

Maryland Department of Planning Response to FY16 Capital Budget Analysis

Issues

African American Heritage Preservation Grant Program Re-authorization

The Department of Legislative Services (DLS) recommends that MDP comment on how the program will be implemented if re-authorization legislation fails. In addition, DLS recommends that budget bill language be added that specifies that the \$1 million authorization shall be administered under the Maryland Historic Trust (MHT) Capital Grant Fund program guidelines if legislation reauthorizing the AAHP Grant Program is not enacted.

MDP Response

MHT administers the African American Preservation Program (AAHP) under SFP 5A-330, which provides an application and review mechanism for awarding grants for "capital projects for the next fiscal year." Grants applied for and awarded by MHT in FY 2015 are to be funded in FY 2016. The capital budget provides \$1 million for these grants, which were selected in October by MHT. The capital budget states that the \$1 million "shall be administered in accordance with the standards established under [SFP 5A-330]." According to counsel at DBM, the budget language "shall be administered in accordance with the standards" will allow the standards to continue even if the current law sunsets.

In our view, the language proposed by DLS would not be necessary. Further, it would not be desirable to reference the Capital Grant Program because the historic preservation easement requirements of that program are more stringent than those of the AAHP Grant Program.

PAYGO Recommended Actions:

1. Maryland Historical Trust Revolving Loan Fund

Concur with the Governor's allowance of 300,000 in special funds.

MDP Response: Concur

2. Sustainable Communities Tax Credit

Concur with the Governor's fiscal 2016 allowance of \$9 million in general funds for the Sustainable Communities Tax Credit Program and the \$1 million in general funds fiscal 2015 negative deficiency.

MDP Response: Concur

GO Bond Recommended Actions:

1. St. Leonard's Creek Shoreline Erosion Control

Approve the \$261,000 general obligation bond authorization for planning the St. Leonard's Creek Shoreline Erosion Control and Public Access Project.

MDP Response: Concur

2. African American Heritage Preservation Program

Add budget bill language specifying that the African American Heritage Preservation Grant Program shall be administered under the Maryland Historic Trust Grant Fund program guidelines if re-authorization legislation fails.

MDP Response: Reject

According to counsel at DBM, the budget language "shall be administered in accordance with the standards" will allow the standards to continue even if the current law sunsets. Therefore, the language proposed by DLS would not be necessary. Further, it would not be desirable to reference the Capital Grant Program because the historic preservation easement requirements of that program are more stringent than those of the AAHP Grant Program.