



Larry Hogan
Governor

Boyd K. Rutherford
Lt. Governor

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Chairperson

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Secretary

RI00

Maryland Higher Education Commission - Capital

Testimony of Dr. James D. Fielder, Jr., Secretary of Higher Education, to the Senate Budget and Taxation Subcommittee for Capital Budget and the House Appropriations Subcommittee for Capital Budget

March 2 & 4, 2020

PAYGO Recommended Actions

1. Strike the following language to the general fund appropriation:

General Fund Appropriation, ~~provided that \$4,333,000 of this appropriation shall be reduced contingent upon the enactment of legislation enabling mandated Community College Facilities Renewal grants to be funded through the operating or capital budget~~

Explanation: The Budget Reconciliation and Financing Act amendment will strike the movement of fiscal 2021 funds for the Community College Facilities Renewal Grant Program to the capital program.

MHEC Response: MHEC concurs with the Governor's budget.

2. Reduction to conform to 5% of funding for Community College Construction Grant Program.
Amount of General Fund Reduction: \$110,000

MHEC Response: MHEC concurs with the recommended action.

GO Bond Recommended Actions

1. Approve the fiscal 2021 allowance of \$84.5 million for the Community College Construction Grant Program.

MHEC Response: MHEC concurs with the recommended action.

2. Reduction of general obligation bonds.

RI00B Community College Facilities Renewal Grant program.... \$0

<u>Allowance</u>	<u>Change</u>	<u>Authorization</u>
4,223,000	-4,223,000	0

Explanation: Reduction due to shifting fiscal 2021 funding for Community College Facilities Renewal Grant program to pay-as-you-go general funds in operating budget.

MHEC Response: MHEC concurs with the Governor's budget.

3. Approve the fiscal 2021 allowance of \$8.5 million for the Garrett College – Community Education and Performing Arts Center Miscellaneous grant program.

MHEC Response: MHEC concurs with the recommended action.

4. Approve the preauthorization for the Community College Construction Grant Program for \$66.8 million in fiscal 2022.

MHEC Response: MHEC concurs with the recommended action.

5. Approve the preauthorization of \$16.9 million for the Community College Construction Grant Program in fiscal 2023.

MHEC Response: MHEC concurs with the recommended action.

6. Approve the preauthorization of \$11.7 million for the Community College Construction Grant Program in fiscal 2024.

MHEC Response: MHEC concurs with the recommended action.

Budget Reconciliation and Financing Act DLS Recommended Actions

1. Strike the repeal of the mandate that the Governor annually provide a general fund allowance for the Community College Facilities Renewal Program and provide the Governor the option of funding the program using either general funds or general obligation bond funds beginning in fiscal 2022.

MHEC Response: MHEC concurs with the Governor's Budget Reconciliation and Financing Act proposal.

2. The recommendation would strike the Governor's proposed contingent fiscal 2021 general fund reduction of \$4,333,000; reduce the fiscal 2021 general fund appropriation to \$4,223,000, which is the amount statutorily required; and delete the \$4,223,000 of general obligation bond funds included in the fiscal 2021 capital budget to fund the program.

MHEC Response: MHEC concurs with the Governor's Budget Reconciliation and Financing Act proposal to allow \$4,223,000 in funding to be provided as G.O. Bond funding in fiscal 2021.