into GO bond program
Chapter 444 of 2012	\$150 million in fiscal 2013	Increase the State capital program
Chapter 424 of 2013	\$150 million each of fiscal 2014 to 2018	Increase the State capital program – restore authorization levels to pre-2010 session levels
Chapter 463 of 2014	\$75 million in fiscal 2015	Increase to accommodate State Highway Administration’s share of the Watershed Implementation Plan

CDAC: Capital Debt Affordability Committee
 GO: general obligation
 PAYGO: pay-as-you-go
 POS: Program Open Space

Source: 2015 Capital Debt Affordability Committee

Capital Program Summary for the 2016 Session (\$ in Millions)

Allowance	Bonds		Current Funds (PAYGO)			
<u>Function</u>	<u>General Obligation</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	<u>Total</u>
State Facilities						\$72.9
Facilities Renewal	\$16.7	\$0.0	\$0.0	\$0.0	\$0.0	
State Facilities Other	49.7	0.0	2.2	0.0	4.3	
Health/Social						67.1
Health Other	\$8.9	\$0.0	\$0.0	\$0.0	\$0.0	
Health State Facilities	15.2	0.0	0.0	0.0	0.0	
Private Hospitals	43.0	0.0	0.0	0.0	0.0	
Environment						442.8
Agriculture	\$6.8	\$0.0	\$0.0	\$22.2	\$0.0	
Energy	0.0	0.0	0.0	2.7	1.0	
Environment	37.8	0.0	0.2	210.1	44.3	
MD Environmental Services	24.8	0.0	0.0	0.0	0.0	
Natural Resources	10.8	0.0	0.0	74.3	7.9	
Public Safety						45.4
Local Jails	\$2.9	\$0.0	\$0.0	\$0.0	\$0.0	
State Corrections	42.5	0.0	0.0	0.0	0.0	
Education						348.4
Education Other	34.1	0.0	0.0	0.0	0.0	
School Construction	314.3	0.0	0.0	0.0	0.0	
Higher Education						369.0
Community Colleges	\$59.6	\$0.0	\$0.0	\$0.0	\$0.0	
Morgan State Univ.	35.7	0.0	0.0	0.0	0.0	
Private Colleges/Universities	8.0	0.0	0.0	0.0	0.0	
St. Mary's College of Maryland	2.7	0.0	0.0	0.0	1.7	
University System	236.8	24.5	0.0	0.0	0.0	
Housing/Community Development						101.1
Housing	\$40.0	\$0.0	\$0.0	\$31.7	\$15.7	
Housing Other	4.6	0.0	9.0	0.2	0.0	
Local Projects						12.2
Local Project Administration	\$12.2	\$0.0	\$0.0	\$0.0	\$0.0	

Capital Budget Fiscal Briefing

Allowance	Bonds		Current Funds (PAYGO)			
<u>Function</u>	<u>General Obligation</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	<u>Total</u>
De-authorizations						-8.6
De-authorizations	-\$8.6	\$0.0	\$0.0	\$0.0	\$0.0	
Current Year Total	\$998.4	\$24.5	\$11.4	\$341.1	\$74.9	\$1,450.3
Fiscal 2016 Deficiencies	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Transportation CTP	\$0.0	\$685.0	\$0.0	\$1,035.6	\$1,086.2	\$2,806.8
Grand Total	\$998.4	\$709.5	\$11.4	\$1,376.7	\$1,161.1	\$4,257.1

CTP: Consolidated Transportation Program

PAYGO: pay-as-you-go

Note: The general obligation bond total includes \$4.6 million of Qualified Zone Academy Bonds.

Source: Department of Budget and Management

Capital Program for the 2016 Session as Introduced

Budget Code	Allowance <u>Project Title</u>	Bonds		Current Funds (PAYGO)			<u>Total Funds</u>
		<u>General Obligation</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	
State Facilities							
D55P04A	DVA: Cemetery Program	\$0	\$0	\$2,180,000	\$0	\$0	\$2,180,000
DA0201A	MDOD: Accessibility Modifications	750,000	0	0	0	0	750,000
DE0201A	BPW: Facilities Renewal Fund	15,000,000	0	0	0	0	15,000,000
DE0201B	BPW: Fuel Storage Tank Replacement Program	1,700,000	0	0	0	0	1,700,000
DE0201C	BPW: Annapolis Post Office	750,000	0	0	0	0	750,000
DE0201D	BPW: New Catonsville District Court	28,501,000	0	0	0	0	28,501,000
DE0201E	BPW: Salisbury District Court Multi-Service Center	400,000	0	0	0	0	400,000
DH0104A	MD: Havre de Grace Readiness Center	4,115,000	0	0	0	2,158,000	6,273,000
DH0104B	MD: Freedom Readiness Center	0	0	0	0	2,171,000	2,171,000
FB04A	DoIT: Public Safety Communications System	15,000,000	0	0	0	0	15,000,000
RP00A	MPBC: Maryland Public Television Transmission Systems Replacement	150,000	0	0	0	0	150,000
	Subject Category Subtotal	\$66,366,000	\$0	\$2,180,000	\$0	\$4,329,000	\$72,875,000
Health/Social							
DA0701A	MDOA: Senior Centers Capital Grant Program	\$1,680,000	\$0	\$0	\$0	\$0	\$1,680,000
MA01A	DHMH: Community Health Facilities Grant Program	4,758,000	0	0	0	0	4,758,000

Budget Code	Allowance Project Title	Bonds		Current Funds (PAYGO)			Total Funds
		General Obligation	Revenue	General	Special	Federal	
MA01B	DHMH: Federally Qualified Health Centers Grant Program	2,500,000	0	0	0	0	2,500,000
RQ00A	UMMS: Capital Infrastructure Improvements	4,000,000	0	0	0	0	4,000,000
RQ00B	UMMS: R Adams Cowley Shock Trauma Center Phase II	5,250,000	0	0	0	0	5,250,000
VE01A	DJS: New Female Detention Center	15,168,000	0	0	0	0	15,168,000
ZA000	MISC: Sinai Hospital of Baltimore	2,000,000	0	0	0	0	2,000,000
ZA00N*	MISC: Prince George's Hospital System	27,500,000	0	0	0	0	27,500,000
ZA01A	MHA: Adventist Behavioral Health and Wellness	392,000	0	0	0	0	392,000
ZA01B	MHA: Anne Arundel Health System	500,000	0	0	0	0	500,000
ZA01C	MHA: Doctors Community Hospital	500,000	0	0	0	0	500,000
ZA01D	MHA: Edward W. McCready Hospital	239,000	0	0	0	0	239,000
ZA01E	MHA: Medstar Franklin Square Hospital	877,000	0	0	0	0	877,000
ZA01F	MHA: Medstar Montgomery Medical Center	300,000	0	0	0	0	300,000
ZA01G	MHA: Shady Grove Medical Center	279,000	0	0	0	0	279,000
ZA01H	MHA: University of Maryland Rehabilitation and Orthopedic Institute	150,000	0	0	0	0	150,000

Budget Code	Allowance Project Title	Bonds		Current Funds (PAYGO)			Total Funds
		General Obligation	Revenue	General	Special	Federal	
ZA01I	MHA: University of Maryland, St. Joseph Medical Center	1,000,000	0	0	0	0	1,000,000
	Subject Category Subtotal	\$67,093,000	\$0	\$0	\$0	\$0	\$67,093,000
	Environment						
DA1302	MEA: Jane E. Lawton Loan Program	\$0	\$0	\$0	\$1,500,000	\$0	\$1,500,000
DA1303	MEA: State Agency Loan Program	0	0	0	1,200,000	1,000,000	2,200,000
KA0510A	DNR: Natural Resources Development Fund	0	0	0	3,062,000	0	3,062,000
KA0510B	DNR: Critical Maintenance Projects	0	0	0	6,000,696	0	6,000,696
KA0510C	DNR: Program Open Space – Stateside	0	0	0	19,368,428	5,750,000	25,118,428
KA0510D	DNR: Program Open Space – Local	0	0	0	21,690,973	0	21,690,973
KA05A	DNR: Community Parks and Playgrounds	2,500,000	0	0	0	0	2,500,000
KA05B	DNR: Rural Legacy Program	5,000,000	0	0	12,663,385	0	17,663,385
KA0906A	DNR: Ocean City Beach Maintenance	0	0	0	1,000,000	0	1,000,000
KA1102A	DNR: Waterway Improvement Program	0	0	0	10,500,000	2,100,000	12,600,000
KA1701A	DNR: Oyster Restoration Program	3,300,000	0	0	0	0	3,300,000
LA1111	MDA: Agricultural Land Preservation Program	0	0	0	21,227,744	0	21,227,744
LA1205A	MDA: Salisbury Animal Health Laboratory Replacement	750,000	0	0	0	0	750,000
LA1213	MDA: Tobacco Transition Program	0	0	0	1,000,000	0	1,000,000

Budget Code	Allowance Project Title	Bonds		Current Funds (PAYGO)			Total Funds
		General Obligation	Revenue	General	Special	Federal	
LA15A	MDA: Maryland Agricultural Cost Share Program	6,000,000	0	0	0	0	6,000,000
UA0104	MDE: Hazardous Substance Cleanup Program	0	0	200,000	0	0	200,000
UA0111	MDE: Bay Restoration Fund Wastewater Projects	0	0	0	80,000,000	0	80,000,000
UA0112	MDE: Bay Restoration Fund Septic System Program	0	0	0	14,000,000	0	14,000,000
UA0114	MDE: Energy – Water Infrastructure Program	0	0	0	16,200,000	0	16,200,000
UA01A	MDE: Biological Nutrient Removal Program	25,000,000	0	0	0	0	25,000,000
UA01B	MDE: Maryland Drinking Water Revolving Loan Fund	3,003,000	0	0	10,638,000	10,359,000	24,000,000
UA01C	MDE: Maryland Water Quality Revolving Loan Fund	6,792,000	0	0	89,248,000	33,960,000	130,000,000
UA01D	MDE: Mining Remediation Program	500,000	0	0	0	0	500,000
UA01E	MDE: Water Supply Financial Assistance Program	2,480,000	0	0	0	0	2,480,000
UB00A	MES: Infrastructure Improvement Fund	24,825,000	0	0	0	0	24,825,000
	Subject Category Subtotal	\$80,150,000	\$0	\$200,000	\$309,299,226	\$53,169,000	\$442,818,226
	Public Safety						
QR0201A	DPSCS: Perimeter Security Improvements	\$1,042,000	\$0	\$0	\$0	\$0	\$1,042,000
QR0202A	DPSCS: Housing Unit Windows and Heating Systems Replacement	655,000	0	0	0	0	655,000

Budget Code	Allowance Project Title	Bonds		Current Funds (PAYGO)			Total Funds
		General Obligation	Revenue	General	Special	Federal	
QS0101A	DPSCS: Jessup Region Electrical Infrastructure Upgrade	382,000	0	0	0	0	382,000
QS0208A	DPSCS: Hot Water and Steam System Improvements	1,945,000	0	0	0	0	1,945,000
QT04A	DPSCS: Demolition of Buildings at the Baltimore City Correctional Complex	16,581,000	0	0	0	0	16,581,000
QT04B	DPSCS: New Baltimore Justice Center	18,270,000	0	0	0	0	18,270,000
QT04C	DPSCS: New Youth Detention Center	3,647,000	0	0	0	0	3,647,000
ZB02A	DPSCS: Montgomery County Pre-Release Center	403,000	0	0	0	0	403,000
ZB02B	DPSCS: Prince George's County Correctional Center	2,488,000	0	0	0	0	2,488,000
	Subject Category Subtotal	\$45,413,000	\$0	\$0	\$0	\$0	\$45,413,000
	Education						
DE0202A	BPW: Aging Schools Program	\$6,109,000	\$0	\$0	\$0	\$0	\$6,109,000
DE0202B	BPW: Public School Construction Program	280,000,000	0	0	0	0	280,000,000
DE0202C	BPW: Nonpublic Aging Schools Program	3,500,000	0	0	0	0	3,500,000
DE0202D	BPW: Supplemental Capital Grant Program for Local School Systems	20,000,000	0	0	0	0	20,000,000
DE0202QZ	BPW: Qualified Zone Academy Bond Program	4,680,000	0	0	0	0	4,680,000
RA01A	MSDE: Public Library Capital Grant Program	5,000,000	0	0	0	0	5,000,000

Budget Code	Allowance Project Title	Bonds		Current Funds (PAYGO)			Total Funds
		General Obligation	Revenue	General	Special	Federal	
RA01B	MSDE: State Library Resource Center	26,410,000	0	0	0	0	26,410,000
RE01A	MSDE: Water Main Replacement Project	2,735,000	0	0	0	0	2,735,000
	Subject Category Subtotal	\$348,434,000	\$0	\$0	\$0	\$0	\$348,434,000
	Higher Education						
RB21A	UMB: Central Electric Substation and Electrical Infrastructure Upgrades	\$5,000,000	\$0	\$0	\$0	\$0	\$5,000,000
RB21B	UMB: Health Sciences Research Facility III and Surge Building	81,000,000	0	0	0	0	81,000,000
RB22A	UMCP: A. James Clark Hall – New Bioengineering Building	62,455,000	7,500,000	0	0	0	69,955,000
RB22B	UMCP: Brendan Iribe Center for Computer Science and Innovations	27,000,000	0	0	0	0	27,000,000
RB22C	UMCP: Edward St. John Learning and Teaching Center	5,100,000	0	0	0	0	5,100,000
RB22D	UMCP: New Cole Field House	3,000,000	0	0	0	0	3,000,000
RB23A	BSU: New Natural Sciences Center	31,501,000	0	0	0	0	31,501,000
RB24A	TU: New Science Facility	6,150,000	0	0	0	0	6,150,000
RB28A	UB: Langsdale Library	9,300,000	0	0	0	0	9,300,000
RB29A	SU: Sea Gull Stadium	575,000	0	0	0	0	575,000
RB31A	UMBC: Interdisciplinary Life Sciences Building	2,640,000	0	0	0	0	2,640,000
RB36A	USMO: Southern Maryland Regional Higher Education Facility	3,061,000	0	0	0	0	3,061,000

Budget Code	Allowance Project Title	Bonds		Current Funds (PAYGO)			Total Funds
		General Obligation	Revenue	General	Special	Federal	
RB36B	USMO: Capital Facilities Renewal Program	0	17,000,000	0	0	0	17,000,000
RC00A	BCCC: Liberty Campus Loop Road, Inner Loop and Entrance Improvements	248,000	0	0	0	0	248,000
RD00A	SMCM: Campus Infrastructure Improvements	900,000	0	0	0	1,741,000	2,641,000
RD00B	SMCM: New Academic Building and Auditorium	1,800,000	0	0	0	0	1,800,000
RI00A	MHEC: Community College Facilities Grant Program	59,386,000	0	0	0	0	59,386,000
RM00A	MSU: New Behavioral and Social Sciences Building	35,700,000	0	0	0	0	35,700,000
ZA00H	MICUA: Capitol Technology University	1,400,000	0	0	0	0	1,400,000
ZA00I	MICUA: Johns Hopkins University	3,300,000	0	0	0	0	3,300,000
ZA00J	MICUA: Maryland Institute College of Art	3,300,000	0	0	0	0	3,300,000
	Subject Category Subtotal	\$342,816,000	\$24,500,000	\$0	\$0	\$1,741,000	\$369,057,000
	Housing/Community Development						
DW0108A	MDOP: Patterson Center Renovation	\$327,000	\$0	\$0	\$0	\$0	\$327,000
DW0108B	MDOP: St. Leonard's Creek Shoreline Erosion Control	3,091,000	0	0	0	0	3,091,000
DW0111A	MDOP: African American Heritage Preservation Grant Program	1,000,000	0	0	0	0	1,000,000
DW0111B	MDOP: Historical Preservation Loan Fund	150,000	0	0	150,000	0	300,000
DW0112	MDOP: Sustainable Communities Tax Credit	0	0	9,000,000	0	0	9,000,000

Budget Code	Allowance Project Title	Bonds		Current Funds (PAYGO)			Total Funds
		General Obligation	Revenue	General	Special	Federal	
SA2402A	DHCD: Community Development Block Grant Program	0	0	0	0	9,000,000	9,000,000
SA24A	DHCD: Community Legacy Program	6,000,000	0	0	0	0	6,000,000
SA24B	DHCD: Neighborhood Business Development Program	3,400,000	0	0	1,600,000	0	5,000,000
SA24C	DHCD: Baltimore Regional Neighborhoods Initiative	1,500,000	0	0	0	0	1,500,000
SA2514A	DHCD: MD-BRAC Preservation Loan Fund	0	0	0	3,500,000	0	3,500,000
SA25A	DHCD: Homeownership Programs	8,500,000	0	0	1,400,000	0	9,900,000
SA25B	DHCD: Housing and Building Energy Programs	1,000,000	0	0	6,850,000	700,000	8,550,000
SA25C	DHCD: Partnership Rental Housing Program	6,000,000	0	0	500,000	0	6,500,000
SA25D	DHCD: Rental Housing Programs	10,000,000	0	0	15,500,000	4,000,000	29,500,000
SA25E	DHCD: Shelter and Transitional Housing Facilities Grant Program	1,500,000	0	0	0	0	1,500,000
SA25F	DHCD: Special Loan Programs	2,100,000	0	0	2,300,000	2,000,000	6,400,000
	Subject Category Subtotal	\$44,568,000	\$0	\$9,000,000	\$31,800,000	\$15,700,000	\$101,068,000
	Local Projects						
ZA00A	MISC: Angel's Watch Shelter	\$750,000	\$0	\$0	\$0	\$0	\$750,000
ZA00B	MISC: Arthur Perdue Stadium	775,000	0	0	0	0	775,000
ZA00C	MISC: Center Stage	3,000,000	0	0	0	0	3,000,000
ZA00D	MISC: Charles E. Smith Life Communities	400,000	0	0	0	0	400,000

Budget Code	Allowance Project Title	Bonds		Current Funds (PAYGO)			Total Funds
		General Obligation	Revenue	General	Special	Federal	
ZA00E	MISC: Chesapeake Bay Maritime Museum	250,000	0	0	0	0	250,000
ZA00F	MISC: Historic Annapolis	1,000,000	0	0	0	0	1,000,000
ZA00G	MISC: Kennedy Krieger Institute	1,750,000	0	0	0	0	1,750,000
ZA00K	MISC: Maryland Zoo in Baltimore	2,500,000	0	0	0	0	2,500,000
ZA00L	MISC: National Sailing Hall of Fame	1,000,000	0	0	0	0	1,000,000
ZA00M	MISC: Peale Center	400,000	0	0	0	0	400,000
ZA00P	MISC: Western Maryland Scenic Railroad	400,000	0	0	0	0	400,000
	Subject Category Subtotal	\$12,225,000	\$0	\$0	\$0	\$0	\$12,225,000
	De-authorizations						
ZF00	De-authorizations as Introduced	-\$8,622,199	\$0	\$0	\$0	\$0	-\$8,622,199
	Subject Category Subtotal	-\$8,622,199	\$0	\$0	\$0	\$0	-\$8,622,199
	Current Year Total	\$998,442,801	\$24,500,000	\$11,380,000	\$341,099,226	\$74,939,000	\$1,450,361,027
	Fiscal 2016 Deficiencies						
D55P04A	DVA: Cemetery Program	\$0	\$0	\$26,000	\$0	\$0	\$26,000
	Subject Category Subtotal	\$0	\$0	\$26,000	\$0	\$0	\$26,000
	Entire Budget Total:	\$998,442,801	\$24,500,000	\$11,406,000	\$341,099,226	\$74,939,000	\$1,450,387,027
	Transportation CTP	\$0	\$685,000,000	\$0	\$1,035,552,248	\$1,086,210,000	\$2,806,762,248
	Grand Total	\$998,442,801	\$709,500,000	\$11,406,000	\$1,376,651,474	\$1,161,149,000	\$4,257,149,275

BCCC: Baltimore City Community College
BPW: Board of Public Works
BSU: Bowie State University
CTP: *Consolidated Transportation Program*
DHCD: Department of Housing and Community Development
DHMH: Department of Health and Mental Hygiene
DJS: Department of Juvenile Services
DNR: Department of Natural Resources
DPSCS: Department of Public Safety and Correctional Services
DoIT: Department of Information Technology
DVA: Department of Veteran Affairs
MD: Military Department
MD-BRAC: Maryland Base realignment and closure
MDA: Maryland Department of Agriculture
MDE: Maryland Department of the Environment
MDOA: Maryland Department of Aging
MDOD: Maryland Department of Disabilities
MDOP: Maryland Department of Planning
MEA: Maryland Energy Administration

MES: Maryland Environmental Service
MHA: Maryland Hospital Association
MHEC: Maryland Higher Education Commission
MICUA: Maryland Independent College and University Association
MISC: miscellaneous
MPBC: Maryland Public Broadcasting Commission
MSDE: Maryland State Department of Education
MSU: Morgan State University
PAYGO: pay as you go
SMCM: St. Mary's College of Maryland
SU: Salisbury University
TU: Towson University
UB: University of Baltimore
UMB: University of Maryland, Baltimore
UMBC: University of Maryland Baltimore County
UMCP: University of Maryland, College Park
UMMS: University of Maryland Medical System
USMO: University System of Maryland Office

Note: GO bond totals include \$4.76 million of Qualified Zone Academy Bonds not counted under the limit for new GO bond authorizations for the 2016 session.

**Back of the Bill – GO Bond De-authorizations and Other Changes
Fiscal 2017**

<u>Agency</u>	<u>Chapter Law</u>	<u>Project</u>	<u>Amount</u>
MSU	Chapter 488 of the Acts of 2007, as amended by Chapter 485 of the Acts of 2009 and Chapter 396 of the Acts of 2011	Campuswide Site Improvements	-\$417,853
UMMS	Chapter 336 of the Acts of 2008	New Diagnostic and Treatment Facilities	-282,866
Misc. Local	Chapter 336 of the Acts of 2008	Local Senate Initiatives Community Post	-125,000
Misc. Local	Chapter 336 of the Acts of 2008	Local Senate Initiative Heritage Trail and Saint Helena Park	-175,000
Misc. Local	Chapter 336 of the Acts of 2008	Local Senate Initiatives MacDonald Knolls Center I	-175,000
Misc. Local	Chapter 336 of the Acts of 2008	Local Senate Initiatives The Arc of Montgomery County Group Home	-125,000
Misc. Local	Chapter 336 of the Acts of 2008	Local House Initiatives Community Post	-175,000
Misc. Local	Chapter 336 of the Acts of 2008	Local House Initiatives MacDonald Knolls Center	-250,000
Misc. MHA	Chapter 336 of the Acts of 2008	Union Center of Cecil County-- Outpatient Center	-110,000
BCCC	Chapter 485 of the Acts of 2009, as amended by Chapter 483 of the Acts of 2010 and Chapter 495 of the Acts of 2015	College Main Building Renovation	-141,807
BPW	Chapter 485 of the Acts of 2009, as amended by Chapter 463 of the Acts of 2014	Asbestos Abatement Program	-300,702
DHMH	Chapter 485 of the Acts of 2009, as amended by Chapter 495 of the Acts of 2015	Patient Safety Improvements	-214,934

<u>Agency</u>	<u>Chapter Law</u>	<u>Project</u>	<u>Amount</u>
BSU	Chapter 485 of the Acts of 2009, as amended by Chapter 483 of the Acts of 2010, Chapter 444 of the Acts of 2012, and Chapter 463 of the Acts of 2014	New Fine and Performing Arts Building	-100,799
MSU	Chapter 485 of the Acts of 2009, as amended by Chapter 483 of the Acts of 2010 and Chapter 495 of the Acts of 2015	New Center for Built Environment	-250,000
UMBC	Chapter 396 of the Acts of 2011, and amended by Chapter 495 of the Acts of 2015	New Performing Arts and Humanities Facility	-1,000,000
UMBC	Chapter 444 of the Acts of 2012	New Performing Arts and Humanities Facility	-1,000,000
DHMH	Chapter 444 of the Acts of 2012, as amended by Chapter 424 of the Acts of 2013 and Chapter 463 of the Acts of 2014	Secure Evaluation and Therapeutic Treatment Center	-2,150,000
BPW	Chapter 444 of the Acts of 2012, as amended by Chapter 463 of the Acts of 2014 and Chapter 495 of the Acts of 2015	William Donald Schaefer Tower – Replace Fire Alarm System	-100,000
DLLR	Chapter 444 of the Acts of 2012, as amended by Chapter 495 of the Acts of 2015	1100 North Eutaw Street Elevator Replacement	-100,000
MSU	Chapter 424 of the Acts of 2013, as amended by Chapter 495 of the Acts of 2015	Soper Library Demolition	-128,238
BPW	Chapter 424 of the Acts of 2013, as amended by Chapter 495 of the Acts of 2015	State House Complex Security Upgrades	-250,000
Misc. MHA	Chapter 424 of the Acts of 2013, as amended by Chapter 495 of the Acts of 2015	Meritus Medical Center	-500,000
DJS	Chapter 463 of the Acts of 2014, as amended by Chapter 495 of the Acts of 2015	Lower Shore Treatment Center	-300,000

<u>Agency</u>	<u>Chapter Law</u>	<u>Project</u>	<u>Amount</u>
Misc. Local	Chapter 495 of the Acts of 2015	Sports Legends Museum Renovations	-250,000
De-authorizations as Introduced:			-\$8,622,199

- BCCC: Baltimore City Community College
- BPW: Board of Public Works
- BSU: Bowie State University
- DHMH: Department of Health and Mental Hygiene
- DLLR: Department of Labor, Licensing, and Regulation
- DNR: Department of Natural Resources
- DPSCS: Department of Public Safety and Correctional Services
- GO: general obligation
- MD: Military Department
- Misc.: miscellaneous
- MSU: Morgan State University
- UMBC: University of Maryland Baltimore County

Other Proposed Changes to Prior Authorizations

<u>Agency</u>	<u>Chapter Law</u>	<u>Project</u>	<u>Purpose</u>
HSMCC	Chapter 488 of the Acts of 2007	Maryland Heritage Interpretive Center	Extends termination date to June 1, 2018.
MSU	Chapter 336 of the Acts of 2008	Campuswide Site Improvements	Extends termination date to June 1, 2018.
BPW	Chapter 444 of the Acts of 2012	Annapolis Post Office	Adds construction to eligible uses of funds.
BPW	Chapter 424 of the Acts of 2013	Annapolis Post Office	Adds construction to eligible uses of funds.
DHCD	Chapter 495 of the Acts of 2015	Homeownership Programs	Increases program authorization to reflect reallocation of \$3.0 million from Special Loan Programs.
DHCD	Chapter 495 of the Acts of 2015	Special Loan Programs	Decreases program authorization to reflect reallocation of \$3.0 million to Homeownership Programs.
Misc. Local	Chapter 495 of the Acts of 2015	Maryland Food Bank	Amend authorization to clarify use of funds for Food Bank branches in Cecil County and the City of Salisbury.

BPW: Board of Public Works
 DHCD: Department of Housing and Community Development
 HSMCC: Historic St. Mary's City Commission
 Misc.: Miscellaneous
 MSU: Morgan State University

**GO Bond Projects – Program Changes in CIP
Fiscal 2017**

<u>Project/Program</u>	<u>Planned</u>	<u>Proposed</u>	<u>Purpose</u>
Agriculture – Salisbury Animal Health Laboratory Replacement	\$0.0	\$0.8	Project was not in previous five-year <i>Capital Improvement Program</i> (CIP) accelerated for health, life, or safety issues.
Environment – Biological Nutrient Removal Program	33.5	25.0	Funding based on cash flow needs of Back River project.
Environment – Supplemental Assistance Program	5.0	0.0	Program has been deleted from CIP – other programs can meet needs previously addressed by Supplemental Assistance Program.
Department of Health and Mental Hygiene (DHMH) – Secure Evaluation and Therapeutic Treatment Facility	7.6	0.0	Project scope and location are under review – project is moved back in CIP.
DHMH – Clifton T. Perkins Hospital Center North Wing Renovation	0.9	0.0	Moved back in CIP.
Department of Housing and Community Development (DHCD) – Baltimore Regional Neighborhood Initiative	0.0	1.5	No funding planned in CIP – program has been funded since fiscal 2012.
DHCD – Rental Housing Program	0.0	10.0	No funding planned in CIP – program has been funded since fiscal 2012.
Department of Information Technology – Public Safety Communication System	28.5	15.0	Project completion has been stretched through fiscal 2020.
Department Juvenile Services (DJS) – New Female Detention Center	30.5	15.2	Revised project schedule moves more funding into fiscal 2018 and 2019.
DJS – Cheltenham Youth Facility	3.1	0.0	No longer planned in five-year CIP.
Military – Easton Readiness Center	2.0	0.0	State funding programmed in fiscal 2018.
Military – Have de Grace Combined Support Maintenance Shop	1.7	0.0	State funding programmed in fiscal 2018 and 2019.
Morgan State University (MSU) – New Student Service Support Building	4.5	0.0	Planning is programmed in the five-year CIP for fiscal 2018 and 2019.
Department of Natural Resources (DNR) – Natural Resources Development Fund	6.4	0.0	Budget provides additional special funds over what was programmed to partially make up difference.
DNR – Critical Maintenance Projects	2.0	0.0	Budget provides additional special funds over what was programmed to make up difference.

Capital Budget Fiscal Briefing

<u>Project/Program</u>	<u>Planned</u>	<u>Proposed</u>	<u>Purpose</u>
Planning – Patterson Center Renovations	3.4	0.3	Provides funds to complete design with construction moved to fiscal 2019 and 2020.
Planning – African American Heritage Preservation Program	0.0	1.0	Legislative mandate from 2015 session legislation.
Department of Public Safety and Correctional Services (DPSCS) – Baltimore Justice Center	0.0	18.3	New project in the five-year CIP.
DPSCS – Baltimore City Detention Center Demolition	0.0	15.6	New project in the five-year CIP.
Public School Construction (PSC)	250.0	280.0	Proposed fiscal 2017 funding at same level as fiscal 2016.
PSC – Supplemental Capital Grant Program for Local School Systems	0.0	20.0	Legislative mandate from 2015 session legislation
PSC – Qualified Zone Academy Bond	0.0	4.7	Federal program reauthorized.
Department of General Services – Annapolis Post Office Renovation	5.1	0.8	Construction phased over fiscal 2017 and fiscal 2018.
University of Maryland, Baltimore – Central Electrical Substation	0.0	5.0	New project to CIP.
University of Maryland, College Park (UMCP) – Clark Engineering Building	45.4	62.5	Project schedule accelerated.
UMCP – Iribe Computer Science Building	0.0	27.0	Project schedule accelerated.
UMCP – New Cole Field House	0.0	3.0	State funding support accelerated.
Coppin State University – Percy Julian School of Business	1.3	0.0	Initial design funding deferred to fiscal 2019.
Salisbury University – Sea Gull Stadium Turf Field	0.0	0.7	New project to CIP.
University of Maryland, Baltimore County – Interdisciplinary Life Sciences Building	8.3	2.6	Fiscal 2017 completes design but defers initial construction funding to fiscal 2018.
University System of Maryland Office (USMO) – Shady Grove Biomedical Sciences Education Facility	72.0	0.0	Construction funding deferred to fiscal 2020 and 2021.
USMO – Southern Maryland Regional Higher Education Facility	0.0	3.1	Funding proposed to complete design phase in fiscal 2017 with construction scheduled for fiscal 2019 and 2020.
Legislative Initiative Grants	15.0	0.0	No funding proposed in five-year CIP.
Prince George’s County Regional Hospital System	45.0	27.5	Funding reduced in fiscal 2017 and deferred to fiscal 2018 through 2020 based on project schedule.