

CAPITAL DEBT AFFORDABILITY COMMITTEE
Nancy K. Kopp, Chair

October 18, 2019

The Honorable Larry Hogan
Governor of Maryland
State House
Annapolis, Maryland 21401

The Honorable Thomas V. M. Miller, Jr.
President of the Senate
Maryland General Assembly
State House
Annapolis, Maryland 21401

The Honorable Adrienne A. Jones
Speaker of the House
Maryland General Assembly
State House
Annapolis, Maryland 21401

Dear Governor Hogan, President Miller, and Speaker Jones,

Section 8-104, *et seq.* of the State Finance and Procurement Article requires the Capital Debt Affordability Committee to recommend to the Governor and the General Assembly the maximum amount of new general obligation debt that may be prudently authorized for the upcoming fiscal year, as well as to determine planning assumptions for general obligation bond authorizations for future fiscal years. The Committee is also required to recommend the amount of new academic facilities bonds that may prudently be authorized in the upcoming fiscal year. As Chair of the Committee, I am submitting to you this letter which includes the Committee's recommendations pending completion of the official 2019 Capital Debt Affordability Committee Report.


The Committee met on October 17, 2019 to determine its recommendations. After discussion, the Committee voted to recommend \$1,095 million as the maximum amount of general obligation bonds to be authorized for fiscal year 2021, and for planning purposes, \$10 million annual increases (roughly 1% per year) in future fiscal years. The vote was 3-2, with the Comptroller and I voting against the proposed amounts. Additionally, the Committee unanimously voted to recommend a limit of \$32 million for new academic facilities bonds for the University System of Maryland for fiscal year 2021.

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The Committee is currently in the process of finalizing its complete Annual Report, which will be submitted as soon as possible.

Sincerely,

Handwritten signature of Nancy K. Kopp in black ink.

Nancy K. Kopp
State Treasurer
Chair, Capital Debt Affordability Committee

cc: The Honorable Peter Franchot, State Comptroller
The Honorable David Brinkley, Secy. Dept. of Budget and Management
The Honorable Pete Rahn, Secy. Dept. of Transportation
Mr. Paul B. Meritt
The Honorable Senator Douglas J.J. Peters, Vice Chairman, Capital Budget Subcommittee