

**Maryland Military Department
Testimony**

Fiscal Year 2012 Capital Budget

**Presented to
Senate Capital Budget Subcommittee
February 15, 2011**

**House Capital Budget Subcommittee
February 23, 2011**

Introduction

The Maryland Military Department appreciates this opportunity to update the committee on the capital activities of the Department and to respond to the issues raised and recommendations contained in the analysis prepared by the Department of Legislative Services (DLS).

This document contains the following information:

1. A discussion of key issues affecting the Department, as discussed in the analysis prepared by the Department of Legislative Services (DLS).
2. The Department's response to the recommendations of the Department of Legislative Services

Key Discussion Points Raised in Department of Legislative Services Analysis

The Military Department should comment on the current status of the land acquisition for the Dundalk Readiness Center, including whether there is a sufficient amount of time available to acquire the parcel of land and ensure that the project is under construction within the required timeframe.

The Department of General Services (DGS) has acquired appraisals for the land acquisition portion of this project. DGS and Baltimore City are engaging in negotiations for the property. It is anticipated that there is sufficient time to negotiate and acquire the property within the required timeframe.

Additionally, the department should comment on what would happen to the federal funding for this project in the event that it is unable to satisfy the federal requirement that the project be placed under construction by September 2012.

In the current fiscal environment it is advantageous to the Department to obligate federal funds in a timely manner. The failure to obligate the federal funds within the year of federal appropriation will adversely impact future funding opportunities for the Department. Future funding is determined on historical obligation rates. The congressional intent is to award the project (obligate the funds) in the year the funds were appropriated.

Finally, similar to the La Plata and Westminster projects, the department should comment on whether it intends to seek 100% federal funding for the Dundalk Readiness Center.

The La Plata and Westminster projects are not the same as Dundalk. La Plata and Westminster were funded thru a unique funding program titled "Grow the Army". The Dundalk funding was obtained thru the normal military construction process. The Department has obtained 75% federal funding for the Dundalk project, which is the maximum amount of federal funds allowed under the normal military construction process.

La Plata: The department should comment on the status the project, including the proposed land exchange with Charles County.

The Department is working in concert with the Department of General Services and Charles County regarding the La Plata Readiness Center proposed land transfer. This land transfer consists of a suitable parcel on Radio Station Road. The Department is awaiting notification from the Charles County Commissioner's representative with regard to acceptance of the proposal.

Recommended DLS Actions #1:

1. *La Plata Readiness Center: DLS Concur with Governor's Allowance*

Agency Response:

The Military Department concurs with this recommendation.

Recommended DLS Actions #2:

2. *Westminster Readiness Center: DLS Concur with the Governor's Allowance*

Agency Response:

The Military Department concurs with this recommendation.