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**Effect of the 1999 Legislative Program  
on the  
Financial Condition of the State**

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June 1999  
Department of Legislative Services  
Annapolis, Maryland

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Karl S. Aro  
Executive Director

DEPARTMENT OF LEGISLATIVE SERVICES  
OFFICE OF POLICY ANALYSIS  
MARYLAND GENERAL ASSEMBLY

Warren G. Deschenaux  
Director

June 1999

The Honorable Thomas V. Mike Miller, Jr., President of the Senate  
The Honorable Casper R. Taylor, Jr., Speaker of the House of Delegates  
The Honorable Members of the Maryland General Assembly

After each session of the General Assembly, the Department of Legislative Services is required by law to prepare a report summarizing the fiscal effect on State and local governments of that year's legislative program (State Government Article, Section 2-1237). In accordance with this requirement, I am pleased to submit the following report, *Effect of the 1999 Legislative Program on the Financial Condition of the State*.

This document is divided into six chapters.

**CHAPTER ONE** highlights the major components of the fiscal 2000 operating budget (**HB 120/Ch. 118**).

**CHAPTER TWO** summarizes the fiscal 2000 capital budget and the State's capital program (**HB 143/Ch. 212**).

**CHAPTER THREE** identifies legislation enacted in the 1999 session that has an impact on State revenues and expenditures. The total effect of legislation not funded in the State budget is summarized.

**CHAPTER FOUR** identifies legislation enacted in the 1999 session that has a fiscal impact on local governments. This chapter also identifies State mandates on local governments.

**CHAPTER FIVE** provides a listing of legislation that includes a monetary or incarceration penalty provision.

**CHAPTER SIX** provides a listing of all bills passed by the 1999 General Assembly but vetoed by the Governor for policy reasons. The fiscal implications of those bills are noted.

Further information on issues considered during the 1999 session can be found in *The 90 Day Report - A Review of the 1999 Legislative Session*, issued annually by the Department of Legislative Services following adjournment of the General Assembly.

I trust this report will be a useful source of information for you. If you have any questions concerning its contents, please do not hesitate to contact me.

Respectfully submitted,

Karl S. Aro  
Executive Director

KSA/mld

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## Abbreviations

Ch.	-	Chapter
FF	-	Federal Fund
FY	-	Fiscal Year
GF	-	General Fund
G.O.	-	General Obligation
HB	-	House Bill
SB	-	Senate Bill
SF	-	Special Fund
()	-	Indicates Decrease



## Fiscal Effects of the 1999 Legislative Program

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The fiscal effect of legislation enacted at the 1999 session resulted in a non-budgeted general fund revenue decrease of \$8.8 million and a non-budgeted general fund expenditure increase of \$54.4 million. Overall, this creates a negative impact of approximately \$63.3 million on the State's general fund.

The impact of all of the revenue legislation will be considered by the Board of Revenue Estimates when the fiscal 2000 revenues are revised in December 1999. The impact of legislation requiring increased expenditures may result in a deficiency appropriation being requested by the Governor at the 2000 session or agencies absorbing the costs within the existing level of appropriations. Legislation requiring additional special fund or federal fund expenditures was offset in some instances by special fund or federal fund revenues. This legislation could be implemented through the budget amendment process.

The analysis excludes the effect of legislation for which an estimate cannot be quantified. The estimates are based on the assumptions stated in the fiscal notes and on implementation of the legislation during fiscal 2000. Based on the information detailed in this report, the fiscal impact of legislation enacted at the 1999 session that was not included in the fiscal 2000 budget is set forth below.

	General Funds	Special Funds	Federal Funds
<b>Additional Revenues</b>	(\$8,821,900)	\$15,080,300	(\$391,500)
<b>Additional Expenditures</b>	\$54,432,700	\$5,911,500	\$4,141,400
<b>Net Impact</b>	(\$63,254,600)	\$9,168,800	(\$4,532,900)

In addition, legislation was enacted that will not impact the state's budget until fiscal 2001. This legislation will result in a general fund revenue decrease of \$14,785,400 and will require increased appropriations totaling \$58,453,500. This creates a net budgetary impact of (\$73,238,900).

	Revenues	Expenditures	Net Budgetary Impact
<b>General Fund Impact in FY 2001</b>	(\$14,785,400)	\$58,453,500	(\$73,238,900)



## **Chapter One - Operating Budget**

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- Budget in Brief
- Governor's Budget Proposal
- Legislative Consideration of the Budget
- Final Budget
- By the Numbers
- Outlook for Future Budgets



## Overview of the Operating Budget

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### Budget in Brief

The budget adopted at the 1999 session provides \$17.6 billion in appropriations for fiscal 2000, an increase of \$662.2 million over fiscal 1999. General fund appropriations for fiscal 2000 are \$413.1 million greater than current spending authority.

State agency spending accounts for the largest growth in the general fund portion of the budget. Funding for enhancements and initiatives established or expanded programs to improve higher education, expand funding for HotSpot and Break the Cycle public safety programs, address substance abuse treatment needs, and implement fundamental changes in employee compensation. Compensation enhancements include a flat \$1,275 phased cost-of-living adjustment, moneys to establish and convert employees to a new pay plan, a State match of up to \$600 of employee contributions to deferred compensation plans, and performance based bonuses. Legislation also passed, **SB 141/Ch. 122** and **HB 191/Ch. 123**, enhancing State Police retirement benefits.

Education programs continue to fare well in the fiscal 2000 budget. State college and university funding was increased \$74.9 million (10.4%) to further enhance post-secondary programs. Pass-through education aid to local jurisdictions increased \$66.9 million. The operating budget includes \$165.0 million for public school construction. In combination with funding in the capital budget, \$255.0 million will be available for school construction in fiscal 2000. Other education aid increases were provided to community colleges, scholarship programs (including a new HOPE scholarship program for prospective teachers), and aid to private colleges and universities.

### Governor's Budget Proposal

The Governor submitted the original budget and three supplemental budgets totaling \$17.9 billion, which was 5.7% higher than the fiscal 1999 working appropriation (including deficiency appropriations applied to the base). The Administration's fiscal program benefitted from higher than anticipated revenue growth in fiscal 1999 which was incorporated into the fiscal 2000 proposal. In addition to higher estimated revenues, the proposed spending program was also predicated on the enactment of a \$1.00 increase in the tax on tobacco products (50 cents in fiscal 2000). Of the \$154.8 million estimated by the Governor, \$146.8 supported State spending, and \$8.0 million was linked to the design of four higher education capital projects. In effect, this meant that failure to pass the tobacco tax would leave the budget out of balance by nearly \$150 million. On the 83rd day of session Supplemental Budget No. 3 was submitted which included \$156.2

million in general fund spending that was linked to passage of a tobacco tax increase. **HB 190/Ch. 121** increased the tax on tobacco products by 30 cents, (which raised \$91.7 million for fiscal 2000).

On a spending affordability basis, the proposed budget (including all deficiency and supplemental spending) provided for an increase of 7.24%, or \$147.8 million over the 5.9% spending limit recommended by the Spending Affordability Committee. The challenge facing the legislature entailed the identification of reductions sufficient to balance the budget and meet the spending affordability limitation.

Specifically, the allowance provided increases for local aid, State agency operations, entitlement programs, debt service, and pay-as-you-go (Paygo) capital projects. Appropriations totaling \$169.3 million were made to the State Reserve Fund, which included the initial \$54.3 million tobacco settlement of the State of Maryland v. Philip Morris, *et al.*, and a contingent expenditure of a portion of tobacco tax moneys.

## **Legislative Consideration of the Budget**

In sum, the legislature reduced the Governor's fiscal 1999 deficiency items by \$14.2 million and pared the fiscal 2000 allowance by \$328.3 million. Of these amounts, approximately \$259.4 million were general fund reductions. Cutbacks occurred largely in appropriations to the State Reserve Fund (\$114.2 million), employee compensation items (\$41.3 million), Paygo capital (\$29.1 million), and Medicaid and Temporary Cash Assistance programs based on caseload trends (\$30.0 million). Funds for several initiatives such as the HOPE scholarship, Break the Cycle, Head Start, DBM automation enhancements, and the after-school program were delayed or scaled back. Deficiency reductions were largely made in Maryland Department of Transportation (MDOT) special funds based on lower debt service requirements and bus maintenance costs which are now eligible for federal capital dollars. Supplemental budgets submitted by the Governor also withdrew appropriations totaling \$7.2 million based on tax credit program trends and MDOT diesel and bus maintenance funding needs.

The Governor's budget included many items which were contingent on legislation, most of which related to the receipt of the initial tobacco settlement payment (\$54.3 million to the State Reserve Fund and \$800,000 for Attorney General expenses), new economic development programs, and funds for the new HOPE scholarship program for teaching students. A portion of the budget, while not directly contingent on the enactment of an increase in the tobacco tax, was supported by the proposed increase.

This budget was unique in that abundant revenues were available, yet significant reductions were necessary to meet spending affordability guidelines and provide the

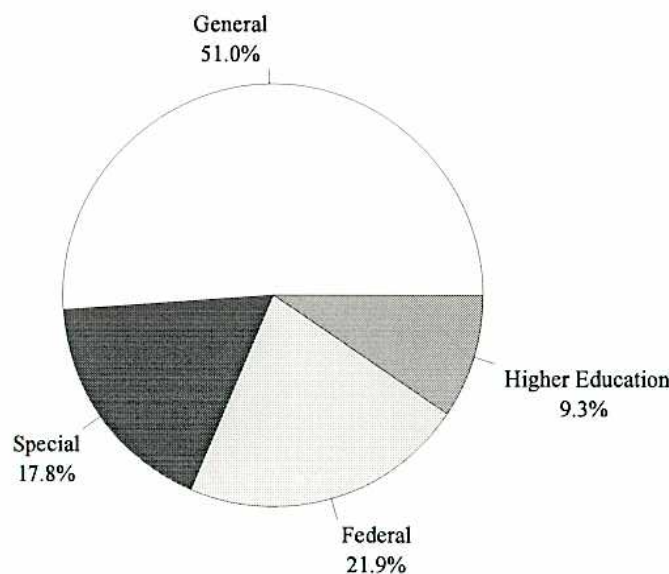
legislature with the flexibility to pass a budget that did not require a tobacco tax increase. Ultimately, legislation was passed to implement a 30 cent increase in the tobacco tax. Much of this funding supported the one-time Paygo capital projects in Supplemental Budget No. 3. Additional revenues became available in March 1999, when the Board of Revenue Estimates advised that the general fund revenue collections for fiscal 1999 were anticipated to increase by \$22.6 million. This was due largely to higher than anticipated income tax attainments and interest income, offset by lagging lottery sales. The board conservatively estimated that fiscal 2000 revenue estimates should only be increased by \$5.0 million.

## Final Budget

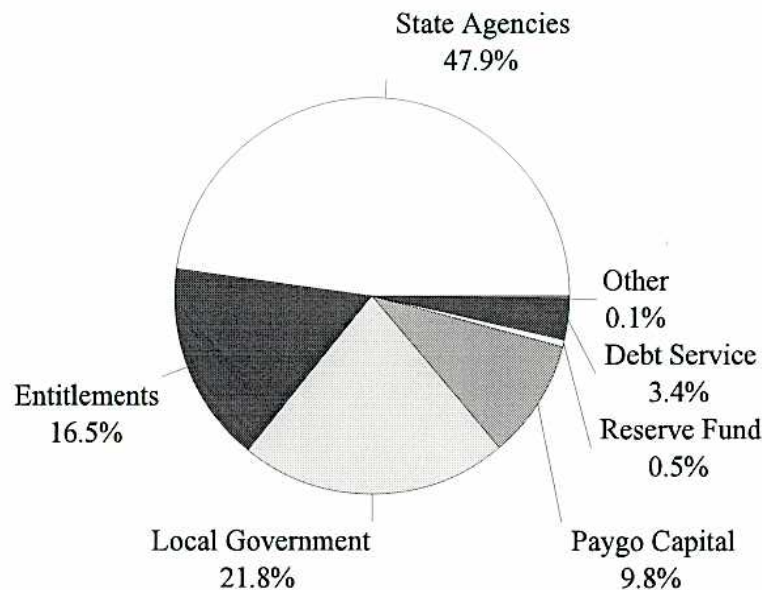
The final budget for fiscal 2000 appropriated \$17.6 billion. **Exhibit 1.1** illustrates funding by type of revenue. Just over one-half is supported by general funds with lesser proportions supported by dedicated special funds, federal aid, and higher education dollars. Less than one-half of the budget supports agency operations. Aid to local jurisdictions constitutes about 22% of the budget, followed by approximately 17% for entitlements. Remaining appropriations pay debt service on general obligation bonds, fund portions of the capital program, and increase the balance in the State Reserve Fund.

**Exhibit 1.1**  
**Maryland's \$17.6 Billion Budget**

### Where It Comes From: Budget by Fund Source



## Where It Goes: Budget by Purpose



## By the Numbers

A number of exhibits summarize legislative budget action. These exhibits are described below:

**Exhibit 1.2** provides perspective on total budget change, general fund changes, and spending affordability. Appropriations for fiscal 2000 are about 3.9% higher than spending levels authorized for the current fiscal year. Expenditures as measured under the Spending Affordability concept have grown by 5.82%, remaining below the 5.9% growth limit established by the Spending Affordability Committee.

**Exhibit 1.3** shows the impact of the legislative budget on the general fund balance for fiscal 2000. The fiscal 1999 balance, along with projected revenues of \$8.7 billion, will support \$8.9 billion of fiscal 1999 deficiency and fiscal 2000 spending. After estimated reversions of \$25.0 million, the projected balance at the close of the fiscal year is \$10.9 million.

**Exhibit 1.4**, the fiscal note on the budget bill, depicts the Governor's allowance, legislative reductions, and final appropriations for fiscals 1999 and 2000 by fund source. The Governor's original budget request provided for \$17.8 billion in fiscal 2000 expenditures and fiscal 1999 deficiencies, increased by \$169.8 million through

Supplemental Budgets 1, 2, and 3. The legislature made \$334.0 million of reductions to the total budget requests, resulting in appropriations of \$50.6 million for fiscal 1999 and \$17.6 billion for fiscal 2000.

**Exhibit 1.5** illustrates budget changes by major expenditure category by fund. Total spending grows 3.9%. Debt service increases by 8.9%, aid to local governments increases by 3.0%, State agency spending rises 4.5%, and entitlements decrease 0.2%. Paygo capital expenditures increase by 18.5%. \$90.2 million was appropriated to reserve funds in the fiscal 2000 budget.

## Outlook for Future Budgets

**Exhibit 1.6** projects general fund revenues and expenditures through fiscal 2004. Revenue increases are forecast due to reserve fund transfers, anticipated future revenue revisions by the Board of Revenue Estimates, and legislation which increased tobacco taxes. Increases are offset somewhat by anticipated revenue reductions resulting from legislation to implement utility deregulation, change the accounting for funding for the Uninsured Employers' Fund, establish teacher incentive tax credits, and modify the inheritance tax and other revenue sources. These revenue estimates also incorporate the effects of the income tax reduction enacted during the 1997 session. The 10% reduction is being phased-in over a multi-year period through fiscal 2002.

Expenditure increases are projected for base budget increases, in addition to funding or fully phasing-in the administration's initiatives and various legislation. Legislation with significant out-year costs was passed relating to utility deregulation, HOPE scholarships, class size reduction, teacher incentive programs, State Police retirement enhancements, after school programs, Medicaid funding, and developmentally disabled programs.

As seen in **Exhibit 1.6**, projected expenditures exceed available revenues. Assuming no significant changes to State agency programs and expenditures, and even after drawing down the State Reserve Fund to the 5% of general fund revenue statutory target, additional adjustments in the magnitude of \$100 million would be needed to balance the fiscal 2001 budget. Larger reductions would be needed to balance the fiscal 2002 budget. The forecast of shortfalls is based on the assumption that current levels of economic growth will not be sustained. In such a climate adjustments to spending or revenues will be required if budgetary balance is to be sustained. More favorable economic results would mitigate the forecasted shortfalls.

Exhibit 1.2  
**Perspectives on Budget Change**

(\$ in Millions)

***Governor's Allowance plus Supplemental Budgets***

	<b>Fiscal 1999</b>	<b>Fiscal 2000</b>	<b>\$ Change</b>	<b>% Change</b>
General	8,555.4	9,212.5	657.1	7.7%
Special	3,022.4	3,154.7	132.3	4.4%
Federal	3,756.3	3,886.8	130.5	3.5%
Higher Education	1,596.8	1,644.8	48.0	3.0%
	<u>16,931.0</u>	<u>17,898.9</u>	<u>967.9</u>	<u>5.7%</u>

	<b>Fiscal 1999</b>	<b>Fiscal 2000</b>	<b>Total Reductions</b>
<b><i>General Assembly Reductions</i></b>			
General	3.3	247.2	250.5
Special	10.9	31.6	42.5
Federal	0.0	34.2	34.2
Higher Education	0.0	6.8	6.8
	<u>14.2</u>	<u>319.8</u>	<u>334.0</u>

	<b>Fiscal 1999</b>	<b>Fiscal 2000</b>	<b>\$ Change</b>	<b>% Change</b>
<b><i>Amended Appropriations</i></b>				
General	8,552.2	8,965.3	413.1	4.8%
Special	3,011.5	3,123.1	111.6	3.7%
Federal	3,756.3	3,852.6	96.3	2.6%
Higher Education	1,596.8	1,638.0	41.2	2.6%
	<u>16,916.8</u>	<u>17,579.0</u>	<u>662.2</u>	<u>3.9%</u>

**Budget Growth Under Spending Affordability Concept**

<b>Funds</b>	<b>1998 Session</b>	<b>1999 Session</b>	<b>\$ Change</b>	<b>% Change</b>
General	7,991.6	8,564.5	573.0	7.2%
Special	2,017.8	2,042.9	25.1	1.2%
Higher Education	988.2	1,030.7	42.5	4.3%
<b><i>TOTAL</i></b>	<b><i>10,997.5</i></b>	<b><i>11,638.1</i></b>	<b><i>640.6</i></b>	<b><i>5.82%</i></b>

<b><i>Spending Affordability Limit</i></b>	<b><i>11,646.4</i></b>	<b><i>648.9</i></b>	<b><i>5.90%</i></b>
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<b><i>Allowance Over (Under) Limit</i></b>	<b><i>(8.3)</i></b>
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Prepared by: Department of Legislative Services, Office of Policy Analysis, May 1999

Exhibit 1.3  
**General Fund Impact**

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(\$ in Millions)

<b>Beginning Fund Balance</b>		<b>249.5</b>
<b>Revenues</b>		
Estimated BRE Revenues (December 1998)	8,479.1	
Legislation transferring tobacco settlement to special fund	(54.3)	
Transfer from Reserve Fund	160.0	
Supplemental Budget No. 2	1.7	
Reductions to Lottery	2.3	
BRE March Revenue Revision	27.6	
Revenue loss for UEF & WCC, & PSC	(0.9)	
Fiscal impact of other legislation passed during 1999 session	(8.0)	
Tobacco Tax Revenue Estimate	91.7	
		<b>8,699.3</b>
<b>Expenditures</b>		
Appropriations in Original Budget	(9,035.5)	
Supplemental Budget No. 2	(0.3)	
Supplemental Budget No. 3	(152.6)	
Reductions to general fund exp/deficiencies/supplementals	250.5	
		<b>(8,937.9)</b>
<b>Closing Fiscal 2000 Balance</b>		<b>10.9</b>

**Spending Affordability Impact**

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<b>Original Budget Over (Under) Limit</b>		<b>122.7</b>
Supplemental Budget No. 2	0.0	
Supplemental Budget No. 3	25.0	
Total reductions	(156.0)	
		<b>(131.0)</b>
<b>Available Over (Under) Limit</b>		<b>(8.3)</b>

**Exhibit 1.4**  
**Fiscal Note**  
**Summary of the Budget Bill - House Bill 120**

	General Funds	Special Funds	Federal Funds	Education Funds	Total Funds
<b>Governor's Request:</b>					
FY 1999 Deficiency Budget	\$70,368,047	(\$43,396)	(\$4,920,000)	\$0	\$65,404,651
FY 2000 Budget *	9,035,464,191	3,148,183,750	3,875,005,466	1,644,831,915	17,703,485,322
Original Budget Request	9,105,832,238	3,148,140,354	3,870,085,466	1,644,831,915	17,768,889,973
<i>Supplemental Budget 2</i>					
FY 1999 Deficiency Budget	(1,109,037)	(624,261)	62,077	0	(1,671,221)
FY 2000 Budget	1,395,695	6,439,074	11,075,211	0	18,909,980
<i>Supplemental Budget 3</i>					
FY 1999 Deficiency Budget	1,953,000	(950,000)	65,000	0	1,068,000
FY 2000 Budget	150,670,397	100,000	718,500	0	151,488,897
Supplemental Budget Request	152,910,055	4,964,813	11,920,788	0	169,795,656
<b>Reductions by the General Assembly:</b>					
FY 1999 Deficiency Budget	3,161,442	0	0	0	3,161,442
FY 1999 Supplemental Deficiency	94,837	10,910,000	0	0	11,004,837
FY 2000 Budget**	195,094,389	31,422,359	34,182,656	6,837,361	267,536,765
FY 2000 Supplemental Budget	51,350,836	0	0	0	51,350,836
FY 2000 Contingent Reductions***	761,637	200,000	0	0	961,637
Total Reductions	250,463,141	42,532,359	34,182,656	6,837,361	334,015,517
<b>Appropriations:</b>					
FY 1999 Deficiency Budget	67,955,731	(12,527,657)	(4,792,923)	0	50,635,151
FY 2000 Budget	8,940,323,421	3,123,100,465	3,852,616,521	1,637,994,554	17,554,034,961
<b>Total Appropriation</b>	<b>9,008,279,152</b>	<b>3,110,572,808</b>	<b>3,847,823,598</b>	<b>1,637,994,554</b>	<b>17,604,670,112</b>

\* Includes general fund reversions of \$25 million.

\*\* Includes \$408,162 in general funds added to the Judiciary's budget to place a judge at the Baltimore City Central Booking and Intake Facility and for alternative dispute resolution pilot programs.

\*\*\*General fund reductions contingent on SB 66/Ch. 316 making the Uninsured Employers' Fund a special funded agency.  
Special fund reduction contingent on legislation (HB 978/Ch. 111) eliminating the practice parameter requirement for the Health Care Access and Cost Commission.

Prepared by: Department of Legislative Services, Office of Policy Analysis, May 1999

**Exhibit 1.5**  
**State Expenditures -- General Funds**  
**(\$ in Millions)**

<b><u>Category</u></b>	<b><u>Actual FY 1998</u></b>	<b><u>Work App. FY 1999</u></b>	<b><u>Leg. Appr. FY 2000</u></b>	<b><u>\$ Diff. 99 to 00</u></b>	<b><u>% Diff. 99 to 00</u></b>
Debt Service	\$172.0	\$151.8	\$189.3	\$37.5	24.7%
<b>Aid to Local Governments</b>					
General Government	133.9	136.1	144.6	8.5	6.3%
Community Colleges	125.6	129.5	141.0	11.5	8.9%
Education & Libraries	2,409.7	2,579.7	2,646.6	66.9	2.6%
Health	42.5	44.9	47.0	2.0	4.5%
	2,711.7	2,890.2	2,979.2	89.0	3.1%
<b>Entitlements</b>					
Foster Care Payments	104.4	115.9	116.2	0.2	0.2%
Assistance Payments	73.6	83.3	77.2	(6.1)	-7.4%
Medical Assistance	989.8	1,064.9	1,104.0	39.1	3.7%
Property Tax Credits	53.3	51.1	61.5	10.4	20.3%
	1,221.1	1,315.2	1,358.9	43.6	3.3%
<b>State Agencies</b>					
Health	845.1	903.7	939.2	35.5	3.9%
Human Resources	248.8	238.8	266.3	27.5	11.5%
Systems Reform Initiative	54.3	52.8	61.3	8.5	16.1%
Juvenile Justice	109.8	123.7	122.6	(1.1)	-0.9%
Public Safety & Police	703.1	749.8	785.0	35.2	4.7%
State Colleges & Universities	668.5	722.1	797.0	74.9	10.4%
Agric./Nat'l Res./Environ.	90.3	99.5	107.0	7.5	7.6%
Other	582.5	654.7	710.7	56.0	8.6%
Judicial & Legislative	213.3	240.7	260.4	19.7	8.2%
	3,515.7	3,785.7	4,049.4	263.6	7.0%
<b>Subtotal</b>	<b>\$7,620.6</b>	<b>\$8,142.9</b>	<b>\$8,576.7</b>	<b>\$433.7</b>	<b>5.3%</b>
Capital	90.4	222.3	298.5	76.2	34.3%
Transfers	23.0	17.1	0.0	(17.1)	-100.0%
Reserve Fund #	125.1	170.0	90.2	(79.8)	-46.9%
<b>Appropriations</b>	<b>\$7,859.1</b>	<b>\$8,552.2</b>	<b>\$8,965.3</b>	<b>\$413.1</b>	<b>4.8%</b>
Reversions	0.0	(25.0)	(25.0)	0.0	0.0%
<b>Grand Total</b>	<b>\$7,859.1</b>	<b>\$8,527.2</b>	<b>\$8,940.3</b>	<b>\$413.1</b>	<b>4.8%</b>

NOTE: Detail may not add to total due to rounding. FY 1999 reflects deficiency appropriations (including supplemental deficiencies) and cuts to the deficiencies.

# SB 334/Ch. 172 & HB 751/Ch. 173 create a Cigarette Restitution Fund and require that all payments received under the tobacco settlement be credited to the Fund. The Governor's allowance for fiscal 2000 included tobacco settlement payments of \$54.3 million in the Dedicated Purpose Fund. The legislative appropriation reflects a reduction to the Dedicated Purpose Fund of \$54.3 million in anticipation of the transfer to the new Cigarette Restitution Fund.

**Exhibit 1.5 (continued)**  
**State Expenditures -- Special and Higher Education Funds \*\***  
**(\$ in Millions)**

<b><u>Category</u></b>	<b><u>Actual FY 1998</u></b>	<b><u>Work App. FY 1999</u></b>	<b><u>Leg. Appr. FY 2000</u></b>	<b><u>\$ Diff. 99 to 00</u></b>	<b><u>% Diff. 99 to 00</u></b>
Debt Service	\$372.8	\$399.0	\$410.4	\$11.4	2.8%
<b>Aid to Local Governments</b>					
General Government	415.9	425.8	430.2	4.4	1.0%
Community Colleges	0.0	0.0	0.0	0.0	n.a.
Education & Libraries	0.2	0.0	0.1	0.1	n.a.
Health	0.0	0.0	0.0	0.0	n.a.
	416.0	425.8	430.3	4.5	1.0%
<b>Entitlements</b>					
Foster Care Payments	0.4	1.8	0.4	(1.4)	-78.5%
Assistance Payments	24.7	22.8	19.7	(3.1)	-13.6%
Medical Assistance	24.1	16.3	9.5	(6.8)	-41.9%
Property Tax Credits	0.0	0.0	0.0	0.0	n.a.
	49.2	40.9	29.6	(11.3)	-27.7%
<b>State Agencies</b>					
Health	62.9	77.6	81.0	3.4	4.4%
Human Resources	11.4	14.4	13.3	(1.1)	-7.9%
Systems Reform Initiative	0.5	0.3	0.3	0.0	0.0%
Juvenile Justice	0.2	0.3	0.2	(0.1)	-43.6%
Public Safety & Police	109.3	115.4	121.6	6.2	5.4%
State Colleges & Universities	1,453.2	1,601.1	1,642.6	41.5	2.6%
Transportation	791.1	831.5	826.5	(5.0)	-0.6%
Agric./Natl Res./Environ.	84.4	85.9	87.7	1.8	2.1%
Other	212.9	211.6	217.9	6.3	3.0%
Judicial & Legislative	3.7	11.1	11.0	(0.1)	-0.9%
	2,729.7	2,949.3	3,002.2	52.9	1.8%
<b>Subtotal</b>	<b>\$3,567.7</b>	<b>\$3,815.1</b>	<b>\$3,872.4</b>	<b>\$57.4</b>	<b>1.5%</b>
Capital	617.8	744.8	868.7	123.9	16.6%
Local Funds (*)	33.6	33.4	0.0	(33.4)	-100.0%
Transfer to MDTA	0.0	0.0	20.0	20.0	n.a.
Reserve Fund	0.0	15.0	0.0	(15.0)	-100.0%
<b>Grand Total</b>	<b>\$4,219.1</b>	<b>\$4,608.2</b>	<b>\$4,761.1</b>	<b>\$152.8</b>	<b>3.3%</b>

NOTE: Detail may not add to total due to rounding. FY 1999 reflects deficiency appropriations (including supplemental deficiencies) and cuts to the deficiencies.

\*\* Includes higher education funds (current unrestricted & current restricted) net of general and special funds.

(\*) Consists of local spending for the health formula. In FY 2000 this spending will be moved to non-budgeted funds.

**Exhibit 1.5 (continued)**  
**State Expenditures -- Federal Funds**  
**(\$ in Millions)**

<b><u>Category</u></b>	<b><u>Actual FY 1998</u></b>	<b><u>Work App. FY 1999</u></b>	<b><u>Leg. Appr. FY 2000</u></b>	<b><u>\$ Diff. 99 to 00</u></b>	<b><u>% Diff. 99 to 00</u></b>
Debt Service	\$0.0	\$0.0	\$0.0	\$0.0	n.a.
<b>Aid to Local Governments</b>					
General Government	18.9	39.5	20.8	(18.7)	-47.3%
Community Colleges	0.0	0.0	0.0	0.0	n.a.
Education & Libraries	368.7	366.7	403.6	36.9	10.1%
Health	4.4	4.5	4.5	0.0	0.0%
	392.0	410.7	428.9	18.2	4.4%
<b>Entitlements</b>					
Foster Care Payments	53.2	54.8	58.8	3.9	7.2%
Assistance Payments	413.0	425.6	369.3	(56.3)	-13.2%
Medical Assistance	982.2	1,064.5	1,079.4	15.0	1.4%
Property Tax Credits	0.0	0.0	0.0	0.0	n.a.
	1,448.4	1,544.9	1,507.5	(37.3)	-2.4%
<b>State Agencies</b>					
Health	394.5	424.7	451.4	26.7	6.3%
Human Resources	374.8	433.8	457.4	23.7	5.5%
Systems Reform Initiative	15.2	19.3	19.0	(0.3)	-1.3%
Juvenile Justice	11.5	12.6	12.1	(0.6)	-4.4%
Public Safety & Police	6.6	6.0	5.5	(0.5)	-8.5%
State Colleges & Universities	0.0	0.0	0.0	0.0	n.a.
Transportation	11.5	19.2	20.8	1.5	8.0%
Agric./Natl Res./Environ.	37.1	49.1	43.5	(5.6)	-11.4%
Other	326.2	351.7	353.8	2.1	0.6%
Judicial & Legislative	1.5	2.0	1.8	(0.1)	-5.8%
	1,178.9	1,318.4	1,365.3	46.9	3.6%
<b>Subtotal</b>	<b>\$3,019.3</b>	<b>\$3,273.9</b>	<b>\$3,301.8</b>	<b>\$27.8</b>	<b>0.8%</b>
Capital	430.0	482.4	550.9	68.5	14.2%
<b>Grand Total</b>	<b>\$3,449.4</b>	<b>\$3,756.3</b>	<b>\$3,852.6</b>	<b>\$96.3</b>	<b>2.6%</b>

NOTE: Detail may not add to total due to rounding. FY 1999 reflects deficiency appropriations (including supplemental deficiencies) and cuts to the deficiencies.

**Exhibit 1.5 (continued)**  
**State Expenditures -- All State Funds**  
**(\$ in Millions)**

<b><u>Category</u></b>	<b><u>Actual FY 1998</u></b>	<b><u>Work App. FY 1999</u></b>	<b><u>Leg. Appr. FY 2000</u></b>	<b><u>\$ Diff. 99 to 00</u></b>	<b><u>% Diff. 99 to 00</u></b>
Debt Service	\$544.8	\$550.9	\$599.7	\$48.8	8.9%
<b>Aid to Local Governments</b>					
General Government	549.8	561.9	574.8	12.9	2.3%
Community Colleges	125.6	129.5	141.0	11.5	8.9%
Education & Libraries	2,409.9	2,579.7	2,646.7	67.0	2.6%
Health	42.5	44.9	47.0	2.0	4.5%
	3,127.7	3,316.0	3,409.5	93.5	2.8%
<b>Entitlements</b>					
Foster Care Payments	104.8	117.7	116.5	(1.1)	-1.0%
Assistance Payments	98.3	106.2	96.9	(9.2)	-8.7%
Medical Assistance	1,013.9	1,081.2	1,113.5	32.3	3.0%
Property Tax Credits	53.3	51.1	61.5	10.4	20.3%
	1,270.3	1,356.2	1,388.5	32.3	2.4%
<b>State Agencies</b>					
Health	908.0	981.3	1,020.2	38.9	4.0%
Human Resources	260.3	253.2	279.6	26.4	10.4%
Systems Reform Initiative	54.8	53.1	61.6	8.5	16.0%
Juvenile Justice	110.0	124.0	122.8	(1.2)	-1.0%
Public Safety & Police	812.4	865.1	906.6	41.4	4.8%
State Colleges & Universities	2,121.7	2,323.2	2,439.6	116.4	5.0%
Transportation	791.1	831.5	826.5	(5.0)	-0.6%
Agric./Natl Res./Environ.	174.8	185.4	194.7	9.3	5.0%
Other	795.3	866.4	928.6	62.3	7.2%
Judicial & Legislative	217.1	251.8	271.4	19.6	7.8%
	6,245.4	6,735.0	7,051.5	316.5	4.7%
<b>Subtotal</b>	<b>\$11,188.3</b>	<b>\$11,958.0</b>	<b>\$12,449.1</b>	<b>\$491.1</b>	<b>4.1%</b>
Capital	708.2	967.0	1,167.1	200.1	20.7%
Transfer to MDTA	0.0	0.0	20.0	20.0	n.a.
Transfers	23.0	17.1	0.0	(17.1)	-100.0%
Local Funds (*)	33.6	33.4	0.0	(33.4)	-100.0%
Reserve Fund #	125.1	185.0	90.2	(94.8)	-51.2%
<b>Appropriations</b>	<b>\$12,078.2</b>	<b>\$13,160.5</b>	<b>\$13,726.4</b>	<b>\$565.9</b>	<b>4.3%</b>
Reversions	0.0	(25.0)	(25.0)	0.0	0.0%
<b>Grand Total</b>	<b>\$12,078.2</b>	<b>\$13,135.5</b>	<b>\$13,701.4</b>	<b>\$565.9</b>	<b>4.3%</b>

NOTE: Detail may not add to total due to rounding. FY 1999 reflects deficiency appropriations (including supplemental deficiencies) and cuts to the deficiencies.

(\*) Consists of local spending for the health formula. In FY 2000 this spending will be moved to non-budgeted funds.

# SB 334/Ch. 172 & HB 751/Ch. 173 create a Cigarette Restitution Fund and require that all payments received under the tobacco settlement be credited to the Fund. The Governor's allowance for fiscal 2000 included tobacco settlement payments of \$54.3 million in the Dedicated Purpose Fund. The legislative appropriation reflects a reduction to the Dedicated Purpose Fund of \$54.3 million in anticipation of the transfer to the new Cigarette Restitution Fund.

**Exhibit 1.5 (continued)**  
**State Expenditures -- All Funds**  
**(\$ in Millions)**

<b>Category</b>	<b>Actual FY 1998</b>	<b>Work App. FY 1999</b>	<b>Leg. Appr. FY 2000</b>	<b>\$ Diff. 99 to 00</b>	<b>% Diff. 99 to 00</b>
Debt Service	\$544.8	\$550.9	\$599.7	\$48.8	8.9%
<b>Aid to Local Governments</b>					
General Government	568.6	601.4	595.6	(5.8)	-1.0%
Community Colleges	125.6	129.5	141.0	11.5	8.9%
Education & Libraries	2,778.6	2,946.3	3,050.3	103.9	3.5%
Health	46.9	49.4	51.4	2.0	4.1%
	3,519.7	3,726.7	3,838.3	111.7	3.0%
<b>Entitlements</b>					
Foster Care Payments	157.9	172.5	175.3	2.8	1.6%
Assistance Payments	511.3	531.8	466.2	(65.5)	-12.3%
Medical Assistance	1,996.1	2,145.7	2,192.9	47.3	2.2%
Property Tax Credits	53.3	51.1	61.5	10.4	20.3%
	2,718.7	2,901.1	2,896.0	(5.0)	-0.2%
<b>State Agencies</b>					
Health	1,302.5	1,406.0	1,471.6	65.6	4.7%
Human Resources	635.1	687.0	737.1	50.0	7.3%
Systems Reform Initiative	70.0	72.4	80.6	8.2	11.4%
Juvenile Justice	121.5	136.6	134.9	(1.8)	-1.3%
Public Safety & Police	819.0	871.1	912.0	40.9	4.7%
State Colleges & Universities	2,121.7	2,323.2	2,439.6	116.4	5.0%
Transportation	802.6	850.7	847.2	(3.5)	-0.4%
Agric./Natl Res./Environ.	211.8	234.5	238.3	3.7	1.6%
Other	1,121.5	1,218.0	1,282.4	64.3	5.3%
Judicial & Legislative	218.5	253.7	273.2	19.5	7.7%
	7,424.3	8,053.4	8,416.9	363.5	4.5%
<b>Subtotal</b>	<b>\$14,207.6</b>	<b>\$15,232.0</b>	<b>\$15,750.9</b>	<b>\$518.9</b>	<b>3.4%</b>
Capital	1,138.3	1,449.4	1,718.0	268.6	18.5%
Transfer to MDTA	0.0	0.0	20.0	20.0	n.a.
Transfers	23.0	17.1	0.0	(17.1)	-100.0%
Local Funds (*)	33.6	33.4	0.0	(33.4)	-100.0%
Reserve Fund #	125.1	185.0	90.2	(94.8)	-51.2%
<b>Appropriations</b>	<b>\$15,527.6</b>	<b>\$16,916.8</b>	<b>\$17,579.0</b>	<b>\$662.3</b>	<b>3.9%</b>
Reversions	0.0	(25.0)	(25.0)	0.0	0.0%
<b>Grand Total</b>	<b>\$15,527.6</b>	<b>\$16,891.8</b>	<b>\$17,554.0</b>	<b>\$662.3</b>	<b>3.9%</b>

NOTE: Detail may not add to total due to rounding. FY 1999 reflects deficiency appropriations (including supplemental deficiencies) and cuts to the deficiencies.

(\*) Consists of local spending for the health formula. In FY 2000 this spending will be moved to non-budgeted funds.

# SB 334/Ch. 172 & HB 751/Ch. 173 create a Cigarette Restitution Fund and require that all payments received under the tobacco settlement be credited to the Fund. The Governor's allowance for fiscal 2000 included tobacco settlement payments of \$54.3 million in the Dedicated Purpose Fund. The legislative appropriation reflects a reduction to the Dedicated Purpose Fund of \$54.3 million in anticipation of the transfer to the new Cigarette Restitution Fund.

**Exhibit 1.6**  
**General Fund Forecast**  
**(\$ in millions)**

	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY99-00	FY99-04
<b>REVENUES (BRE - 12/98)*</b>								
Individual Income	4,106	4,336	4,518	4,667	4,881	5,115	5.6%	4.5%
Sales and Use	2,260	2,349	2,438	2,539	2,649	2,749	3.9%	4.0%
Lottery	357	367	381	391	399	409	2.8%	2.7%
Other	1,448	1,370	1,396	1,438	1,482	1,519	-5.4%	1.0%
	8,171	8,423	8,733	9,036	9,411	9,791	3.1%	3.7%
<b>Adjustments:</b>								
Balance	420	274	11	0	0	0		
March Revision/Anticipated Future Rev.	23	5	35	35	35	35		
Transfer - Reserve Fund	185	160	175	70	10	8		
Miscellaneous Revenues	3	6	3	3	3	3		
Legislation	0	83	53	47	46	46		
	8,802	8,951	9,010	9,190	9,505	9,884	1.7%	2.3%
<b>EXPENDITURES #</b>								
Debt Service	152	189	227	243	260	260	24.7%	11.4%
Local Aid	2,890	2,979	3,131	3,256	3,364	3,465	3.1%	3.7%
Entitlements	1,315	1,359	1,433	1,522	1,611	1,703	3.3%	5.3%
State Operations (a)	3,786	4,049	4,304	4,445	4,600	4,733	7.0%	4.6%
Capital & Transfers	239	298	102	106	107	117	24.7%	-13.4%
Reserve Fund	170	90	0	0	0	0	-46.9%	-100.0%
Offset from tobacco settlement	0	0	(25)	(25)	(25)	(25)	n.a.	n.a.
Reversions	(25)	(25)	(25)	(25)	(25)	(25)	0.0%	0.0%
	8,527	8,940	9,146	9,523	9,892	10,227	4.8%	3.7%
<b>Surplus (Shortfall)</b>	274	11	(136)	(333)	(387)	(343)		
<b>Annual Change</b>		(264)	(147)	(196)	(54)	44		
<i>Future Budget Actions</i>			(135)	(330)	(380)	(340)		
<i>New Balance</i>			(1)	(3)	(7)	(3)		

**NOTES:**

\* From the Report of the Maryland Board of Revenue Estimates, December 1998.

# Fiscal 1999 includes deficiencies. Fiscal 2000 is the legislative appropriation. Fiscal 2001 to fiscal 2004 reflect the impact of legislation passed at the 1999 legislative session.

(a) HB 190 which increased the tobacco tax also requires the Governor, beginning in fiscal 2001, to include at least \$21 million in the budget for activities aimed at reducing tobacco use. This spending is not included in this table as it could be funded from special funds (e.g., tobacco settlement), federal funds or general funds. Total for fiscal 2001 to fiscal 2004 reflects additional funding for higher education to meet the goals of SB 682.

## Chapter Two - State Capital Program

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- Summary
- Debt Affordability
- Subject Discussions



## Overview of the Capital Budget

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### Summary

The 1999 General Assembly enacted a capital budget totaling \$2.2 billion including a \$1.1 billion transportation program. Of the total amount, \$448 million is funded with general obligation bonds; \$1.5 billion is funded on a pay-as-you-go (Paygo) basis in the operating budget; and \$265 million is funded with revenue bonds, including higher education academic bonds (\$25 million) and transportation bonds (\$240 million). **Exhibit 2.1** presents an overview of the State's capital program for fiscal 2000. **Exhibit 2.2** shows the sources and uses of the funds for the nontransportation capital program.

General obligation bonds totaling \$448.7 million are authorized in the Maryland Consolidated Capital Bond Loan of 1999 (**HB 143/Ch. 212**), and various individual bond bills for independent colleges and universities, private hospitals, and legislative initiatives. This is offset by deauthorizations of \$3.7 million in previously authorized general obligation debt for a net new debt authorization of \$445 million. The Maryland Consolidated Capital Bond Loan includes projects for:

- State facilities including State colleges and universities and State correctional facilities;
- Health and social service facilities such as senior citizen and adult day care centers, juvenile services facilities, and community mental health, disabilities and addictions facilities; and
- Environmental programs such as the Chesapeake Bay Water Quality, asbestos abatement, and Rural Legacy programs.

**Exhibit 2.3** lists capital projects by fund source. The individual bond bills are listed in **Exhibit 2.4**.

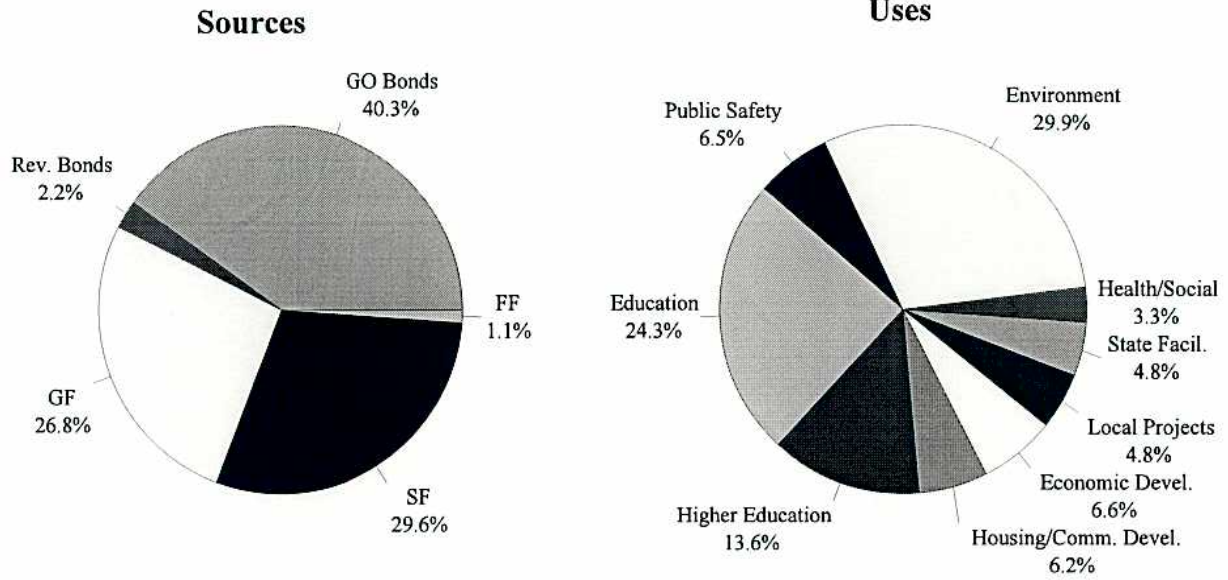
**Exhibit 2.1**  
**Summary of the Capital Program As Enacted for the 1999 Session**  
(\$ in Millions)

<b>Function</b>	<b>Bonds</b>			<b>Current Funds (Paygo)</b>			<b>Total</b>
	<b>General Obligation</b>	<b>Agency</b>	<b>Recycled</b>	<b>General</b>	<b>Special</b>	<b>Federal</b>	
<b>State Facilities</b>							<b>\$53.8</b>
State Facilities	\$32.3	\$0.0	\$0.0	\$0.7	\$0.0	\$0.0	
Facilities Renewal	14.2	0.0	0.0	0.0	0.3	0.0	
Other	3.4	0.0	0.0	2.9	0.0	0.0	
<b>Health/Social</b>							<b>\$36.4</b>
State Facilities	0.5	0.0	0.0	1.6	0.0	0.0	
Other	30.7	0.0	0.0	3.6	0.0	0.0	
<b>Environment</b>							<b>\$333.3</b>
Natural Resources	15.1	0.0	0.0	0.0	80.5	0.4	
Agriculture	0.0	0.0	0.0	4.8	21.9	0.0	
Environment	19.7	0.0	0.0	12.8	172.7	0.0	
MD Envir. Services	3.2	0.0	0.0	0.0	0.0	0.0	
Energy	0.0	0.0	0.0	0.0	2.1	0.0	
<b>Public Safety</b>							<b>\$72.3</b>
State Corrections	33.8	0.0	0.0	0.0	0.0	10.8	
Local Jails	11.7	0.0	0.0	0.0	0.0	0.0	
State Police	5.1	0.0	0.0	0.5	0.0	0.0	
Other	0.0	0.0	0.0	0.0	10.3	0.0	
<b>Education</b>							<b>\$271.2</b>
School Construction	90.0	0.0	0.0	165.2	0.0	0.0	
Other	15.2	0.0	0.0	0.0	0.0	0.9	
<b>Higher Education</b>							<b>\$151.0</b>
University System	65.3	25.0	0.0	11.9	0.0	0.0	
Morgan State University	3.1	0.0	0.0	5.1	0.0	0.0	
St. Mary's College	11.0	0.0	0.0	0.0	0.0	0.0	
Community Colleges	23.1	0.0	0.0	0.0	0.0	0.0	
Private Colleges/Univers	6.0	0.0	0.0	0.0	0.0	0.0	
Other	0.0	0.0	0.0	0.5	0.0	0.0	
<b>Housing/Community Development</b>							<b>\$68.5</b>
Housing	15.7	0.0	0.0	17.8	15.0	0.0	
Other	17.2	0.0	0.0	2.5	0.5	0.0	
<b>Economic Development</b>							<b>\$74.0</b>
Economic Development	0.2	0.0	0.0	47.0	26.8	0.0	
<b>Local Projects</b>							<b>\$53.7</b>
Administration	13.1	0.0	0.0	21.5	0.0	0.0	
Legislative	19.1	0.0	0.0	0.0	0.0	0.0	
<b>Transportation</b>							<b>\$1,132.8</b>
Transportation	0.0	240.0	0.0	0.0	334.0	558.8	
<b>Deauthorizations</b>							<b>\$-3.7</b>
Deauthorization	-3.7	0.0	0.0	0.0	0.0	0.0	
<b>Total FY 98</b>	<b>\$445.0</b>	<b>\$265.0</b>	<b>\$0.0</b>	<b>\$298.5</b>	<b>\$664.0</b>	<b>\$570.9</b>	<b>\$2,243.4</b>

Note: Numbers may not sum to total due to rounding

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**Exhibit 2.2**  
**Non-Transportation Capital**  
**\$1,111 Million**



## Capital Program As Enacted - 1999 Session

Budget Code	Project Title	General Obligation	Bonds				Current Funds (Paygo)				Total Funds
			Recycled	Agency	General	Special	Federal				
State Facilities											
DE02.01.s12	Judiciary: S. Balt. Dist. Court	\$0	\$0	\$0	\$2,500,000	\$0	\$0	\$2,500,000			
DE02.01.s28	Judiciary: Rockville District Crt.	0	0	0	400,000	0	0	400,000			
DE02.01A	Senate Office Bldg. Addition/Ren.	24,240,000	0	0	706,000	0	0	24,946,000			
DE02.01B	House of Delegates Bldg. Addition/Ren.	232,000	0	0	0	0	0	232,000			
DE02.01C	Capital Facilities Renewal	14,159,000	0	0	0	300,000	0	14,459,000			
DE02.01D	CFC Mitigation	3,400,000	0	0	0	0	0	3,400,000			
DE02.01E	Asbestos Abatement	1,800,000	0	0	0	0	0	1,800,000			
DE02.01F	Judiciary: Carroll Co. Dist. Court	63,000	0	0	0	0	0	63,000			
DE02.01G	Judiciary: Howard Co. Dist. Court	1,483,000	0	0	0	0	0	1,483,000			
DE02.01H	Judiciary: Silver Spring District Crt.	4,500,000	0	0	0	0	0	4,500,000			
Subtotal			\$0	\$0	\$3,606,000	\$300,000	\$0	\$53,783,000			
Health/Social											
DA07A	Senior Citizen Activities Centers	1,257,000	0	0	0	0	0	1,257,000			
DE02.01	BPW: Accessibility for the Disabled	0	0	0	1,600,000	0	0	1,600,000			
MA01A	Adult Day Care Facilities	767,000	0	0	0	0	0	767,000			
MA01B	Community Mental Health Facilities	5,578,000	0	0	0	0	0	5,578,000			
ML10A	Perkins: Rehab. Services Wing	224,000	0	0	0	0	0	224,000			
MM05A	Holly Ctr: Emergency Generators	267,000	0	0	0	0	0	267,000			
RQ00A	UMMS: Diagnostic & Treatment Facil.	10,000,000	0	0	0	0	0	10,000,000			
VA01A	DJJ: Juvenile Facilities Grant Prgm.	725,000	0	0	0	0	0	725,000			
VA01B	DJJ: Balt. City Juvenile Justice Ctr.	1,568,000	0	0	3,632,000	0	0	5,200,000			
ZA00D	Kennedy Kreiger Career & Tech. High Sc	2,000,000	0	0	0	0	0	2,000,000			
ZA00E	JHU: Cancer Research Ctr.	5,000,000	0	0	0	0	0	5,000,000			
ZC00BB	MD Hospital Assoc. Grant Prgm.	3,796,000	0	0	0	0	0	3,796,000			
Subtotal			\$0	\$0	\$5,232,000	\$0	\$0	\$36,414,000			
Environment											
DA13.02	MEA: Comm. Energy Loan Pr. (CELP)	0	0	0	0	1,000,000	0	1,000,000			
DA13.03	MEA: State Agency Loan Prgm. (SALP)	0	0	0	0	1,100,000	0	1,100,000			

**Exhibit 2.3 (continued)**

Budget Code	Project Title	General Obligation	Bonds		Current Funds (Paygo)				Total Funds
			Recycled	Agency	General	Special	Federal		
Environment									
DE02.01.s03	Western MD Flood Mitigation	0	0	0	2,000,000	0	0	2,000,000	
KA01A	DNR: Smith Island Envir. Restoration	400,000	0	0	0	0	0	400,000	
KA05.10a	POS: Land Acq. & Local Prgm.	0	0	0	0	55,808,573	0	55,808,573	
KA05.10b	POS: Capital Improvements	0	0	0	0	8,423,000	0	8,423,000	
KA05.11	DNR: Waterway Improvement	0	0	0	0	4,500,000	0	4,500,000	
KA05.12	DNR: O.C. Beach Maint. Local Share	0	0	0	0	1,000,000	0	1,000,000	
KA05A	DNR: Rural Legacy	13,800,000	0	0	0	10,623,898	0	24,423,898	
KA07A	DNR: Central Regional Headquarters	941,000	0	0	0	0	0	941,000	
KA17.09	DNR: Fish Passage	0	0	0	0	95,000	441,996	536,996	
LA11.11	MDA: Ag Land Preservation	0	0	0	0	21,940,000	0	21,940,000	
LA15.05	MDA: Ag Cost-Share Program	0	0	0	4,800,000	0	0	4,800,000	
UA01.03	Water Quality Revol. Loan Fund	0	0	0	8,857,000	163,341,000	0	172,198,000	
UA01.05	Drinking Water Revol. Loan Prgm.	0	0	0	1,473,000	9,314,000	0	10,787,000	
UA04A.1	CBWQ: Nutrient Removal	12,216,000	0	0	0	0	0	12,216,000	
UA04A.2	CBWQ: Supplemental Assistance	2,608,000	0	0	500,000	0	0	3,108,000	
UA04A.3	CBWQ: Small Creeks & Estuaries	1,000,000	0	0	0	0	0	1,000,000	
UA04A.4	CBWQ: Stormwater Pollution Control	1,245,000	0	0	0	0	0	1,245,000	
UA04B	MDE: Water Supply Assistance	2,574,000	0	0	0	0	0	2,574,000	
UA05A	MDE: Comp. Flood Management	33,000	0	0	0	0	0	33,000	
UB00A	MES: Infrastructure Improvement Fund	3,227,000	0	0	0	0	0	3,227,000	
Subtotal		\$38,044,000	\$0	\$0	\$17,630,000	\$277,145,471	\$441,996	\$333,261,467	
Public Safety									
QA01.05a	PCTC: Public Safety Training Ctr.	0	0	0	0	10,300,000	0	10,300,000	
QA01.05b	WCI: 512-Bed Housing Unit & Support	0	0	0	0	0	10,000,000	10,000,000	
QA01.05c	Md. Corr. Adjustment Ctr.	0	0	0	0	0	800,000	800,000	
QB04A	MCTC: Hagerstown Central Kitchen	6,867,000	0	0	0	0	0	6,867,000	
QB04B	MCTC: Perimeter Security	4,196,000	0	0	0	0	0	4,196,000	
QB05A	MCI-W: Kitchen & Dining Hall	5,927,000	0	0	0	0	0	5,927,000	

**Exhibit 2.3 (continued)**

Budget Code	Project Title	General Obligation	Bonds		Current Funds (Paygo)				Total Funds
			Recycled	Agency	General	Special	Federal		
Public Safety									
QB08A	WCI: Furniture Shop	3,803,000	0	0	0	0	0	0	3,803,000
QD00A	Patuxent: Kitchen & Dining Hall	6,838,000	0	0	0	0	0	0	6,838,000
QD00B	Patuxent: Perimeter Security	6,190,000	0	0	0	0	0	0	6,190,000
WA01A	DSP: Crime Lab	2,000,000	0	0	0	0	0	0	2,000,000
WA01B	DSP: Frederick Barrack	2,880,000	0	0	0	0	0	0	2,880,000
WA01C	DSP: Princss. Anne Barrack & Gar./Cmm	177,000	0	0	0	0	0	0	177,000
WA01D	DSP: Waldorf Barrack & Gar./Comm. Ctr	72,000	0	0	510,000	0	0	0	582,000
ZB02A	Jail: Anne Arundel Co. Detention Ctr.	1,904,000	0	0	0	0	0	0	1,904,000
ZB02B	Jail: Harford Co. Detention Ctr.	57,000	0	0	0	0	0	0	57,000
ZB02C	Jail: Montgomery Co. Detention Ctr.	8,955,000	0	0	0	0	0	0	8,955,000
ZB02D	Jail: Prince George's Co. Detention Ctr.	798,000	0	0	0	0	0	0	798,000
Subtotal			\$0	\$0	\$510,000	\$10,300,000	\$10,800,000	\$0	\$72,274,000
Education									
DE02.02A	Public School Construction	90,000,000	0	0	165,000,000	0	0	0	255,000,000
DE02.02b	PSC: Relocatable Classrooms	0	0	0	200,000	0	0	0	200,000
RA01A	MSDE: State Library Resource Ctr.	9,693,000	0	0	0	0	0	0	9,693,000
RPO0A	MPT: Digital TV Equip.-Crownsville	2,479,000	0	0	0	0	0	871,000	3,350,000
ZA00J	Baltimore Zoo Redevelopment	3,000,000	0	0	0	0	0	0	3,000,000
Subtotal			\$0	\$0	\$165,200,000	\$0	\$871,000	\$0	\$271,243,000
Higher Education									
DE02.01.s18	TU: Sports Complex	0	0	0	3,000,000	0	0	0	3,000,000
DE02.01.s27	George Meany Ctr. - Tech. for Learning	0	0	0	500,000	0	0	0	500,000
DE02.01.s35	BSU: Campuswide Site Improvements	0	0	0	1,100,000	0	0	0	1,100,000
DE02.01.s39	UMES: Prefabricated Buildings	0	0	0	1,000,000	0	0	0	1,000,000
DE02.01.s42	USM: Hagerstown Educational Center	0	0	0	150,000	0	0	0	150,000
RB21A	UMB: School of Law & Marshall Library	13,946,000	0	10,000,000	2,500,000	0	0	0	26,446,000
RB21B	UMB: Health Sci. Research Facil. II	2,200,000	0	0	0	0	0	0	2,200,000
RB22A	UMCP: School of Business	4,000,000	0	0	0	0	0	0	4,000,000

Capital Program As Enacted - 1999 Session

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**Exhibit 2.3 (continued)**

Budget Code	Project Title	General Obligation	Bonds		Current Funds (Paygo)				Total Funds
			Recycled	Agency	General	Special	Federal		
Higher Education									
RB22B	UMCP: Engin. & Applied Sci. Bldg.	1,890,000	0	0	0	0	0	1,890,000	
RB22C	UMCP: Chem. Teaching Bldg.	1,386,000	0	0	0	0	0	1,386,000	
RB22D	UMCP: Research Greenhouse	1,337,000	0	0	0	0	0	1,337,000	
RB22E	MFRI: Southern Regional Training Ctr.	298,000	0	0	0	0	0	298,000	
RB22F	MFRI: Headquarters	200,000	0	0	0	0	0	200,000	
RB22rb1	UMCP: Hornbake/McKeldin Lib. Ren.	0	0	1,855,000	0	0	0	1,855,000	
RB22rb2	UMCP: Taliaferro/Key Hall Renovations	0	0	350,000	0	0	0	350,000	
RB23A	BSU: Ctr. Learning & Technology	1,332,000	0	0	0	0	0	1,332,000	
RB24A	TU: Campus Utilities	5,300,000	0	0	0	0	0	5,300,000	
RB24B	TU: 7720 York Road	1,065,000	0	0	485,000	0	0	1,550,000	
RB24C	TU: 7800 York Road	371,000	0	0	0	0	0	371,000	
RB25A	UMES: Soc. Sci, Ed. & Health Sci. Bldg.	787,000	0	0	0	0	0	787,000	
RB26A	FSU: Gunter Hall	388,000	0	0	0	0	0	388,000	
RB29A	SSU: New Science Hall	29,610,000	0	0	3,633,000	0	0	33,243,000	
RB31A	UMBC: Central Power Plant Equipment	160,000	0	0	0	0	0	160,000	
RB36A	USM: Envir. Abate. - Heating Oil Tanks	1,000,000	0	0	0	0	0	1,000,000	
RB36rb	USM: Capital Facilities Renewal	0	0	12,795,000	0	0	0	12,795,000	
RC00A	BCCC: Liberty Campus Main Bldg.	584,000	0	0	0	0	0	584,000	
RD00A	SMC: Somerset Hall	11,000,000	0	0	0	0	0	11,000,000	
RI00A	MHEC: Community Colleges	22,544,000	0	0	0	0	0	22,544,000	
RM00A	MSU: Campuswide Site Improvements	1,468,000	0	0	0	0	0	1,468,000	
RM00B	MSU: New Fine Arts Ctr.	971,000	0	0	5,129,000	0	0	6,100,000	
RM00C	MSU: Sci. Research & Greenhouse	654,000	0	0	0	0	0	654,000	
RM00D	MSU: Hughes Stadium	41,000	0	0	0	0	0	41,000	
ZD00A	MICUA: Hood College Science Ctr.	3,000,000	0	0	0	0	0	3,000,000	
ZD00B	MICUA: JHU Sch. of Engineering	3,000,000	0	0	0	0	0	3,000,000	
Subtotal		\$108,532,000	\$0	\$25,000,000	\$17,497,000	\$0	\$0	\$151,029,000	

**Exhibit 2.3 (continued)**

Budget Code	Project Title	General Obligation	Bonds		Current Funds (Paygo)				Total Funds
			Recycled	Agency	General	Special	Federal		
Housing/Community Development									
SA23.06b	DHCD: MHT Revolving Loan Fund	0	0	0	0	450,000	0	450,000	
SA23A	DHCD: MD Historical Trust Grant	600,000	0	0	1,400,000	0	0	2,000,000	
SA23B	DHCD: Banneker-Douglas Museum	432,000	0	0	0	0	0	432,000	
SA23C	Jeff. Patt: Roads, Parking & Sitework	467,000	0	0	0	0	0	467,000	
SA23D	Jeff. Patt: Goldstein Memorial Gallery	196,000	0	0	0	0	0	196,000	
SA25.07	DHCD: Rental Housing Programs	0	0	0	7,971,000	4,029,000	0	12,000,000	
SA25.08	DHCD: Home Ownership Programs	0	0	0	2,000,000	5,698,000	0	7,698,000	
SA25.09	DHCD: Special Loan Programs	0	0	0	1,225,000	4,827,000	0	6,052,000	
SA25.12	DHCD: Neighborhood Revitalization	0	0	0	6,604,000	396,000	0	7,000,000	
SA25A	DHCD: Partnership Rental Housing	13,174,000	0	0	0	0	0	13,174,000	
SA25B	DHCD: Shelter & Transitional Housing	2,500,000	0	0	0	0	0	2,500,000	
ZA00A	African American Museum	15,463,000	0	0	1,100,000	0	0	16,563,000	
Subtotal		\$32,832,000	\$0	\$0	\$20,300,000	\$15,400,000	\$0	\$68,532,000	
Economic Development									
DA03.61	MSA: Memorial Stadium Redevelopment	0	0	0	6,000,000	0	0	6,000,000	
DU00.02A	Canal Place Improvements	220,000	0	0	675,000	0	0	895,000	
TF00.09	MSBDFA: Small Business Devel. Fin.	0	0	0	600,000	4,500,000	0	5,100,000	
TF00.10	Day Care Direct Loan Prgm.	0	0	0	0	800,000	0	800,000	
TF00.11	MICRF: Indust. & Comm. Redev.	0	0	0	0	12,000,000	0	12,000,000	
TF00.12	MILA: Industrial Land Act	0	0	0	0	5,000,000	0	5,000,000	
TF00.13	Animal Waste Technology Fund	0	0	0	1,000,000	0	0	1,000,000	
TF00.14	MIDFA: Bond Insurance Fund	0	0	0	2,650,000	0	0	2,650,000	
TF00.15	Seafood & Aqua. Loan Fund	0	0	0	110,000	390,000	0	500,000	
TF00.17	Enterprise Fund	0	0	0	0	2,500,000	0	2,500,000	
TF00.19	Challenge Program	0	0	0	0	750,000	0	750,000	
TF00.23	MD Economic Devel. Assistance Fund	0	0	0	4,750,000	0	0	4,750,000	
TF00.24	MD Competitive Advantage Loan Prgm.	0	0	0	1,000,000	0	0	1,000,000	
TF00.25.s01	Smart Growth Econ. Dev. Infrastr. Fund	0	0	0	10,000,000	0	0	10,000,000	

**Exhibit 2.3 (continued)**

Budget Code	Project Title	General Obligation	Bonds		Current Funds (Paygo)				Total Funds
			Recycled	Agency	General	Special	Federal		
Economic Development									
TI00.02	Brownfields Revitalization Fund	0	0	0	375,000	875,000	0	1,250,000	
YA03.01	Sunny Day Fund	0	0	0	19,800,000	0	0	19,800,000	
Subtotal		\$220,000	\$0	\$0	\$46,960,000	\$26,815,000	\$0	\$73,995,000	
Local Projects									
DA03.60.s01	Hippodrome Performing Arts Ctr.	0	0	0	1,800,000	0	0	1,800,000	
DE02.01.s04	Annapolis Recreation Center	0	0	0	100,000	0	0	100,000	
DE02.01.s05	Brooklyn Park Cultural Arts Center	0	0	0	1,500,000	0	0	1,500,000	
DE02.01.s08	Centro de la Comunidad, Inc.	0	0	0	100,000	0	0	100,000	
DE02.01.s11	Patterson Cultural Center	0	0	0	300,000	0	0	300,000	
DE02.01.s15	North Point Recreation Center	0	0	0	1,000,000	0	0	1,000,000	
DE02.01.s19	Village of Tall Trees	0	0	0	1,000,000	0	0	1,000,000	
DE02.01.s21	National Civil War Museum	0	0	0	750,000	0	0	750,000	
DE02.01.s22	Ripken Stadium	0	0	0	500,000	0	0	500,000	
DE02.01.s23	Howard Co. Business & Tech. Incubator	0	0	0	337,000	0	0	337,000	
DE02.01.s24	Bethesda Academy of Performing Arts	0	0	0	750,000	0	0	750,000	
DE02.01.s25	Darnestown Youth Facility	0	0	0	500,000	0	0	500,000	
DE02.01.s26	Gaithersburg Downtown Redevelop.	0	0	0	1,500,000	0	0	1,500,000	
DE02.01.s29	Old Blair High School Auditorium Ren.	0	0	0	500,000	0	0	500,000	
DE02.01.s30	Pyramid Atlantic - Electronic Media	0	0	0	250,000	0	0	250,000	
DE02.01.s32	Takoma Park Youth & Senior Tech. Ctr.	0	0	0	500,000	0	0	500,000	
DE02.01.s34	Bowie Civic Auditorium	0	0	0	2,000,000	0	0	2,000,000	
DE02.01.s36	Cheverly Health Center	0	0	0	5,000,000	0	0	5,000,000	
DE02.01.s40	Sotterley Plantation	0	0	0	500,000	0	0	500,000	
DE02.01.s41	Tudor Hall - Golf Course/Conf. Ctr.	0	0	0	80,000	0	0	80,000	
DE02.01.s44	Town of Pittsville - Infrastructure Imprvr.	0	0	0	450,000	0	0	450,000	
DE02.01.s45	West Salisbury Youth Club	0	0	0	300,000	0	0	300,000	
DE02.01.s46	Worcester Co. Govt. Office Bldg.	0	0	0	500,000	0	0	500,000	
KA05.10.s01	Allegheny Highlands Trail of MD	0	0	0	800,000	0	0	800,000	

**Exhibit 2.3 (continued)**

Budget Code	Project Title	General Obligation	Bonds				Current Funds (Paygo)			Total Funds
			Recycled	Agency	General	Special	Federal			
Local Projects										
SA25.08.s01	Wagner's Point - Relocation Assistance	0	0	0	500,000	0	0	0	500,000	
ZA00B	Baltimore Children's Museum	1,000,000	0	0	0	0	0	0	1,000,000	
ZA00C	E. Baltimore Comm. Recreation Facil.	200,000	0	0	0	0	0	0	200,000	
ZA00F	Lucas Art Collection	850,000	0	0	0	0	0	0	850,000	
ZA00G	Bloomsbury Community Center	1,500,000	0	0	0	0	0	0	1,500,000	
ZA00H	Silver Spring Redevelopment	5,000,000	0	0	0	0	0	0	5,000,000	
ZA00I	Strathmore Hall Performing Arts Ctr.	3,582,000	0	0	0	0	0	0	3,582,000	
ZA00K	Glen Echo Park Improvements	1,000,000	0	0	0	0	0	0	1,000,000	
ZE00	Legislative Initiatives	19,090,000	0	0	0	0	0	0	19,090,000	
Subtotal		\$32,222,000	\$0	\$0	\$21,517,000	\$0	\$0	\$0	\$53,739,000	
Transportation										
ZG00	Transportation	0	0	240,000,000	0	334,023,000	558,806,000	1,132,829,000		
Subtotal		\$0	\$0	\$240,000,000	\$0	\$334,023,000	\$558,806,000	\$1,132,829,000		
Deauthorizations										
ZF00	Deauthorizations as Introduced	-3,587,000	0	0	0	0	0	0	-3,587,000	
ZF00A	Deauth: Lamar Loan of 1996	-100,000	0	0	0	0	0	0	-100,000	
ZF00B	Deauth: Avalon of 1990	-60,000	0	0	0	0	0	0	-60,000	
Subtotal		\$-3,747,000	\$0	\$0	\$0	\$0	\$0	\$0	\$-3,747,000	
Total		\$444,998,000	\$0	\$265,000,000	\$298,452,000	\$663,983,471	\$570,918,996	\$2,243,352,467		

# Legislative Projects - 1999 Session

## Final Action

HB	House Sponsor	SB	Senate Sponsor	Project Title	Co.	Final Action
<b>Private Higher Education</b>						
447	Hecht			Hood College	State	3,000,000
549	Rawlings			JHU Biomed Engineering Institute	State	3,000,000

<b>Subtotal -Private Higher Education</b>						<b>\$6,000,000</b>
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### MHA Hospitals

		115	Miller	Calvert Memorial Hospital	State	100,000
257	Klima			GBMC Healthcare, Inc.	State	527,000
353	Harford Del			Harford Memorial Hospital	State	296,000
534	Frush			Laurel Regional Hospital	State	895,000
		163	Stoltzfus	McCreedy Memorial Hospital	State	496,000
		230	Forehand	Shady Grove Adventist HealthCare	State	612,000
276	Donoghue			Washington County Hospital Association	State	870,000

<b>Subtotal -MHA Hospitals</b>						<b>\$3,796,000</b>
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### Bond Bills - Statewide

45	Morhaim			American Visionary Art Museum	State	650,000
1070	McHale			Baltimore Museum of Industry	State	250,000
752	Rosenberg			Center Stage	State	250,000
494	Dewberry			Maryland Historical Society	State	750,000
		669	Bromwell	Maryland School for the Blind	State	200,000
		648	Mitchell	Maryland Science Center	State	500,000
643	D Davis			MNCPPC Facility for People with Disab	State	100,000
		513	Hoffman	The Walters Art Gallery	State	500,000
		117	Bromwell	U.S.S. Constellation	State	650,000
935	Mandel			Women in the Milit Serv Mem Found	State	30,000

<b>Subtotal -Bond Bills - Statewide</b>						<b>\$3,880,000</b>
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**Exhibit 2.4 (continued)**

# **Legislative Projects - 1999 Session** **Final Action**

<b>HB</b>	<b>House Sponsor</b>	<b>SB</b>	<b>Senate Sponsor</b>	<b>Project Title</b>	<b>Co.</b>	<b>Final Action</b>
<b>Local Projects</b>						
		362	Hafer	Allegany Agricul Expo and Fairgrounds	Alleg	450,000
448	Allegany Del			Gilchrist Museum	Alleg	175,000
<b>Subtotal - Allegany</b>						<b>\$625,000</b>
1120	Owings			Carrie Weedon Science Center	AA	100,000
		374	Jimeno	Chesapeake Ctr for Creative Arts Auditorium	AA	200,000
		360	Astle	Community Health Center of Parole	AA	250,000
145	Busch			Maryland Hall for the Creative Arts	AA	300,000
		99	Astle	Renovation of 251 West Street	AA	200,000
<b>Subtotal - Anne Arundel</b>						<b>\$1,050,000</b>
		768	Della	Balt Museum Service Ctr	BCity	200,000
1080	Krysiak			Baltimore American Indian Center	BCity	300,000
		343	Hoffman	Baltimore Clayworks, Inc.	BCity	500,000
526	Marriott			Baltimore Conservatory in Druid Hill Park	BCity	500,000
		353	McFadden	Community Initiatives Academy	BCity	200,000
		693	Blount	Eubie Blake Nat Jazz Inst Culture Ctr	BCity	500,000
		18	Sfikas	Fed of Hispanic Org of Balt Metro Area, Inc.	BCity	100,000
389	Dypski			Frederick Douglass-Isaac Myers Maritime	BCity	250,000
1056	Oaks			G.R.O.U.P. Ministries, Inc	BCity	125,000
712	Marriott			Maryland Community Resource Center, Inc	BCity	500,000
1037	Fulton			New Song Center	BCity	300,000
480	Rosenberg			Police Athletic League Center	BCity	400,000
566	V Jones			Royal Theater Marquee Monument Project	BCity	100,000
		92	Della	South Baltimore Learning Center	BCity	200,000
651	Kirk			St Frances Academy	BCity	400,000
1041	Kirk			Union Baptist Church Head Start	BCity	150,000
1118	Gladden			W Arlington Planetarium and Multipurp Ctr	BCity	100,000
<b>Subtotal - Baltimore City</b>						<b>\$4,825,000</b>
		213	Collins	Hannah More School	Balt	550,000
464	Minnick			Scotts Branch Elementary PAL/Rec Ctr	Balt	525,000
369	Dewberry			Westchester Community Center	Balt	120,000

# Legislative Projects - 1999 Session

## Final Action

HB	House Sponsor	SB	Senate Sponsor	Project Title	Co.	Final Action
<b>Local Projects</b>						
		211	Collins	Winfield Elementary PAL/Rec Ctr	Balt	525,000
<b>Subtotal - Baltimore</b>						<b>\$1,720,000</b>
		318	Dyson	Old Wallville School	Cal	30,000
716	Owings			William B. Tennison Boat Restoration	Cal	50,000
<b>Subtotal - Calvert</b>						<b>\$80,000</b>
451	Guns			Benedictine Sch for Exceptional Children	Carol	275,000
328	Eckardt			Denton Armory Building	Carol	100,000
<b>Subtotal - Caroline</b>						<b>\$375,000</b>
		617	Haines	Carroll County Agricultural Center	Carr	300,000
<b>Subtotal - Carroll</b>						<b>\$300,000</b>
1151	Cecil Del			Rising Sun Museum & Visitor's Ctr	Cecil	100,000
<b>Subtotal - Cecil</b>						<b>\$100,000</b>
367	So Md Del			Lions Camp Merrick	Chas	400,000
<b>Subtotal - Charles</b>						<b>\$400,000</b>
		663	Ferguson	Frederick Arts Council	Fred	100,000
1046	Fred Del			Frederick Chapt of the American Red Cross	Fred	100,000
440	Fred Del			Greater Bruns Com Action Schl Serv Bldg	Fred	80,000
349	Fred Del			Lamar Sanitarium - Historic Museum	Fred	100,000
<b>Subtotal - Frederick</b>						<b>\$380,000</b>
1163	Edwards			B&O Railroad Station	Gar	75,000
<b>Subtotal - Garrett</b>						<b>\$75,000</b>
		22	Baker	Kent Family Center	Kent	300,000
444	Walkup			Schooner Sultana Project	Kent	100,000
<b>Subtotal - Kent</b>						<b>\$400,000</b>
744	Franchot			Balt and Ohio Train Station in Silver Spring	Mont	200,000
1157	Shriver			Boys & Girls Clubs of Greater Washington	Mont	100,000
		256	McCabe	Brookeville Academy	Mont	50,000
		339	Dorman	Chesapeake Wildlife Sanc. Educ. Fac.	Mont	100,000

**Exhibit 2.4 (continued)**

# **Legislative Projects - 1999 Session** **Final Action**

<b>HB</b>	<b>House Sponsor</b>	<b>SB</b>	<b>Senate Sponsor</b>	<b>Project Title</b>	<b>Co.</b>	<b>Final Action</b>
<b>Local Projects</b>						
		233	Hogan	Germantown Cultural Arts Center	Mont	700,000
436	Hixson			Long Branch Community Center	Mont	100,000
529	Gordon			Montgomery County Historical Society	Mont	125,000
1083	Heller			Our House Youth Home	Mont	450,000
<b>Subtotal - Montgomery</b>						<b>\$1,825,000</b>
		447	Miller	Melwood Horticultural Training Center Facil.	PG	325,000
818	R Baker			Minority Access Community Center	PG	325,000
		489	Lawlah	New Chapel Baptist Ch. Comm. Ctr.	PG	600,000
838	Howard			Technology Training Center	PG	300,000
545	Proctor			Top Banana Home Delivered Groceries, Inc.	PG	120,000
<b>Subtotal - Prince George's</b>						<b>\$1,670,000</b>
307	W Baker			Horsehead Education Center	QA	275,000
		326	Baker	Ruthsburg Community Club, Inc.	QA	100,000
<b>Subtotal - Queen Anne's</b>						<b>\$375,000</b>
1162	McClenahan			Old Washington School	Som	400,000
<b>Subtotal - Somerset</b>						<b>\$400,000</b>
1095	Schisler			Avalon Theater	Tal	60,000
<b>Subtotal - Talbot</b>						<b>\$60,000</b>
		397	Munson	Hagerstown YMCA	Wash	500,000
<b>Subtotal - Washington</b>						<b>\$500,000</b>
509	Bozman			St Martin's Church Foundation	Wor	50,000
<b>Subtotal - Worcester</b>						<b>\$50,000</b>
<b>Subtotal - Statewide and Local Projects</b>						<b>\$19,090,000</b>
<b>Total - New Projects</b>						<b>\$28,886,000</b>

## Debt Affordability

The Capital Debt Affordability Committee recommended a limit of \$445 million in general obligation bonds to be authorized for fiscal 2000. The General Assembly authorized \$448.7 million in new general obligation bond debt, offset by the deauthorization of \$3.7 million in previously authorized debt, for a net new general obligation debt authorization of \$445 million. This amount conforms to the recommendation of the Capital Debt Affordability Committee.

## Public School Construction

The funds available in fiscal 2000 for public school construction total \$257.5 million. Funding is provided through a general obligation bond authorization of \$90 million and \$165 million in general obligation fund Paygo funding and \$2.5 million available from the Statewide Contingency Account. Of this amount, \$187.7 million was allocated by the Board of Public Works in January. The remainder was allocated by the board in May. The following table shows the distribution.

<b><u>Subdivision</u></b>	
Allegany	\$2,921,000
Anne Arundel	13,183,000
Baltimore City	25,070,000
Baltimore County	30,011,000
Calvert	7,304,000
Caroline	600,000
Carroll	8,332,000
Cecil	5,643,000
Charles	9,353,000
Dorchester	889,000
Frederick	11,020,000
Garrett	176,000
Harford	8,414,000
Howard	16,024,000
Kent	336,000
Montgomery	50,165,000
Prince George's	39,517,000
Queen Anne's	6,944,000
St. Mary's	10,348,000
Somerset	160,000
Talbot	85,000
Washington	3,560,000
Wicomico	4,285,000
Worcester	<u>3,160,000</u>
<b>Total</b>	<b>\$257,500,000</b>

### **Funding Sources**

Consolidated Capital Bond Bill	\$90,000,000
General Fund Paygo	165,000,000
Statewide Contingency Account	2,500,000
<b>Total</b>	<b>\$257,500,000</b>

## **Higher Education**

Funding authorized for higher education for fiscal 2000 totals \$151 million. This includes \$108.5 million in general obligation bond authorization, \$25 million in academic revenue bond authorization, and \$17.5 million in general funds. The operating budget as introduced, contained an appropriation of \$8.04 million to the Dedicated Purpose Fund for the planning and design of four capital projects:

- University of Maryland, Baltimore - Health Sciences Research Facility II;
- University of Maryland Baltimore County - Chemistry/Physics Building;
- Bowie State University - Science Building; and
- Frostburg State University - Science Building.

The appropriation was contingent on enactment of legislation increasing the tobacco tax. The five-year Capital Improvement Program indicated that construction on these four projects, and three additional science facilities at other university system institutions, would have been accelerated from between two and six years had the tobacco tax been increased by \$1.00.

The General Assembly struck the contingent language on the Dedicated Purpose Fund and instead authorized the Governor to use up to \$8.04 million of the Revenue Stabilization Fund (Rainy Day Fund) to plan and design the four university projects. Given the smaller 30 cent increase in the tobacco tax, it is unclear whether construction of any of the science related projects will be accelerated.

## Program Open Space

The fiscal 2000 budget includes \$74.9 million from transfer tax revenues for Program Open Space (POS) land acquisition and development. The following table shows the allocations among the various categories.

<u>Land Acquisition</u>	<u>Amount</u>
Local Grants	\$33,831,000
Gunpowder Falls State Park	1,686,000
Rocks/Susquehanna State Park	620,000
Seneca Creek State Park	169,000
Patuxent River Greenway	600,000
Potomac Greenway	200,000
Magothy River Greenway	475,000
Mattawoman Greenway	300,000
Rails to Trails	275,000
Scenic Rivers	1,350,000
Chesapeake Bay Access	3,896,000
Advanced Option and Purchase Fund	8,262,000
Baltimore City Direct Grant	1,500,000
Heritage Conservation Fund	1,645,000
Outdoor Recreation Land Loan	1,000,000
<b>Subtotal</b>	<b>\$55,809,000</b>

**Capital Improvements**

Warrior Mountain WMA	\$114,000
Jonas Green State Park	41,000
North Point State Park	1,980,000
Patapsco Valley State Park	400,000
Sassafras NRMA	406,000
St. Clement's Island State Park	99,000
Greenbrier State Park	56,000
Western Maryland Rail Trail	783,000
Assateague Island State Park	833,000
Park Improvements Incentive Fund	500,000
Critical Maintenance Projects	1,711,000
Dam Rehabilitation	500,000
Ocean City Beach Maintenance - State Share	1,000,000
<b>Subtotal</b>	<b>\$8,423,000</b>
Rural Legacy	10,624,000
<b>Total</b>	<b>\$74,856,000</b>

WMA=Wildlife Management Area

NRMA= Natural Resource Management Area

In the fiscal 2000 budget, the Department of Natural Resources continued the practice of deauthorizing some projects in order to transfer the authorization to other projects. This practice allows funds sitting in dormant accounts to be reprogrammed to the areas where land is actually available for purchase. The following table shows the projects being deauthorized and the new authorizations.

**Deauthorized**

Cunningham Falls State Park    \$1,669,684

**Reauthorized**

Gunpowder Falls State Park    \$203,690

Parker's Creek    807,686

Green Ridge State Forest    181,217

South Mountain State Park    422,346

Rails to Trails    84,745

**Total**    \$1,699,684**Property Transfer Tax Revenue Adjustments**

Annual appropriations for Program Open Space (POS) are based on an estimate of property transfer tax revenues. Transfer tax revenues have in recent years fallen short of estimates, but in fiscal 1998 actual revenues exceeded projected estimates by \$11.4 million and are included in the fiscal 2000 allowance. Current estimates indicate that the fiscal 1999 transfer tax attainment will exceed the estimate on which the fiscal 1999 budget was based by approximately \$13.4 million. **SB 637/Ch. 588** allows these additional revenues to be added to the fiscal 1999 budget by budget amendment. Absent this legislation, these funds would be allocated in the fiscal 2001 budget. Under the transfer tax distribution formula, the State POS program will receive \$5.17 million of these funds. The distributions among all programs funded by the property transfer tax will be:

Program Open Space - State Share	\$5,174,000
Program Open Space - Local Share	5,040,000
Agricultural Land Preservation	2,286,000
Heritage Conservation	240,000
Rural Legacy	671,000
<b>Total</b>	<b>\$13,411,000</b>

**Environment**

Fiscal 2000 capital funding for environmental programs totals \$333 million. This is more than double the \$165.2 million included in fiscal 1999. The majority of the increase (\$143.8 million) occurs in the Water Quality Revolving Loan Fund which provides loans to counties and municipalities to finance water quality improvement projects. Several large projects in Baltimore City and Montgomery County receive a majority of the loan financing. The activity level for the revolving loan fund is projected to drop from the fiscal 2000 level of \$172 million to approximately \$65 million annually through fiscal 2004.



## **Chapter Three - Impact of Legislation on State Revenues and Expenditures**

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- Legislation Affecting State Revenues
- Summary of Revenues
- Legislation Affecting State Expenditures
- Summary of Expenditures



## Legislation Affecting State Revenues

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Revenues</u>	<u>Fund</u>
<b>AGING</b>			
SB 145	Assisted Living Programs - Continuing Care Communities - Requirements (Ch. 526)	\$37,400 <sup>1</sup>	SF
<b>AGRICULTURE</b>			
SB 217	State Board of Veterinary Medical Examiners (Ch. 531)	See Footnote <sup>2</sup>	GF
HB 66	Veterinary Practice Act - Practice of Veterinary Medicine (Ch. 61)	Minimal Increase	GF
<b>ALL/MULTIPLE AGENCIES</b>			
SB 136	Maryland Competitive Advantage Financing Fund (Ch. 299)	Indeterminate Increase	GF
SB 223	Offenses Involving Destructive Devices - Penalties - Suspension of Driving Privileges and Parental Restitution (Ch. 329)	Minimal Increase	GF/SF
SB 344/ HB 366	Electric and Gas Utility Tax Reform (Ch. 5/6)	(\$1,600,000) <sup>3</sup>	GF
SB 344/ HB 366	Electric and Gas Utility Tax Reform (Ch. 5/6)	\$3,500,000 <sup>4</sup>	SF

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<sup>1</sup>Revenues increase by \$10,000 in FY 2001. Offset by increased expenditures.

<sup>2</sup>Legislation extends sunset from July 1, 2001 to July 1, 2011; revenues will continue.

<sup>3</sup>Revenues increase by \$8.0 million in FY 2001; by \$9.6 million in FY 2002; by \$11.7 million in FY 2003; and by \$13.1 million in FY 2004.

<sup>4</sup>Revenues increase by \$4.8 million in FY 2001; by \$5.0 million in FY 2002; by \$5.3 million in FY 2003; and by \$5.4 million in FY 2004.

## Legislation Affecting State Revenues

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Revenues</u>	<u>Fund</u>
SB 464/ HB 958	Child Welfare-Citizen Review Panels and Child Fatality Review Teams (Ch. 355/356)	See Footnote <sup>5</sup>	FF
SB 505	Parking Access for Individuals with Disabilities (Ch. 360)	Minimal Increase	GF
SB 779/ HB 1148	Tax Credits - New or Expanded Business Premises (Ch. 510/492)	Indeterminate	GF/SF
HB 5	One Maryland Economic Development Program for Distressed Counties (Ch. 304)	Indeterminate Increase	GF/SF
HB 188	Maryland Economic Development Assistance Authority and Fund (Ch. 301)	Indeterminate Increase	GF
HB 384	Charles County - Sale or Disposition of Surplus Real Property - Economic Development Efforts (Ch. 417)	Minimal Increase	GF
HB 603	Civil Actions - Disclosure of Information and Service of Process (Ch. 434)	Indeterminate Increase	GF/SF
HB 877	Economic Development - Enterprise Zones - Focus Areas (Ch. 467)	Indeterminate	GF/SF
HB 1096	Talbot County - Property Tax Credit - Real Property Owned or Occupied by County Businesses (Ch. 489)	Minimal Increase	GF
HB 1130	Prepaid Telephone Calling Arrangements - Taxation (Ch. 688)	Significant Increase <sup>6</sup>	GF/SF
HB 1152	Bainbridge Development Corporation (Ch. 494)	Indeterminate Increase	GF

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<sup>5</sup>Existing federal funds of \$547,000 would be available to reimburse general fund expenditures. Additional federal funds would be available to reimburse expenditures at the rate of approximately 35%.

<sup>6</sup>Under one scenario, revenues could increase by at least \$924,000 in FY 2000, and by \$1.8 million annually thereafter.

## Legislation Affecting State Revenues

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Revenues</u>	<u>Fund</u>
HB 1191	State Procurement Law - Application to Maryland Port Administration and Modification of the Reciprocal Preference Program (Ch. 501)	Indeterminate Increase <sup>7</sup>	
<b>ASSESSMENTS AND TAXATION</b>			
SB 20	Protestant Episcopal Church, Diocese of Easton (Ch. 308)	Minimal Increase	GF
SB 169	Corporations and Real Estate Investment Trusts - Unsolicited Takeovers (Ch. 300)	Minimal Increase	GF
SB 504	Property Tax Credit - Audubon Naturalist Society of the Central Atlantic States (Ch. 185)	Minimal Decrease	SF
SB 677/ HB 897	Property Tax - Mandatory Semiannual Payment (Ch. 306/305)	Indeterminate Increase	GF
SB 677/ HB 897	Property Tax - Mandatory Semiannual Payment (Ch. 306/305)	See Footnote <sup>8</sup>	SF
HB 154	Corporations and Real Estate Investment Trusts - Powers of Corporations and Boards of Directors - Extraordinary Actions (Ch. 395)	Minimal Increase	GF
HB 274	Recordation and Transfer Taxes - Transfers Between Relatives (Ch. 615)	Minimal Decrease	GF/SF
HB 396	Charles County - Recordation Tax Credit - Targeted Businesses (Ch. 631)	Minimal Decrease	GF

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<sup>7</sup> Assuming a major cargo carrier relocates to Maryland, this legislation could accelerate the positive impacts on the State's economy and revenues.

<sup>8</sup> Annuity Bond Fund revenues increase by a maximum of \$53,800 in fiscal 2001.

## Legislation Affecting State Revenues

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Revenues</u>	<u>Fund</u>
HB 515	Recordation Tax and State Transfer Tax - Transfers From Class 1 Railroad Carrier to Wholly-Owned Limited Liability Company (Ch. 427)	(\$103,400) <sup>9</sup>	SF
HB 555	Property Tax Exemption - Exception for Property Owned by Maryland-National Capital Park and Planning Commission and Used for a Concession (MC/PG 8-99) (Ch. 253)	\$1,800	SF
HB 559	Baltimore City - Property Tax - Exemption for Economic Development Projects (Ch. 643)	Indeterminate Increase	GF/SF
HB 759	Estates and Trusts - Conversion of Sole Proprietorships to Limited Liability Companies by Personal Representatives and Fiduciaries (Ch. 663)	Minimal Increase	GF
HB 774	Business Trusts - Formation and Powers (Ch. 452)	Minimal Increase	GF/SF

### COMPTROLLER

SB 8	Maryland Higher Education Investment Program - Income Tax Subtraction Modification for Contributions (Ch. 7)	(\$230,700) <sup>10</sup>	GF
SB 24	Motor Vehicle Fuel Tax Refunds for Transportation Systems for Elderly, Handicapped, or Low Income Individuals (Ch. 133)	(\$6,900) <sup>11</sup>	GF

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<sup>9</sup>Revenue loss could occur in either FY 2000 or FY 2001.

<sup>10</sup>Revenues decrease by \$541,600 in FY 2001; future year decreases reflect the cumulative effect of the legislation.

<sup>11</sup>Legislation repeals sunset of June 30, 1999; annual revenue losses will continue. The FY 2000 revenue estimates do not account for this loss.

## Legislation Affecting State Revenues

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Revenues</u>	<u>Fund</u>
SB 86	Neighborhood Preservation and Stabilization Tax Credits (Ch. 319)	See Footnote <sup>12</sup>	GF
SB 390/ HB 636	Tax Credit for Cost of Providing Commuter Benefits to Employees (Ch. 559/560)	See Footnote <sup>13</sup>	GF/SF
SB 631/ HB 7	Income Tax - Credit for Child and Dependent Care Expenses (Ch. 583/584)	See Footnote <sup>14</sup>	GF
SB 655	Income Tax - United States Coast Guard Auxiliary Members (Ch. 375)	(\$157,400) <sup>15</sup>	GF
HB 4	One Maryland Economic Development Program for Distressed Counties - Tax Credits (Ch. 303)	Indeterminate	GF/SF
HB 9	Quality Teacher Incentive Act of 1999 (Ch. 600)	See Footnote <sup>16</sup>	GF
HB 75	Job Creation Tax Credit - Extension (Ch. 208)	Indeterminate	GF/SF
HB 82	Job Creation Tax Credit - Priority Funding Area - Port Land Use Development Zone (Ch. 209)	Indeterminate	GF/SF
HB 177	Holocaust Victims - Inheritance Tax and Income Tax - Insurance Policies (Ch. 117)	Minimal Decrease	GF

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<sup>12</sup>Revenues decrease by \$15,400 in FY 2001; by \$27,900 in FY 2002; and by \$37,200 in FY 2003 and FY 2004.

<sup>13</sup>Revenues decrease by \$1.1 million in FY 2001; future year reductions increase by 1% annually. It is assumed that 80% of these revenues will be general funds and 20% will be special funds.

<sup>14</sup>Revenues decrease by \$4.1 million in FY 2001; future year reductions grow by 2% annually.

<sup>15</sup>Revenues decrease by \$149,900 in FY 2001; future year reductions decrease by 3.7% annually.

<sup>16</sup>Revenues decrease by \$11 million in FY 2001; future year decreases reflect additional teachers.

## Legislation Affecting State Revenues

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Revenues</u>	<u>Fund</u>
HB 190	Tobacco Tax (Ch. 121)	\$91,600,000 <sup>17</sup>	GF
HB 259	Sales and Use Tax Exemption - Certain Wholesome Foods (Ch. 406)	(\$140,000) <sup>18</sup>	GF
HB 432	Inheritance Tax Rate (Ch. 635)	(\$1,800,000) <sup>19</sup>	GF
HB 789	Heritage Structure Rehabilitation Tax Credit - Mortgage Credit Certificates (Ch. 667)	Indeterminate	GF/SF
HB 826	Prince George's County - Alcoholic Beverages - Pub-Brewery and Micro-Brewery Licenses (PG 320-99) (Ch. 462)	\$3,690 <sup>20</sup>	GF
HB 1051	Certified Heritage Structure Rehabilitation Credit - Reciprocity with Other States (Ch. 484)	Indeterminate	GF/SF
HB 1100	Wrongful Death - Interstate Succession - Parent Not Entitled to Damages or Distribution (Ch. 685)	Minimal Increase	GF
HB 1110	Horse Racing - Special Fund - Taxes (Ch. 291)	(\$1,174,400) <sup>21</sup>	GF
HB 1149	County Income Tax (Ch. 493)	(\$1,700,000) <sup>22</sup>	GF

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<sup>17</sup>Revenues increase by \$76 million in FY 2001; future year increases reflect changes in consumption.

<sup>18</sup>Revenues decrease by \$144,600 in FY 2001; future year reductions increase by 3% annually.

<sup>19</sup>Revenues decrease by \$6.7 million in FY 2001; future year decreases reflect revenue accumulations and growth in inheritance tax collections.

<sup>20</sup>Revenues increase by \$1,600 annually beginning in FY 2001.

<sup>21</sup>Legislation sunsets on June 30, 2000.

<sup>22</sup>Revenues decrease by \$1.7 million in FY 2001; future year decreases reflect the impact of the income tax phase-in.

## Legislation Affecting State Revenues

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Revenues</u>	<u>Fund</u>
<b>ENVIRONMENT</b>			
HB 454	State Board of Well Drillers (Ch. 239)	See Footnote <sup>23</sup>	GF
HB 455	State Board of Waterworks and Waste Systems Operators (Ch. 240)	See Footnote <sup>24</sup>	GF
<b>EXECUTIVE</b>			
SB 142/ HB 184	The Joseph Fund (Ch. 516/517)	See Footnote <sup>25</sup>	SF
HB 878	Assistive Technology Guaranteed Loan Program and Fund (Ch. 468)	Indeterminate Increase	GF
HB 878	Assistive Technology Guaranteed Loan Program and Fund (Ch. 468)	Indeterminate Increase	SF
<b>HEALTH AND MENTAL HYGIENE</b>			
SB 209	State Board of Dental Examiners (Ch. 158)	See Footnote <sup>26</sup>	SF
SB 302	Board of Physician Quality Assurance - Physician Profiles - Disclosure to the Public (Ch. 338)	\$12,900 <sup>27</sup>	GF

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<sup>23</sup>Legislation extends sunset from July 1, 2001 to July 1, 2011; budgeted revenues will continue.

<sup>24</sup>Legislation extends sunset from July 1, 2001 to July 1, 2011; budgeted revenues will continue.

<sup>25</sup>\$5.2 million in general funds could accrue to The Joseph Fund in FY 2001. Up to \$5 million could accrue annually in future years.

<sup>26</sup>Legislation extends sunset from July 1, 1999 to July 1, 2006; revenues will continue.

<sup>27</sup>Revenues increase by \$13,700 in FY 2001; future year increases reflect biennial license renewals.

## Legislation Affecting State Revenues

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Revenues</u>	<u>Fund</u>
SB 302	Board of Physician Quality Assurance - Physician Profiles - Disclosure to the Public (Ch. 338)	\$202,900 <sup>28</sup>	SF
SB 590	Nurse Multistate Licensure Compact (Ch. 186)	(\$24,700) <sup>29</sup>	SF
SB 625	Mandated Health Insurance Services - Cost Determination (Ch. 582)	\$5,000 <sup>30</sup>	SF
SB 738	Children and Families Health Care Program (Ch. 381)	(\$210,000) <sup>31</sup>	SF
SB 738	Children and Families Health Care Program (Ch. 381)	(\$390,000) <sup>32</sup>	FF
SB 773	Home Health Agencies - Authority of Secretary of Health and Mental Hygiene - Repeal of Terminate Date (Ch. 199)	See Footnote <sup>33</sup>	GF
HB 68	Developmental Disabilities - State Plan - Private Community-Based Services - Billing Rate Appeals (Ch. 204)	See Footnote <sup>34</sup>	GF
HB 178	Health Occupations - Massage Therapists and Non-Therapeutic Massage Practitioners (Ch. 397)	Minimal Increase	SF

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<sup>28</sup>Revenues increase by \$214,500 in FY 2001; future year increases reflect biennial license renewals.

<sup>29</sup>Revenues decrease by \$116,500 in FY 2001 and by \$167,300 annually beginning in FY 2002.

<sup>30</sup>Revenues increase by \$5,000 in FY 2001; future year increases reflect inflation. Offset by special fund expenditure increase.

<sup>31</sup>Revenues decrease in FY 2000 only.

<sup>32</sup>Revenues decrease in FY 2000 only.

<sup>33</sup>Legislation repeals sunset of September 30, 1999; revenues will continue.

<sup>34</sup>Potential decrease in FY 2001 revenues.

## Legislation Affecting State Revenues

<b><u>Bill</u></b>	<b><u>Title</u></b>	<b><u>FY 2000 Revenues</u></b>	<b><u>Fund</u></b>
HB 212	Board of Physician Quality Assurance - Disposition of Fees (Ch. 398)	(\$360,900) <sup>35</sup>	GF
HB 212	Board of Physician Quality Assurance - Disposition of Fees (Ch. 398)	\$360,900 <sup>36</sup>	SF
HB 242	Health Services Cost Review Commission - Abrogation Date and User Fees (Ch. 613)	See Footnote <sup>37</sup>	SF
HB 621	Health Occupations - Professional Counselors - Licensing and Certification (Ch. 437)	Minimal Increase	SF
HB 674	Patient Prescription Access - Limited Physician Delegation to Physician Assistants (Ch. 655)	\$6,500 <sup>38</sup>	GF
HB 674	Patient Prescription Access - Limited Physician Delegation to Physician Assistants (Ch. 655)	\$101,500 <sup>39</sup>	SF
HB 705	Hospitals and Ambulatory Surgical Facilities - Quality of Care and Performance Act (Ch. 657)	\$50,000 <sup>40</sup>	SF
HB 978	Health Care Access and Cost Commission - Advisory Committee on Practice Parameters - Repeal (Ch. 111)	(\$200,000) <sup>41</sup>	SF

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<sup>35</sup>Revenues decrease by \$390,200 in FY 2001; future year decreases reflect biennial license renewals. Offset by special fund revenue increase.

<sup>36</sup>Revenues increase by \$390,200 in FY 2001; future year increases reflect biennial license renewals. Offset by general fund revenue decrease.

<sup>37</sup>Legislation repeals sunset of June 30, 2000; revenues will continue in FY 2001 and beyond.

<sup>38</sup>Revenues increase by \$600 annually beginning in FY 2001.

<sup>39</sup>Revenues increase by \$9,400 annually beginning in FY 2001.

<sup>40</sup>Revenues increase by \$67,200 in FY 2001; future year increases reflect inflation and progress of the project. Offset by increased expenditures.

<sup>41</sup>Offset by special fund expenditure decrease.

## Legislation Affecting State Revenues

<b><u>Bill</u></b>	<b><u>Title</u></b>	<b><u>FY 2000 Revenues</u></b>	<b><u>Fund</u></b>
HB 989	State Board of Examiners of Psychologists - Disciplinary and Regulatory Authority (Ch. 112)	\$20,000	GF
HB 1006	State Board of Acupuncture, State Board of Podiatric Medical Examiners, and State Board of Social Work Examiners - Enforcement Authority (Ch. 114)	\$2,000	SF

### HEALTH CLAIMS ARBITRATION OFFICE

HB 801	Health Care Malpractice Claims - Neutral Case Evaluation (Ch. 458)	\$76,500 <sup>42</sup>	SF
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### HUMAN RESOURCES

SB 48	Family Law - Child Support - Enforcement (Ch. 21)	Minimal Increase	SF
SB 476	Financial Institutions - Fiduciary Institutions - Disclosure of Customer's Financial Records (Ch. 40)	Indeterminate Increase	SF
SB 480	Foster Care - Child Support Obligations (Ch. 358)	Indeterminate Increase	SF
HB 1059	Department of Human Resources - Welfare and Child Support Enforcement Innovation Act of 1999 (Ch. 486)	Significant Increase <sup>43</sup>	SF

### JUDICIARY

SB 282	Family Law - Marriage Licenses (Ch. 336)	\$7,200	GF
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<sup>42</sup>Revenues increase by \$103,000 in FY 2001; future year increases reflect inflation and 1% annual caseload increases. Offset by special fund expenditure increases.

<sup>43</sup>Under one scenario, revenues could increase by \$2.0 million.

## Legislation Affecting State Revenues

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Revenues</u>	<u>Fund</u>
HB 35	State Board of Law Examiners (Ch. 389)	See Footnote <sup>44</sup>	GF

### LABOR, LICENSING, AND REGULATION

SB 49	Professional Land Surveyors - Licensing (Ch. 22)	Minimal Increase	GF
SB 50	Plumbers - Licensing - Waiver of Examination Requirement (Ch. 23)	\$1,800 <sup>45</sup>	GF
SB 52	Foresters - Scope of Practice and Licensure (Ch. 314)	Minimal Decrease	GF
SB 122	Maryland Agricultural Fair Board - Grants (Ch. 321)	(\$225,000)	GF
SB 216	State Board of Barbers (Ch. 328)	See Footnote <sup>46</sup>	GF
SB 298	Horse Racing (Ch. 168)	(\$500,000) <sup>47</sup>	GF
SB 298	Horse Racing (Ch. 168)	See Footnote <sup>48</sup>	GF
SB 298	Horse Racing (Ch. 168)	Indeterminate Increase <sup>49</sup>	GF

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<sup>44</sup>Legislation extends sunset from July 1, 1999 to July 1, 2004; revenues will continue. Revenues could increase by an indeterminate amount if bar admissions fees are raised pursuant to the legislation.

<sup>45</sup>Revenues increase by \$5,300 in FY 2001; future year increases reflect steady licensing renewal and a constant decline in the number of new licensees.

<sup>46</sup>Legislation extends sunset from July 1, 2001 to July 1, 2011; revenues will continue.

<sup>47</sup>Revenues decrease in FY 2000 and FY 2001 only.

<sup>48</sup>Revenues may decrease by \$10 million in FY 1999.

<sup>49</sup>Revenues could increase from additional racing days.

## Legislation Affecting State Revenues

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Revenues</u>	<u>Fund</u>
SB 298	Horse Racing (Ch. 168)	\$10,000,000	SF
HB 236	State Board of Cosmetologists (Ch. 405)	See Footnote <sup>50</sup>	GF
HB 637	Licensed Certified Public Accountants - Qualifications (Ch. 438)	(\$2,300) <sup>51</sup>	GF
HB 730	Harness Racing - Racing Days (Ch. 265)	Indeterminate Increase	GF
HB 781	Cosmetologists - Licensing Requirements (Ch. 455)	(\$1,900) <sup>52</sup>	GF
HB 1003	Heating, Ventilation, Air-Conditioning, and Refrigeration Contractors - Journeyman Restricted License (Ch. 475)	Minimal Increase	GF
HB 1031	Office of Cemetery Oversight - Religious, Nonprofit Cemeteries (Ch. 680)	Minimal Decrease	SF

### LOTTERY

SB 104	State Lottery - Lotteries for Maryland Stadium Authority (Ch. 521)	Significant Increase <sup>53</sup>	GF
HB 495	State Lottery - Licensed Agents - Commissions (Ch. 640)	See Footnote <sup>54</sup>	GF

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<sup>50</sup>Legislation extends sunset from July 1, 2001 to July 1, 2011; budgeted revenues will continue.

<sup>51</sup>Revenues decrease by \$4,500 in FY 2001; future year decreases reflect biennial licensing and 2% growth.

<sup>52</sup>Revenues decrease by \$1,900 in FY 2001; future year decreases reflect biennial licensing.

<sup>53</sup>Under one scenario, revenues would increase by \$2.0 million annually.

<sup>54</sup>Revenues decrease by \$6.8 million in FY 2001; future year reductions increase by 2% annually.

## Legislation Affecting State Revenues

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Revenues</u>	<u>Fund</u>
<b>MARYLAND AUTOMOBILE INSURANCE FUND</b>			
HB 1032	Motor Vehicle Liability Insurance - Minimum Benefits of Security - Maximum Amounts Payable from MAIF - Property Damage Claims (Ch. 681)	See Footnote <sup>55</sup>	
<b>MARYLAND HIGHER EDUCATION COMMISSION</b>			
HB 128	Higher Education - Educational Excellence Award Program (Ch. 606)	(\$400,000)	GF
<b>MARYLAND INSTITUTE FOR EMERGENCY MEDICAL SERVICES SYSTEMS</b>			
SB 294	Emergency Medical Services - Automated External Defibrillator Program (Ch. 167)	\$1,900 <sup>56</sup>	SF
<b>MARYLAND INSURANCE ADMINISTRATION</b>			
SB 67	Health Insurance - Extension of Benefits (Ch. 139)	Minimal Increase	GF
SB 101/ HB 109	Health Insurance - Medical Clinical Trials - Coverage (Ch. 145/146)	Minimal Increase	GF/SF
SB 107	Insurance - Motor Vehicles - Reimbursement for the Rental of Specially Equipped Motor Vehicles (Ch. 147)	Minimal Increase <sup>57</sup>	SF

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<sup>55</sup>Maryland Automobile Insurance Fund revenues could increase by \$760,000 annually. Offset by increased expenditures.

<sup>56</sup>Revenues increase by \$2,600 in FY 2001; future year increases reflect inflation. Offset by increased expenditures.

<sup>57</sup>Revenues increase in FY 2000 only.

## Legislation Affecting State Revenues

<b><u>Bill</u></b>	<b><u>Title</u></b>	<b><u>FY 2000 Revenues</u></b>	<b><u>Fund</u></b>
SB 181	Health Insurance - Coverage for a Prosthesis (Ch. 155)	Minimal Increase	GF/SF
SB 250	Health Insurance - Retroactive Denial of Reimbursement - Improper Coding (Ch. 162)	Minimal Increase	GF/SF
SB 350	Health Insurance - Coverage Determinations and Retroactive Adverse Decisions (Ch. 554)	Minimal Increase	GF
SB 511/ HB 372	Motor Vehicle Rental Companies - Authority to Sell or Offer Insurance to Renters (Ch. 629/628)	\$5,000 <sup>58</sup>	SF
SB 523	Automobile Liability Insurance and Homeowner's Insurance - Prohibited Terminations and Refusals (Ch. 366)	Minimal Increase <sup>59</sup>	SF
SB 578	Life Insurance and Annuities - Funding Pre-Need Contracts and Preneed Burial Contracts (Ch. 578)	Minimal Increase	SF
SB 624/ HB 884	Universal Newborn Hearing Screening (Ch. 127/128)	Minimal Increase	GF/SF
SB 653	Personal Injury Claims - Subrogation - Reduction (Ch. 590)	Minimal Increase	SF
HB 182	Patients' Bill of Rights Act of 1999 (Ch. 120)	\$74,900 <sup>60</sup>	SF
HB 332	Insurance - Transfer of Business (Ch. 412)	Minimal Increase	SF
HB 576	Continuity of Patient Care Act (Ch. 644)	Indeterminate Increase	GF/SF

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<sup>58</sup>Revenues increase by \$2,500 in FY 2001; future year increases reflect biennial renewal cycle.

<sup>59</sup>Revenues increase in FY 2000 only.

<sup>60</sup>Revenues increase by \$96,400 in FY 2000; future year increases reflect inflation. Offset by increased expenditures.

## Legislation Affecting State Revenues

<b><u>Bill</u></b>	<b><u>Title</u></b>	<b><u>FY 2000 Revenues</u></b>	<b><u>Fund</u></b>
HB 729	Group Life Insurance (Ch. 659)	Minimal Increase <sup>61</sup>	SF
HB 918	Health Benefit Plans - Small Employers - Rates (Ch. 671)	Minimal Increase	GF/SF
HB 1032	Motor Vehicle Liability Insurance - Minimum Benefits of Security - Maximum Amounts Payable from MAIF - Property Damage Claims (Ch. 681)	\$43,200 <sup>62</sup>	GF
HB 1032	Motor Vehicle Liability Insurance - Minimum Benefits of Security - Maximum Amounts Payable from MAIF - Property Damage Claims (Ch. 681)	\$37,500 <sup>63</sup>	SF
HB 1086	Stop-Loss Insurance Policies (Ch. 683)	Minimal Increase	SF

### MARYLAND STATE POLICE

HB 99	Explosives - Forfeiture of Vehicle, Vessel, or Aircraft (Ch. 65)	Minimal Increase	GF
HB 381	Security Guards - Certifications and Renewals (Ch. 415)	\$224,000	GF

### NATURAL RESOURCES

SB 482	Hunter Safety Instructions - Complimentary Consolidated Hunting License (Ch. 359)	(\$7,400)	SF
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<sup>61</sup>Revenues increase in FY 2000 only.

<sup>62</sup>Revenues increase by \$44,500 in FY 2001; future year revenues increase 3% annually.

<sup>63</sup>Revenues increase in FY 2000 only.

## Legislation Affecting State Revenues

<b><u>Bill</u></b>	<b><u>Title</u></b>	<b><u>FY 2000 Revenues</u></b>	<b><u>Fund</u></b>
SB 482	Hunter Safety Instructions - Complimentary Consolidated Hunting License (Ch. 359)	(\$1,500)	FF
HB 733	Natural Resources - Fish - Permits and Fees (Ch. 660)	\$460,300	SF
HB 1075	Natural Resources - Fishing Guide Licenses and Tidal Fish Licenses (Ch. 286)	\$2,300	SF
HB 1187	Natural Resources - Wild Waterfowl - Issuance of Fishing and Hunting Licenses (Ch. 703)	See Footnote <sup>64</sup>	SF

### OFFICE OF ADMINISTRATIVE HEARINGS

HB 148	Child Abuse and Neglect - Administrative Appeal Procedures and Maintenance of Data (Ch. 214)	\$3,000 <sup>65</sup>	GF
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### SECRETARY OF STATE

HB 858	Division of State Documents - Public On-Line Access (Ch. 668)	(\$91,100) <sup>66</sup>	SF
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### SUBSEQUENT INJURY FUND

SB 32	Workers' Compensation - Subsequent Injury Fund - Assessment (Ch. 311)	See Footnote <sup>67</sup>	SF
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<sup>64</sup>Revenues increase by \$24,900 annually beginning in FY 2001.

<sup>65</sup>Revenues increase by \$3,100 in FY 2001; future year revenues increase with number of hearings.

<sup>66</sup>Revenues decrease by \$150,700 annually beginning in FY 2001.

<sup>67</sup>Legislation extends the assessment to fund the Subsequent Injury Fund from June 30, 1999 to June 30, 2003; revenues will continue.

## Legislation Affecting State Revenues

<b><u>Bill</u></b>	<b><u>Title</u></b>	<b><u>FY 2000 Revenues</u></b>	<b><u>Fund</u></b>
<b>TRANSPORTATION</b>			
SB 24	Motor Vehicle Tax Refunds for Transportation Systems for Elderly, Handicapped, or Low Income Individuals (Ch. 133)	(\$293,100) <sup>68</sup>	SF
SB 41	Vehicle Laws - Dealers and Title Service Agents - Bond Requirements (Ch. 14)	Minimal Increase	SF
SB 70	Vehicle Laws - Excise Tax - Vehicle Transfers (Ch. 28)	(\$85,900) <sup>69</sup>	SF
SB 90	Vehicle Laws - Special Registration Plates - Honorably Discharged Veterans (Ch. 142)	Indeterminate Increase <sup>70</sup>	SF
SB 367	Motor Vehicle Registration Fees - Exemptions - Surviving Spouse of Deceased Disabled Veterans (Ch. 342)	Minimal Decrease	SF
SB 387/ HB 722	Motor Vehicle Administration - Privacy Protection Act of 1999 (Ch. 349/350)	See Footnote <sup>71</sup>	SF
SB 481	Vehicle Laws - Vehicle Combinations - Maximum Length (Ch. 568)	Minimal Decrease	GF/SF
SB 512/ HB 488	Vehicle Laws - Excise Tax - Determination of Fair Market Value and Collection of Tax (Ch. 361/512)	Indeterminate	SF
SB 728	State Highways - Cost of Right of Access - Process and Appeal (Ch. 594)	Indeterminate	SF

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<sup>68</sup>Legislation repeals sunset of June 30, 1999; annual revenue losses will continue. The FY 2000 revenue estimates do not account for this loss.

<sup>69</sup>Revenues decrease by \$114,500 annually beginning in FY 2001.

<sup>70</sup>Offset by increased expenditures.

<sup>71</sup>Revenues decrease by \$869,100 annually beginning in FY 2001.

## Legislation Affecting State Revenues

<b><u>Bill</u></b>	<b><u>Title</u></b>	<b><u>FY 2000 Revenues</u></b>	<b><u>Fund</u></b>
HB 115	Maryland Vehicle Law - Calvert County - Enforcement on Private Roadways (Ch. 210)	Minimal Increase	SF
HB 788	Vehicle Emissions Inspection Program - Termination - Repeal (Ch. 456)	\$540,000 <sup>72</sup>	SF
HB 788	Vehicle Emissions Inspection Program - Termination - Repeal (Ch. 456)	Indeterminate Decrease	FF
HB 996	State Highways - Expressway Designation Process and Regulation of Highway Access (Ch. 679)	Minimal Increase	SF
HB 1038	Vehicle Emissions Inspection Program - Exemptions - Disabled Individuals and Seniors (Ch. 480)	(\$90,000) <sup>73</sup>	SF
HB 1038	Vehicle Emissions Inspection Program - Exemptions - Disabled Individuals and Seniors (Ch. 480)	Indeterminate Decrease	FF
HB 1089	Motor Vehicle Administration - Verification of Vehicle Registrations (Ch. 488)	(\$83,100) <sup>74</sup>	GF
HB 1089	Motor Vehicle Administration - Verification of Vehicle Registrations (Ch. 488)	(\$35,600) <sup>75</sup>	SF

### UNINSURED EMPLOYERS' FUND

SB 66	Uninsured Employers' Fund - Special Fund (Ch. 316)	(\$761,600) <sup>76</sup>	GF
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<sup>72</sup>Revenues increase by \$720,000 annually beginning in FY 2001.

<sup>73</sup>Revenues decrease by \$120,000 annually beginning in FY 2001.

<sup>74</sup>Revenues decrease by \$105,000 annually beginning in FY 2001.

<sup>75</sup>Revenues decrease by \$45,000 annually beginning in FY 2001.

<sup>76</sup>Revenues decrease by \$784,500 in FY 2001; future year decreases reflect 3% growth. Offset by increase in special fund revenues.

## Legislation Affecting State Revenues

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Revenues</u>	<u>Fund</u>
SB 66	Uninsured Employers' Fund - Special Fund (Ch. 316)	\$761,600 <sup>77</sup>	SF

### UNIVERSITY SYSTEM OF MARYLAND

SB 296	Public Institutions of Higher Education - Affiliated Foundations (Ch. 542)	Indeterminate	
HB 195	Higher Education - Promoting Commercial Potential of Inventions of Public Higher Education Institutions (Ch. 74)	See Footnote <sup>78</sup>	
HB 983	University of Maryland, Maryland Cooperative Extension - Dairy Farm Nutrient and Business Management Program (Ch. 474)	See Footnote <sup>79</sup>	GF

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<sup>77</sup>Revenues increase by \$784,500 in FY 2001; future year increases reflect 3% growth. Offset by decrease in general fund revenues.

<sup>78</sup>Potential indeterminate increase in revenues for public colleges and universities in future years.

<sup>79</sup>Revenues increase by \$10,000 in FY 2001, FY 2002, and FY 2003.



## **Summary of Impact on Revenues<sup>1</sup>**

### **Revenues Not Assumed in FY 2000 Budget**

General Fund	(\$8,821,900)
Special Fund	\$15,080,300
Federal Fund	(\$391,500)

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<sup>1</sup>Figures reflect bills with numerical estimates. Bills with an "indeterminate" fiscal estimate are excluded.



## Legislation Affecting State Expenditures

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Expenditure</u>	<u>Fund</u>
<b>AGING</b>			
SB 145	Assisted Living Programs - Continuing Care Communities - Requirements (Ch. 526)	\$34,100 <sup>1</sup>	SF
<b>AGRICULTURE</b>			
SB 217	State Board of Veterinary Medical Examiners (Ch. 531)	See Footnote <sup>2</sup>	GF
SB 572	Agricultural Land Preservation - Sand and Gravel Pilot Program (Ch. 576)	Indeterminate Increase	SF
<b>ALL/MULTIPLE AGENCIES</b>			
SB 67	Health Insurance - Extension of Benefits (Ch. 139)	Minimal Increase	GF/SF/FF
SB 101/ HB 109	Health Insurance - Medical Clinical Trials - Coverage (Ch. 145/146)	Minimal Increase	GF/SF/FF
SB 113	State Retirement and Pension Systems - Limitations on Benefits and Contributions (Ch. 148)	Minimal Decrease	GF/SF/FF
SB 232/ HB 901	Immunity - State and Local Governments - Year 2000 Litigation (Ch. 533/534)	Indeterminate Decrease	GF/SF
SB 250	Health Insurance - Retroactive Denial of Reimbursement - Improper Coding (Ch. 162)	Minimal Increase	GF/SF/FF
SB 276	State Personnel - Employee-to-Employee Leave Donation Program (Ch. 165)	Minimal Increase	GF/SF/FF

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<sup>1</sup>Expenditures increase by \$10,000 in FY 2001. Offset by increased special fund revenues.

<sup>2</sup>Legislation extends sunset from July 1, 2001 to July 1, 2011; budgeted expenditures will continue.

## Legislation Affecting State Expenditures

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Expenditure</u>	<u>Fund</u>
SB 314	Workers' Compensation - Offset of Benefits (Ch. 340)	Minimal Increase	GF/SF/FF
SB 344/ HB 366	Electric and Gas Utility Tax Reform (Ch. 5/6)	See Footnote <sup>3</sup>	GF
SB 344/ HB 366	Electric and Gas Utility Tax Reform (Ch. 5/6)	See Footnote <sup>4</sup>	SF
SB 350	Health Insurance - Coverage Determinations and Retroactive Adverse Decisions (Ch. 554)	Minimal Increase	GF/SF/FF
SB 363	Employees' and Teachers' Systems - Inclusion in Contributory Pension Benefit Program - Participating Governmental Units and Selection C (Combination Formula) Members (Ch. 176)	\$74,500 <sup>5</sup>	GF
SB 363	Employees' and Teachers' Systems - Inclusion in Contributory Pension Benefit Program - Participating Governmental Units and Selection C (Combination Formula) Members (Ch. 176)	\$24,800 <sup>6</sup>	SF
SB 363	Employees' and Teachers' Systems - Inclusion in Contributory Pension Benefit Program - Participating Governmental Units and Selection C (Combination Formula) Members (Ch. 176)	\$24,800 <sup>7</sup>	FF

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<sup>3</sup>Expenditures increase by \$19.0 million in FY 2001; by \$34.3 million in FY 2002; by \$34.4 million in FY 2003; and by \$34.5 million in FY 2004.

<sup>4</sup>Expenditures decrease by \$3.6 million in FY 2001; by \$3.7 million in FY 2002; by \$3.8 million in FY 2003; and by \$3.9 million in FY 2004.

<sup>5</sup>Expenditures increase by \$984,500 in FY 2001; future year increases reflect 5% growth.

<sup>6</sup>Expenditures increase by \$328,200 in FY 2001; future year increases reflect 5% growth.

<sup>7</sup>Expenditures increase by \$328,200 in FY 2001; future year increases reflect 5% growth.

## Legislation Affecting State Expenditures

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Expenditure</u>	<u>Fund</u>
HB 46	Health Insurance - Annual Chlamydia Screening Test - Coverage (Ch. 57)	Minimal Increase	GF/SF/FF
HB 126	Steam Heating Companies (Ch. 605)	Minimal Decrease	GF
HB 182	Patients' Bill of Rights Act of 1999 (Ch. 120)	Minimal Increase	GS/SF/FF
HB 280	Health Insurance - Reimbursements to Health Care Practitioners - Costs of Oncology Drugs (Ch. 617)	Minimal Increase	GF/SF/FF
HB 318	Support Services - For-Hire Driving (Ch. 624)	Minimal Increase	GF
HB 466	Maryland Tort Claims Act - Limit on Liability (Ch. 639)	Significant Increase <sup>8</sup>	GF/SF
HB 576	Continuity of Patient Care Act (Ch. 674)	Indeterminate Increase	GF/SF/FF
HB 767	Health Insurance - Access to the 911 Emergency System (Ch. 268)	Minimal Increase	GF/SF/FF
HB 792	Workers' Compensation - Permanent Partial Disability - Cap on Awards (Ch. 457)	\$191,400	GF
HB 792	Workers' Compensation - Permanent Partial Disability - Cap on Awards (Ch. 457)	\$63,800	SF
HB 792	Workers' Compensation - Permanent Partial Disability - Cap on Awards (Ch. 457)	\$63,800	FF
HB 1094	Procurement Contract Dispute Resolution - Construction Contracts - Notice of Claim and Limits on Recovery (Ch. 684)	Indeterminate Increase	GF/SF

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<sup>8</sup>The State's liability for individual tort claims could double. Based on current experience, expenditures could increase by \$2.5 million annually.

## Legislation Affecting State Expenditures

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Expenditure</u>	<u>Fund</u>
<b>ASSESSMENTS AND TAXATION</b>			
SB 504	Property Tax Credit - Audubon Naturalist Society of the Central Atlantic States (Ch. 185)	Minimal Increase	GF
SB 677/ HB 897	Property Tax - Mandatory Semiannual Payment (Ch. 306/305)	See Footnote <sup>9</sup>	GF
HB 774	Business Trusts - Formation and Powers (Ch. 452)	\$50,000 <sup>10</sup>	GF
<b>ATTORNEY GENERAL</b>			
SB 300/ HB 703	Electric Utility Industry Restructuring (Ch. 3/4)	\$33,500 <sup>11</sup>	GF
<b>BALTIMORE CITY COMMUNITY COLLEGE</b>			
SB 283/ HB 483	Community Colleges - English for Speakers of Other Languages Programs - Funding (Ch. 537/538)	\$112,500 <sup>12</sup>	GF
<b>BUDGET AND MANAGEMENT</b>			
SB 334/ HB 751	Cigarette Restitution Fund (Ch. 172/173)	Significant Increase	SF

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<sup>9</sup>General fund expenditures decrease by a maximum of \$53,800 in FY 2001.

<sup>10</sup>Expenditures increase in FY 2000 only.

<sup>11</sup>Expenditures increase by \$45,000 in FY 2001; future year increases reflect inflation and ongoing operating expenses.

<sup>12</sup>Future year expenditures reflect enrollment growth.

## Legislation Affecting State Expenditures

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Expenditure</u>	<u>Fund</u>
HB 179	State Employees - Collective Bargaining (Ch. 298)	\$434,300 <sup>13</sup>	GF
HB 550	State Personnel - Appointments in Skilled and Professional Services - Eligible Veterans (Ch. 431)	Minimal Increase <sup>14</sup>	GF
HB 684	Information Technology Board - Membership and Duties (Ch. 656)	See Footnote <sup>15</sup>	GF
HB 870	State Personnel - Teleworking Pilot Program (Ch. 466)	\$75,000 <sup>16</sup>	GF

### BUSINESS AND ECONOMIC DEVELOPMENT

SB 136	Maryland Competitive Advantage Financing Fund (Ch. 299)	\$1,977,800 <sup>17</sup>	GF
HB 5	One Maryland Economic Development Program for Distressed Counties (Ch. 304)	\$10,135,800 <sup>18</sup>	GF
HB 188	Maryland Economic Development Assistance Authority and Fund (Ch. 301)	\$5,045,000 <sup>19</sup>	GF

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<sup>13</sup>Expenditures increase by \$389,900 in FY 2001; future year increases reflect salary growth, employee turnover, and inflation.

<sup>14</sup>Represents a one-time cost.

<sup>15</sup>Expenditures increase by \$155,000 annually beginning in FY 2001.

<sup>16</sup>Included in FY 2000 State budget. Expenditures increase by \$150,000 in FY 2001 and FY 2002.

<sup>17</sup>Included in FY 2000 State budget. Expenditures increase by \$1,969,200 in FY 2001. Legislation sunsets June 30, 2001.

<sup>18</sup>\$10 million is included in the FY 2000 State budget. Expenditures increase by \$158,900 in FY 2001; future year increases reflect inflation. Additional significant appropriations could be needed in FY 2001 and later.

<sup>19</sup>Included in FY 2000 State budget. Expenditures could increase by \$10,134,200 in FY 2001. Legislation sunsets June 30, 2001.

## Legislation Affecting State Expenditures

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Expenditure</u>	<u>Fund</u>
HB 877	Economic Development - Enterprise Zones - Focus Areas (Ch. 467)	\$23,800 <sup>20</sup>	GF
HB 1152	Bainbridge Development Corporation (Ch. 494)	Indeterminate	GF
<b>COMPTROLLER</b>			
SB 588	Mental Health Care Providers - Patient's Violent Behavior - Duty to Predict, Warn, or Take Precautions (Ch. 44)	Indeterminate Decrease	SF
SB 637	State Transfer Tax Revenues - Budget Amendment for Excess Revenues (Ch. 588)	See Footnote <sup>21</sup>	SF
HB 177	Holocaust Victims - Inheritance Tax and Income Tax - Insurance Policies (Ch. 117)	\$37,500 <sup>22</sup>	SF
HB 190	Tobacco Tax (Ch. 121)	See Footnote <sup>23</sup>	GF
HB 190	Tobacco Tax (Ch. 121)	See Footnote <sup>24</sup>	GF/SF/FF

## EDUCATION

SB 137/ HB 187	Maryland Learning Success Program - Public School Class Size Reduction Assistance (Ch. 513/514)	\$38,200 <sup>25</sup>	GF
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<sup>20</sup>Expenditures increase by \$31,900 in FY 2001; future year increases reflect inflation.

<sup>21</sup>Special fund expenditures would increase by \$13.4 million in FY 1999 and decrease by \$13.4 million in FY 2001. No effect in FY 2000.

<sup>22</sup>Expenditures increase by \$46,300 in FY 2001; future year increases reflect inflation.

<sup>23</sup>Expenditures for expanded audits increase by \$68,200 in FY 2001; by \$61,000 in FY 2002; by \$63,000 in FY 2003; and by \$66,000 in FY 2004.

<sup>24</sup>The legislation requires the Governor to include at least \$21 million in the State budget beginning in FY 2001 for activities aimed at reducing tobacco use in Maryland, which would increase expenditures for such activities by at least \$18 million annually. Expenditures could be made from general, special, or federal funds.

<sup>25</sup>Expenditures increase by \$10.3 million in FY 2001; by \$17.8 million in FY 2002; by \$26.6 million in FY 2003; and by \$33.1 million in FY 2004.

## Legislation Affecting State Expenditures

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Expenditure</u>	<u>Fund</u>
SB 273	State and Local Aid Program for Certification of Teachers - National Board for Professional Teaching Standards (Ch. 536)	\$409,200 <sup>26</sup>	GF
SB 744/ HB 868	Education - Maryland Meals for Achievement Pilot In-Classroom Breakfast Program (Ch. 384/385)	\$1,800,000 <sup>27</sup>	GF
SB 744/ HB 868	Education - Maryland Meals for Achievement Pilot In-Classroom Breakfast Program (Ch. 384/385)	\$3,500,000 <sup>28</sup>	FF
HB 9	Quality Teacher Incentive Act of 1999 (Ch. 600)	\$13,800,000 <sup>29</sup>	GF
HB 601	Libraries - Funding - State Library Resource Center (Ch. 701)	See Footnote <sup>30</sup>	GF

### ENVIRONMENT

SB 509/ HB 590	Diesel Vehicle Emissions Control Program (Ch. 41/42)	See Footnote <sup>31</sup>	GF
HB 454	State Board of Well Drillers (Ch. 239)	See Footnote <sup>32</sup>	GF

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<sup>26</sup>The FY 2000 State budget includes \$158,000 for this program. Expenditures increase by \$484,600 in FY 2001; future year increases reflect inflation.

<sup>27</sup>Assumes 50 schools are selected to participate in the pilot program. The program sunsets after FY 2002.

<sup>28</sup>Assumes 50 schools are selected to participate in the pilot program. The program sunsets after FY 2002.

<sup>29</sup>Expenditures increase by \$14.2 million in FY 2001; future year increases reflect additional teachers and salary growth.

<sup>30</sup>Expenditures increase by \$3.2 million in FY 2001; future year increases reflect additional persons served and per capita grant increases.

<sup>31</sup>Expenditures increase by \$37,700 in FY 2001; future year increases reflect inflation.

<sup>32</sup>Legislation extends sunset from July 1, 2001 to July 1, 2011; budgeted expenditures will continue.

## Legislation Affecting State Expenditures

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Expenditure</u>	<u>Fund</u>
HB 455	State Board of Waterworks and Waste Systems Operators (Ch. 240)	See Footnote <sup>33</sup>	GF
HB 502	Ambient Air Monitoring Data - Public Access (Ch. 426)	\$20,000 <sup>34</sup>	GF

### ETHICS COMMISSION

SB 1/ HB 1	Ethics Law - Reform of Legislative Ethics Process (Ch. 129/130)	Significant Increase <sup>35</sup>	GF
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### EXECUTIVE

SB 142/ HB 184	The Joseph Fund (Ch. 516/517)	See Footnote <sup>36</sup>	GF
HB 878	Assistive Technology Guaranteed Loan Program and Fund (Ch. 468)	\$500,000 <sup>37</sup>	GF

### HEALTH AND MENTAL HYGIENE

SB 209	State Board of Dental Examiners (Ch. 158)	\$3,100 <sup>38</sup>	SF
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<sup>33</sup>Legislation extends sunset from July 1, 2001 to July 1, 2011; budgeted expenditures will continue.

<sup>34</sup>Expenditures increase in FY 2000 only.

<sup>35</sup>Initial outlays for computerization could approach or exceed \$100,000.

<sup>36</sup>\$5.2 million in general funds could accrue to The Joseph Fund in FY 2001. Up to \$5 million could accrue annually in future years. Indeterminate effect on expenditures from the fund during times of economic downturn.

<sup>37</sup>Included in FY 2000 State budget. The State may receive a one-time federal matching grant of \$500,000. Future year expenditures cannot be reliably estimated.

<sup>38</sup>Legislation extends sunset from July 1, 1999 to July 1, 2006; budgeted expenditures will continue.

## Legislation Affecting State Expenditures

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Expenditure</u>	<u>Fund</u>
SB 302	Board of Physician Quality Assurance - Physician Profiles - Disclosure to the Public (Ch. 338)	\$180,800 <sup>39</sup>	SF
SB 448	Community Services Reimbursement Rate Commission (Ch. 566)	See Footnote <sup>40</sup>	GF
SB 464/ HB 958	Child Welfare - Citizen Review Panels and Child Fatality Review Teams (Ch. 355/356)	\$1,500,000 <sup>41</sup>	GF
SB 593	Home and Community Based Services for Impaired Individuals - Medicaid Waiver (Ch. 126)	\$650,000 <sup>42</sup>	GF
SB 593	Home and Community Based Services for Impaired Individuals - Medicaid Waiver (Ch. 126)	\$650,000 <sup>43</sup>	FF
SB 624/ HB 884	Universal Newborn Hearing Screening (Ch. 127/128)	\$179,400 <sup>44</sup>	GF
SB 625	Mandated Health Insurance Services - Cost Determination (Ch. 582)	\$5,000 <sup>45</sup>	SF

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<sup>39</sup>Expenditures increase by \$130,900 in FY 2001; future year increases reflect inflation.

<sup>40</sup>Legislation extends sunset from September 30, 1999 to September 30, 2002; budgeted expenditures will continue.

<sup>41</sup>Represents maximum possible expenditure increase. Future year increases reflect annualization, inflation, and one-time expenditures.

<sup>42</sup>Expenditures increase by \$5.6 million in FY 2001; future year increases reflect increased participation and inflation.

<sup>43</sup>Expenditures increase by \$5.6 million in FY 2001; future year increases reflect increased participation and inflation.

<sup>44</sup>General fund expenditures increase by \$298,100, special fund expenditures increase by \$3,400, and federal fund expenditures increase by \$88,400 in FY 2001; future year expenditure increases reflect inflation.

<sup>45</sup>Expenditures increase by \$5,000 in FY 2001; future year increases reflect inflation. Offset by special fund revenue increase.

## Legislation Affecting State Expenditures

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Expenditure</u>	<u>Fund</u>
SB 721	Department of Health and Mental Hygiene - Assisted Living Programs - Report on Level of Care 3 Plus Waivers (Ch. 195)	\$27,200 <sup>46</sup>	GF
SB 738	Children and Families Health Care Program (Ch. 381)	(\$266,000) <sup>47</sup>	GF
SB 738	Children and Families Health Care Program (Ch. 381)	(\$494,000) <sup>48</sup>	FF
SB 740/ HB 791	Nursing Facilities - Maryland Medical Assistance Program - Reserved Beds - Task Force on Quality of Care in Nursing Facilities - Nursing Home Comparative Evaluation System (Ch. 382/383)	\$39,300 <sup>49</sup>	GF
SB 773	Home Health Agencies - Authority of Secretary of Health and Mental Hygiene - Repeal of Termination Date (Ch. 199)	See Footnote <sup>50</sup>	GF
HB 62	Task Force to Study Increasing the Availability of Substance Abuse Programs - Extension of Time to Issue Final Report (Ch. 390)	\$26,600 <sup>51</sup>	GF
HB 68	Developmental Disabilities - State Plan - Private Community-Based Services - Billing Rate Appeals (Ch. 204)	See Footnote <sup>52</sup>	GF
HB 69	Assisted Living Programs - Licensure and Inspections (Ch. 205)	Minimal Decrease	GF

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<sup>46</sup>Expenditures increase by \$29,700 in FY 2001; future year increases reflect inflation.

<sup>47</sup>Expenditures decrease by \$178,500 in FY 2001; future year decreases reflect inflation.

<sup>48</sup>Expenditures decrease by \$331,500 in FY 2001; future year decreases reflect inflation.

<sup>49</sup>Expenditures increase by \$45,900 in FY 2001; future year increases reflect inflation.

<sup>50</sup>Legislation repeals sunset of September 30, 1999; budgeted expenditures will continue.

<sup>51</sup>Included in FY 2000 State budget. Expenditures increase by \$13,000 in FY 2001.

<sup>52</sup>Indeterminate effect on FY 2001 expenditures.

## Legislation Affecting State Expenditures

<b><u>Bill</u></b>	<b><u>Title</u></b>	<b><u>FY 2000 Expenditure</u></b>	<b><u>Fund</u></b>
HB 242	Health Services Cost Review Commission - Abrogation Date and User Fees (Ch. 613)	See Footnote <sup>53</sup>	SF
HB 287	Health Care Workers' Safety Act - Bloodborne Pathogen Standard (Ch. 408)	See Footnote <sup>54</sup>	GF
HB 674	Patient Prescription Access - Limited Physician Delegation to Physician Assistants (Ch. 655)	\$16,900 <sup>55</sup>	SF
HB 705	Hospitals and Ambulatory Surgical Facilities - Quality of Care and Performance Act (Ch. 657)	\$50,000 <sup>56</sup>	SF
HB 978	Health Care Access and Cost Commission - Advisory Committee on Practice Parameters - Repeal (Ch. 111)	(\$200,000) <sup>57</sup>	SF
HB 995	Health Care Regulatory Reform - Commission Consolidation (Ch. 702)	\$218,500 <sup>58</sup>	GF
HB 995	Health Care Regulatory Reform - Commission Consolidation (Ch. 702)	(\$240,300) <sup>59</sup>	SF

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<sup>53</sup>Legislation repeals sunset of June 30, 2000; budgeted expenditures will continue in FY 2001 and beyond.

<sup>54</sup>Potential minimal increase in expenditures in FY 2001.

<sup>55</sup>Expenditures increase in FY 2000 only.

<sup>56</sup>Expenditures increase by \$67,100 in FY 2001; future year increases reflect inflation and progress of the project. Offset by special fund revenue increase.

<sup>57</sup>Offset by special fund revenue decrease.

<sup>58</sup>Expenditures increase by \$294,200 in FY 2001; future year increases reflect inflation. Offset by decrease in special fund expenditures.

<sup>59</sup>Expenditures decrease by \$323,200 in FY 2001; future year decreases reflect inflation. Partially offset by increase in general fund expenditures.

## Legislation Affecting State Expenditures

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Expenditure</u>	<u>Fund</u>
HB 1006	State Board of Acupuncture, State Board of Podiatric Medical Examiners, and State Board of Social Work Examiners - Enforcement Authority (Ch. 114)	\$5,800 <sup>60</sup>	SF

### HEALTH CLAIMS ARBITRATION OFFICE

HB 801	Health Care Malpractice Claims - Neutral Case Evaluation (Ch. 458)	\$76,500 <sup>61</sup>	SF
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### HUMAN RESOURCES

SB 48	Family Law - Child Support - Enforcement (Ch. 21)	\$13,600 <sup>62</sup>	GF
SB 48	Family Law - Child Support - Enforcement (Ch. 21)	\$26,400 <sup>63</sup>	FF
SB 96	Interstate Compact on Adoption and Medical Assistance (Ch. 320)	\$1,500 <sup>64</sup>	GF
SB 96	Interstate Compact on Adoption and Medical Assistance (Ch. 320)	\$1,500 <sup>65</sup>	FF
SB 142/ HB 184	The Joseph Fund (Ch. 516/517)	\$25,300 <sup>66</sup>	GF

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<sup>60</sup>Expenditures increase by \$5,900 in FY 2001; future year expenditure increases reflect inflation.

<sup>61</sup>Expenditures increase by \$103,000 in FY 2001; future year increases reflect inflation and 1% annual caseload increases. Offset by special fund revenue increases.

<sup>62</sup>Expenditures increase in FY 2000 only.

<sup>63</sup>Expenditures increase in FY 2000 only.

<sup>64</sup>Legislation could result in an additional indeterminate effect on Medicaid expenditures.

<sup>65</sup>Legislation could result in an additional indeterminate effect on Medicaid expenditures.

<sup>66</sup>Expenditures increase by \$27,700 in FY 2001; future year increases reflect inflation.

## Legislation Affecting State Expenditures

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Expenditure</u>	<u>Fund</u>
SB 464/ HB 958	Child Welfare - Citizen Review Panels and Child Fatality Review Teams (Ch. 355/356)	\$1,700,000 <sup>67</sup>	GF
SB 480	Foster Care - Child Support Obligations (Ch. 358)	Minimal Increase	GF/FF
SB 632/ HB 6	Education - Maryland After-School Opportunity Act (Ch. 585/586)	See Footnote <sup>68</sup>	GF
HB 148	Child Abuse and Neglect - Administrative Appeal Procedures and Maintenance of Data (Ch. 214)	\$300,000 <sup>69</sup>	GF
HB 148	Child Abuse and Neglect - Administrative Appeal Procedures and Maintenance of Data (Ch. 214)	\$300,000 <sup>70</sup>	FF
HB 299	Family Day Care Homes - Inspections (Ch. 410)	\$752,800 <sup>71</sup>	GF
HB 914	Family Investment Program - Earned Income Disregard (Ch. 469)	See Footnote <sup>72</sup>	GF
HB 914	Family Investment Program - Earned Income Disregard (Ch. 469)	\$3,060,000 <sup>73</sup>	FF

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<sup>67</sup>Represents maximum possible expenditure increase. Future year increases reflect annualization, inflation, and one-time expenditures.

<sup>68</sup>Expenditures increase by \$10.3 million annually beginning in FY 2001.

<sup>69</sup>Included in FY 2000 State budget. Expenditures increase with inflation in future years.

<sup>70</sup>Included in FY 2000 State budget. Expenditures increase with inflation in future years.

<sup>71</sup>Included in FY 2000 State budget. Expenditures increase by \$886,000 in FY 2001; future year increases reflect increased numbers of inspections.

<sup>72</sup>Expenditures increase by \$25,500 in FY 2001 and \$41,300 in FY 2002.

<sup>73</sup>Included in FY 2000 State budget. Expenditures increase by \$3,625,500 in FY 2001 and \$3,808,000 in FY 2002.

## Legislation Affecting State Expenditures

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Expenditure</u>	<u>Fund</u>
HB 1059	Department of Human Resources - Welfare and Child Support Enforcement Innovation Act of 1999 (Ch. 486)	\$74,600 <sup>74</sup>	GF
HB 1059	Department of Human Resources - Welfare and Child Support Enforcement Innovation Act of 1999 (Ch. 486)	\$144,900 <sup>75</sup>	FF
HB 1059	Department of Human Resources - Welfare and Child Support Enforcement Innovation Act of 1999 (Ch. 486)	\$1,105,500 <sup>76</sup>	GF/FF

### JUDICIARY

SB 303	Judgeships - District Court - Prince George's and Frederick Counties (Ch. 339)	\$340,300 <sup>77</sup>	GF
HB 35	State Board of Law Examiners (Ch. 389)	See Footnote <sup>78</sup>	GF
HB 233	Courts and Judicial Proceedings - Peace Orders (Ch. 404)	Minimal Increase	GF
HB 602	Criminal Procedure - Commission on Criminal Sentencing Policy - Sentencing and Parole (Ch. 648)	\$326,000	GF
HB 757	Estates and Trusts - Reinstatement of Personal Representative (Ch. 661)	Minimal Decrease	GF

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<sup>74</sup>Expenditures increase by \$99,900 in FY 2001; future year increases reflect inflation.

<sup>75</sup>Expenditures increase by \$193,900 in FY 2001; future year increases reflect inflation.

<sup>76</sup>\$750,000 is included in FY 2000 State budget. Expenditures increase by \$1,441,700 in FY 2001; future year increases reflect inflation. It is assumed that 63% of these expenditures are federal funds and 37% are general funds.

<sup>77</sup>Included in FY 2000 State budget. Expenditures increase by \$452,800 in FY 2001; future year increases reflect inflation and salary increases.

<sup>78</sup>Legislation extends sunset from July 1, 1999 to July 1, 2004; budgeted expenditures will continue.

## Legislation Affecting State Expenditures

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Expenditure</u>	<u>Fund</u>
<b>LABOR, LICENSING, AND REGULATION</b>			
SB 122	Maryland Agricultural Fair Board - Grants (Ch. 321)	\$225,000	SF
SB 216	State Board of Barbers (Ch. 328)	See Footnote <sup>79</sup>	GF
SB 450	State Board for Professional Land Surveyors - License Renewals - Continuing Competency Demonstration (Ch. 567)	\$17,000 <sup>80</sup>	GF
HB 15	Beauty Salons - Prohibition on Use or Possession of Methyl Methacrylate Liquid Monomer (MMA) (Ch. 388)	\$25,600 <sup>81</sup>	GF
HB 236	State Board of Cosmetologists (Ch. 405)	See Footnote <sup>82</sup>	GF
HB 1003	Heating, Ventilation, Air-Conditioning, and Refrigeration Contractors - Journeyman Restricted License (Ch. 475)	\$52,000 <sup>83</sup>	GF
HB 1062	State Board of Cosmetologists - Powers - Prohibition of Equipment, Substances, and Products (Ch. 487)	Minimal Increase	GF
<b>MARYLAND AUTOMOBILE INSURANCE FUND</b>			
HB 1032	Motor Vehicle Liability Insurance - Minimum Benefits of Security - Maximum Amounts Payable From MAIF - Property Damage Claims (Ch. 681)	See Footnote <sup>84</sup>	

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<sup>79</sup>Legislation extends sunset from July 1, 2001 to July 1, 2011; budgeted expenditures will continue.

<sup>80</sup>Expenditures increase in FY 2000 only.

<sup>81</sup>Expenditures increase by \$35,400 in FY 2001; future year increases reflect inflation.

<sup>82</sup>Legislation extends sunset from July 1, 2001 to July 1, 2011; budgeted expenditures will continue.

<sup>83</sup>Expenditures increase in FY 2000 only.

<sup>84</sup>Maryland Automobile Insurance Fund expenditures could increase by \$785,200 annually, partially offset by increased revenues of \$760,000.

## Legislation Affecting State Expenditures

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Expenditure</u>	<u>Fund</u>
<b>MARYLAND HIGHER EDUCATION COMMISSION</b>			
SB 83	Maryland Science and Technology Scholarships - Eligibility (Ch. 141)	Minimal Increase	GF
SB 131/ HB 189	Higher Education - Maryland Teacher Scholarships - Maryland HOPE Scholarships (Ch. 705/704)	\$7,400,000 <sup>85</sup>	GF
SB 283/ HB 483	Community Colleges - English for Speakers of Other Languages Programs - Funding (Ch. 537/538)	\$508,300 <sup>86</sup>	GF
SB 340	Education - Developmental Disabilities and Mental Health Workforce Tuition Assistance Program (Ch. 550)	\$26,700 <sup>87</sup>	GF
HB 128	Higher Education - Educational Excellence Award Program (Ch. 606)	See Footnote <sup>88</sup>	GF
<b>MARYLAND INSTITUTE FOR EMERGENCY MEDICAL SERVICES SYSTEMS</b>			
SB 294	Emergency Medical Services - Automated External Defibrillator Program (Ch. 167)	\$1,900 <sup>89</sup>	SF

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<sup>85</sup>The FY 2000 State budget includes \$1.5 million for the Maryland Teacher Scholarship Program. Expenditures increase by \$10.7 million in FY 2001; by \$16.2 million in FY 2002; by \$27.0 million in FY 2003; and by \$32.6 million in FY 2004.

<sup>86</sup>Future year expenditures reflect enrollment growth.

<sup>87</sup>Expenditures increase by \$5.96 million in FY 2001; future year increases reflect award renewals and inflation.

<sup>88</sup>Expenditures increase by approximately \$400,000 annually beginning in FY 2001. Offset by retention of general fund revenues.

<sup>89</sup>Expenditures increase by \$2,600 in FY 2001; future year increases reflect inflation. Offset by increased special fund revenues.

## Legislation Affecting State Expenditures

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Expenditure</u>	<u>Fund</u>
<b>MARYLAND INSURANCE ADMINISTRATION</b>			
HB 182	Patients' Bill of Rights Act of 1999 (Ch. 120)	\$74,900 <sup>90</sup>	SF
<b>MARYLAND SCHOOL FOR THE DEAF</b>			
SB 289/ HB 271	Residential Educational Facilities - Licensing (Ch. 539/540)	\$33,400	GF
<b>MARYLAND STADIUM AUTHORITY</b>			
SB 702/ HB 1091	Maryland Stadium Authority - Hippodrome Performing Arts Center (Ch. 378/379)	\$1,800,000 <sup>91</sup>	GF
<b>MARYLAND STATE POLICE</b>			
SB 141/ HB 191	State Police Retirement System - Benefits (Ch. 122/123)	See Footnote <sup>92</sup>	GF
SB 509/ HB 590	Diesel Vehicle Emissions Control Program (Ch. 41/42)	See Footnote <sup>93</sup>	SF
HB 381	Security Guards - Certifications and Renewals (Ch. 415)	\$204,300 <sup>94</sup>	GF

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<sup>90</sup>Expenditures increase by \$96,400 in FY 2001; future year increases reflect inflation.

<sup>91</sup>Included in FY 2000 State budget.

<sup>92</sup>Expenditures increase by \$7.8 million in FY 2001; future year increases reflect 5% growth.

<sup>93</sup>Significant expenditure increase beginning in FY 2001 (each 2-member team costs \$114,100).

<sup>94</sup>Expenditures increase by \$183,000 in FY 2001; future year increases reflect a three-year licensing period, inflation, and growth.

## Legislation Affecting State Expenditures

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Expenditure</u>	<u>Fund</u>
HB 679	State Aid for Police Protection - Municipal Sworn Officer Allocation (Ch. 444)	\$853,800 <sup>95</sup>	GF
HB 1129	State Police - DNA Testing (Ch. 490)	\$378,700 <sup>96</sup>	GF

### MORGAN STATE UNIVERSITY

SB 13	Morgan State University - Police Officers - Pensions and Retirement (Ch. 10)	\$200,700 <sup>97</sup>	GF
HB 129	Morgan State University and St. Mary's College of Maryland - Auxiliary and Academic Facilities Bonding Authority (Ch. 607)	See Footnote <sup>98</sup>	

### NATURAL RESOURCES

SB 569/ HB 732	Natural Resources - Marine Sanitation (Ch. 574/575)	\$40,000 <sup>99</sup>	SF
SB 607	Somerset County - Power Dredging for Oysters (Ch. 580)	\$39,500	GF
HB 275	Calvert County - Oysters (Ch. 407)	\$34,500	GF
HB 422	Dorchester County - Power Dredging for Oysters (Ch. 633)	\$39,300	GF

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<sup>95</sup>Included in FY 2000 State budget. Expenditures increase by \$877,800 in FY 2001; by \$901,800 in FY 2002; by \$926,400 in FY 2003; and by \$953,400 in FY 2004.

<sup>96</sup>Included in FY 2000 State budget. Expenditures increase by \$408,400 in FY 2001; by \$776,100 in FY 2002; by \$804,000 in FY 2003; and by \$425,200 in FY 2004.

<sup>97</sup>Expenditures increase by \$268,800 in FY 2001; future year increases reflect 5% growth.

<sup>98</sup>Annual debt service of \$1.8 million beginning in FY 2001 for 30 years on a \$25 million bond issue.

<sup>99</sup>Included in FY 2000 State budget. Expenditures increase in FY 2000 only.

## Legislation Affecting State Expenditures

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Expenditure</u>	<u>Fund</u>
HB 1030	St. Mary's County - Oysters (Ch. 478)	\$32,300	GF
<b>OFFICE OF ADMINISTRATIVE HEARINGS</b>			
HB 148	Child Abuse and Neglect - Administrative Appeal Procedures and Maintenance of Data (Ch. 214)	\$200,000 <sup>100</sup>	GF
HB 148	Child Abuse and Neglect - Administrative Appeal Procedures and Maintenance of Data (Ch. 214)	\$400,000 <sup>101</sup>	FF
HB 657	State Government - State Advisory Council on Administrative Hearings - Composition (Ch. 439)	Minimal Increase	GF
<b>PUBLIC SAFETY AND CORRECTIONAL SERVICES</b>			
SB 61	Alcohol Abuse and Drug Abuse Treatment - Inmates (Ch. 315)	Minimal Increase	GF
HB 125	Department of Public Safety and Correctional Services - Internal Investigative Unit (Ch. 393)	Minimal Decrease	GF
HB 141	Criminal Procedure - Pretrial Release - Crimes of Violence (Ch. 394)	Minimal Increase	GF
HB 229	Sexual Offenses - Registrants - Listing on Internet (Ch. 402)	See Footnote <sup>102</sup>	GF
HB 1129	State Police - DNA Testing (Ch. 490)	\$48,900 <sup>103</sup>	GF

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<sup>100</sup>Included in FY 2000 State budget. Expenditures increase with inflation in future years.

<sup>101</sup>Included in FY 2000 State budget. Expenditures increase with inflation in future years.

<sup>102</sup>Legislation could involve one-time computer-related expenditures of up to \$200,000. The Department of Public Safety and Correctional Services does not have any immediate plans to incur this cost.

<sup>103</sup>Expenditures increase by \$56,600 in FY 2001 and \$57,100 in FY 2002.

## Legislation Affecting State Expenditures

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Expenditure</u>	<u>Fund</u>
<b>PUBLIC SERVICE COMMISSION</b>			
SB 300/ HB 703	Electric Utility Industry Restructuring (Ch. 3/4)	See Footnote <sup>104</sup>	GF
<b>RETIREMENT AGENCY</b>			
SB 141/ HB 191	State Police Retirement System - Benefits (Ch. 122/123)	\$400,000 <sup>105</sup>	SF
SB 731	State Retirement and Pension System - Administrative and Operational Expenses (Ch. 595)	\$1,300,000 <sup>106</sup>	SF
<b>SECRETARY OF STATE</b>			
HB 858	Division of State Documents - Public On-Line Access (Ch. 668)	\$200,000 <sup>107</sup>	SF
<b>STATE BOARD OF ELECTIONS</b>			
HB 976	Campaign Finance Reports - Use of Electronic Medium for Submission (Ch. 473)	See Footnote <sup>108</sup>	GF

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<sup>104</sup>Legislation authorizes the Governor to submit a budget amendment for FY 2000 transferring \$6 million from the Revenue Stabilization Fund to educate consumers. Expenditures for FY 2001 and FY 2002 would be between \$3 million and \$6 million. Legislation's effect on the State as a consumer of electricity is indeterminate.

<sup>105</sup>Expenditures increase by \$2.0 million in FY 2001; future year increases reflect 5% growth.

<sup>106</sup>Represents maximum possible expenditure increase.

<sup>107</sup>Expenditures increase by \$40,000 annually beginning in FY 2001.

<sup>108</sup>Expenditures could increase by \$65,000 for one-time computer programming costs in FY 2001 or later.

## Legislation Affecting State Expenditures

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Expenditure</u>	<u>Fund</u>
<b>SUBSEQUENT INJURY FUND</b>			
SB 32	Workers' Compensation - Subsequent Injury Fund - Assessment (Ch. 311)	See Footnote <sup>109</sup>	SF
<b>TRANSPORTATION</b>			
SB 41	Vehicle Laws - Dealers and Title Service Agents - Bond Requirements (Ch. 14)	\$1,000 <sup>110</sup>	SF
SB 45	Vehicle Laws - Businesses and Occupations - Fines (Ch. 18)	Minimal Increase	SF
SB 46	Commercial Vehicles - Commercial Vehicle Information Systems and Network Transponders (Ch. 19)	Minimal Increase	SF
SB 90	Vehicle Laws - Special Registration Plates - Honorably Discharged Veterans (Ch. 142)	Indeterminate Increase <sup>111</sup>	SF
SB 247	Transportation Services - Fiscal Assistance - Repeal of Termination Provision (Ch. 161)	\$3,382,100 <sup>112</sup>	SF
SB 387/ HB 722	Motor Vehicle Administration - Privacy Protection Act of 1999 (Ch. 349/350)	\$35,000 <sup>113</sup>	SF

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<sup>109</sup>Legislation extends the assessment to fund the Subsequent Injury Fund from June 30, 1999 to June 30, 2003; budgeted expenditures will continue.

<sup>110</sup>Expenditures increase in FY 2000 only.

<sup>111</sup>Offset by increased special fund revenues.

<sup>112</sup>Legislation repeals sunset of June 30, 1999. The legislature eliminated funding for paratransit grants; however, the expectation expressed by the budget committees was that the funds would be restored through budget amendment if this legislation was enacted.

<sup>113</sup>Expenditures increase in FY 2000 only. Expenditures decrease by \$240,900 in FY 2001; future year decreases reflect inflation.

## Legislation Affecting State Expenditures

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Expenditure</u>	<u>Fund</u>
SB 505	Parking Access for Individuals with Disabilities (Ch. 360)	\$43,300 <sup>114</sup>	SF
SB 512/ HB 488	Vehicle Laws - Excise Tax - Determination of Fair Market Value and Collection of Tax (Ch. 361/512)	\$20,000	SF
HB 127	Maryland Aviation Commission - Powers and Duties (Ch. 211)	\$47,000 <sup>115</sup>	SF
HB 310	Sidewalk Construction Projects - State's Share of Costs - Repeal of Limitation (Ch. 223)	Indeterminate Increase <sup>116</sup>	SF
HB 600	Motor Vehicle Administration - Records - Probation Before Judgement Dispositions (Ch. 647)	Indeterminate Increase	SF
HB 788	Vehicles Emissions Inspection Program - Termination - Repeal (Ch. 456)	\$50,000 <sup>117</sup>	SF
HB 996	State Highways - Expressway Designation Process and Regulation of Highway Access (Ch. 679)	Minimal Increase	SF
HB 1038	Vehicle Emissions Inspection Program - Exemptions - Disabled Individuals and Seniors (Ch. 480)	\$70,000 <sup>118</sup>	SF
HB 1089	Motor Vehicle Administration - Verification of Vehicle Registrations (Ch. 488)	See Footnote <sup>119</sup>	SF

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<sup>114</sup>Expenditures increase by \$32,700 in FY 2001; by \$86,700 in FY 2002; and by \$40,800 in FY 2003.

<sup>115</sup>Expenditures increase by \$94,400 in FY 2001; future year increases reflect inflation.

<sup>116</sup>Affects FY 2000 and FY 2001 only.

<sup>117</sup>Expenditures increase in FY 2000 only.

<sup>118</sup>Expenditures increase by \$80,500 in FY 2001; future year increases reflect inflation.

<sup>119</sup>Expenditures decrease by \$82,000 in FY 2001; future year decreases reflect inflation.

## Legislation Affecting State Expenditures

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Expenditure</u>	<u>Fund</u>
<b>UNINSURED EMPLOYERS' FUND</b>			
SB 66	Uninsured Employers' Fund - Special Fund (Ch. 316)	(\$761,600) <sup>120</sup>	GF
SB 66	Uninsured Employers' Fund - Special Fund (Ch. 316)	\$761,600 <sup>121</sup>	SF
<b>UNIVERSITY SYSTEM OF MARYLAND</b>			
SB 296	Public Institutions of Higher Education - Affiliated Foundations (Ch. 542)	Indeterminate	
SB 560	Higher Education - Utility Services (Ch. 573)	See Footnote <sup>122</sup>	
SB 682	Higher Education - University System of Maryland - Coordination, Governance, and Funding (Ch. 515)	\$33,100,000 <sup>123</sup>	GF
HB 983	University of Maryland, Maryland Cooperative Extension - Dairy Farm Nutrient and Business Management Program (Ch. 474)	See Footnote <sup>124</sup>	GF
HB 1011	Academic Facilities Bonding Authority (Ch. 276)	See Footnote <sup>125</sup>	

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<sup>120</sup>Included in FY 2000 State budget. Expenditures decrease by \$784,500 in FY 2001; future year decreases reflect 3% growth. Offset by increase in special fund expenditures.

<sup>121</sup>Included in FY 2000 State budget. Expenditures increase by \$784,500 in FY 2001; future year increases reflect 3% growth. Offset by decrease in general fund expenditures.

<sup>122</sup>Legislation is expected to save the University System of Maryland \$50 million in capital outlays over time.

<sup>123</sup>The FY 2000 State budget contains \$7.5 million in supplemental higher education funding. Fully funding the goals and programs established by the legislation would require a minimum of \$44.6 million in additional funding above forecasted funding in FY 2001.

<sup>124</sup>Expenditures increase by \$211,400 in FY 2001; future year increases reflect annualization and inflation.

<sup>125</sup>Annual debt service of \$2.1 million for 20 years on a \$25 million bond issue.

## Legislation Affecting State Expenditures

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Expenditure</u>	<u>Fund</u>
<b>VETERANS AFFAIRS</b>			
SB170/ HB 183	Department of Veterans Affairs (Ch. 124/125)	\$84,100 <sup>126</sup>	GF

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<sup>126</sup>Expenditures increase by \$88,500 in FY 2001; future year increases reflect inflation.

## Summary of Impact on Expenditures<sup>1</sup>

### Expenditures Not Included in FY 2000 Budget

General Fund	\$54,432,700
Special Fund	\$5,911,500
Federal Fund	\$4,141,400

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<sup>1</sup>Figures reflect bills with numerical estimates. Bills with an "indeterminate" fiscal estimate are excluded.



## **Chapter Four - Local Government**

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- Summary of State Assistance to Local Governments
- State Aid Patterns
- Changes in State Aid
- State Mandates on Local Governments
- Impact of Legislation on Local Revenues
- Impact of Legislation on Local Expenditures



## Overview of State Assistance to Local Governments

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State assistance to local governments accounts for about 25% of State spending, exclusive of federal funds. This assistance includes direct aid to county and municipal governments, school boards, library boards, community colleges, and local health departments. In fiscal 2000, \$3 billion in direct aid will be distributed through more than 50 different programs. Over \$2.2 billion or 74% of this direct aid is targeted to public schools. The fiscal 2000 budget appropriation for direct aid to local governments represents a \$118.6 million or 4.1% increase over the prior year.

In addition, the State will pay \$421 million for the employer's share of retirement costs for local teachers, librarians, and community college faculty who are members of either the teachers' retirement or pension systems maintained and operated by the State. The State payments do not flow through the local government, but are paid directly to the State Retirement Agency.

The State assumption of functions or responsibilities performed by local governments is another aspect of State/local fiscal relationships. In the 1990s, the State assumed responsibility for the Baltimore City jail and community college and increased funding for the Washington Metropolitan area transit system. In the case of the Baltimore City jail and community college, State costs were partially offset by reductions in direct State aid to the city. Beginning in fiscal 1995, the State also assumed responsibility for processing Baltimore City arrests through a State-run central booking facility. The total cost for these assumed functions is \$127.3 million in fiscal 2000.

Overall State assistance to local governments, including the recently assumed costs, totals over \$3.5 billion in fiscal 2000. This amount is a \$103.5 million or 3% increase over fiscal 1999. Annual growth in aid, including the cost of assumed functions, has averaged 4.7% over the last ten years. (See **Exhibit 4.1** for a summary of State aid since fiscal 1995 and **Exhibit 4.3** for county-by-county amounts for fiscal 1998 through 2000.)

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**Exhibit 4.1**  
**Summary of State Assistance to Local Governments**  
**Fiscal 1995 - 2000**  
**(\$ in Millions)**

<b>Fiscal Year</b>	<b>Direct State Aid</b>	<b>Retirement Payments on Behalf</b>	<b>Subtotal</b>	<b>Functions Assumed by the State</b>	<b>Total</b>	<b>Percent Change</b>
1995	2,217.0	423.1	2,640.1	87.5	2,727.6	7.0%
1996	2,327.3	455.6	2,782.9	102.3	2,885.2	5.8%
1997	2,441.4	479.7	2,921.2	108.9	3,030.1	5.0%
1998	2,652.9	474.8	3,127.7	114.3	3,242.0	7.0%
1999	2,873.4	442.6	3,316.0	120.6	3,436.6	6.0%
2000	2,992.0	420.8	3,412.8	127.3	3,540.1	3.0%

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## State Aid Patterns

As **Exhibit 4.2** indicates, the overall composition of State aid changed slightly between fiscal 1999 and 2000. State aid for public schools increased by 2.7%, accounting for 76% of total State aid. County and municipal governments received 17% of State aid, with most of the aid targeted for public safety, transportation, and park land acquisition or development. Community colleges, libraries, and local health departments accounted for the remaining 7% of State aid.

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**Exhibit 4.2**  
**Changes in State Aid Patterns**  
**(\$ in Millions)**

	<b><u>Fiscal</u></b> <b><u>1999</u></b>	<b><u>Percent</u></b> <b><u>of Total</u></b>	<b><u>Fiscal</u></b> <b><u>2000</u></b>	<b><u>Percent</u></b> <b><u>of Total</u></b>	<b><u>Percent</u></b> <b><u>Increase</u></b>
Public Schools	\$2,540.7	76.6%	\$2,608.9	76.4%	2.7%
Libraries	39.0	1.2%	37.8	1.1%	-3.1%
Community Colleges	129.5	3.9%	141.0	4.1%	8.9%
Local Health	44.9	1.4%	47.0	1.4%	4.7%
General Government	561.9	16.9%	578.2	16.9%	2.9%
Total	\$3,316.0	100%	\$3,412.8	100%	2.9%

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A greater proportion of State aid continues to be distributed to local governments according to local wealth. In fiscal 2000, over \$1.8 billion or 54.5% of State aid is distributed according to wealth and workload factors with less affluent jurisdictions receiving relatively more State aid. For State aid purposes, wealth is usually defined as some combination of property assessable base and net taxable income. Most of the programs that use a wealth factor also incorporate a workload measure such as school enrollment or population. Examples of State aid programs that utilize a wealth/workload factor include the basic current expense, compensatory, library, and disparity grant aid formulas. Programs based on actual costs or on population/workload measures (with no wealth adjustment) each account for slightly less than one-fifth of State aid.

**Exhibit 4.3**  
**Summary of State Assistance to Local Governments**  
**FY 1998 - FY 2000**  
**(\$ in Thousands)**

<b>Counties</b>	<b>FY 1998 Actual</b>	<b>FY 1999 Working App</b>	<b>FY 2000 Appropriation</b>	<b>Difference</b>	<b>% Difference FY 99-FY 00</b>
Allegany	57,607	59,828	59,245	(583)	(1.0)
Anne Arundel	230,599	237,608	244,000	6,392	2.7
Baltimore City	715,465	771,401	794,969	23,568	3.1
Baltimore County	345,345	359,982	366,272	6,290	1.7
Calvert	43,508	46,214	48,381	2,166	4.7
Caroline	27,921	29,621	29,764	143	0.5
Carroll	93,456	97,880	100,445	2,565	2.6
Cecil	57,238	60,593	61,973	1,380	2.3
Charles	78,281	81,467	85,205	3,738	4.6
Dorchester	25,627	25,820	26,089	269	1.0
Frederick	116,971	121,709	125,264	3,554	2.9
Garrett	28,361	29,497	29,731	234	0.8
Harford	135,985	140,179	143,054	2,875	2.1
Howard	114,712	120,758	126,435	5,677	4.7
Kent	11,255	11,815	11,985	171	1.4
Montgomery	292,401	307,437	317,534	10,097	3.3
Prince George's	477,143	521,732	537,311	15,579	3.0
Queen Anne's	22,447	23,598	24,654	1,056	4.5
St. Mary's	54,132	56,478	56,897	418	0.7
Somerset	19,050	20,153	20,601	448	2.2
Talbot	11,543	12,324	12,372	48	0.4
Washington	79,393	82,112	82,947	835	1.0
Wicomico	57,527	60,437	61,534	1,097	1.8
Worcester	15,028	17,246	17,823	577	3.3
Unallocated	16,753	20,143	28,351	8,208	40.7
Statewide	3,127,747	3,316,033	3,412,836	96,802	2.9

**Local Costs Recently Assumed by the State**  
**FY 1998 - FY 2000**  
**(\$ in Thousands)**

	<b>FY 1998</b>	<b>FY 1999</b>	<b>FY 2000</b>
Baltimore City			
Com. College <sup>1</sup>	17,959	19,761	22,873
Baltimore City Jail <sup>2</sup>	67,615	70,810	73,291
WMATA			
Montgomery	15,243	16,124	16,777
Prince George's	13,473	13,955	14,338
Total	114,290	120,648	127,278

**Notes:**

- 1) Beginning in FY 1991, the State assumed responsibility for the New Community College of Baltimore and the city no longer received aid under the community college formula or for fringe benefits (\$10.8 million in FY 1990). Amounts shown represent total State spending for the community college.
- 2) Beginning in FY 1992, the State assumed responsibility for the Baltimore City Jail and Baltimore City no longer received aid under the police aid formula (\$37.7 million in FY 1991). The amounts also include additional State costs for the State-run Baltimore City central booking facility.

Prepared by the Office of Policy Analysis, Department of Legislative Services, April 1999.

**Exhibit 4.4** summarizes the county-by-county distribution of direct State aid by governmental entity. It also shows estimated State retirement payments for local employees. **Exhibit 4.5** compares total aid distributed to local governments in fiscal 1999 and 2000 by program.

## Changes in State Aid

Direct State aid and retirement payments for local governments will increase by \$96.8 million or 2.9% in fiscal 2000. This reflects statutorily mandated increases in State aid as well as enhancements resulting from new legislation. The significant State aid increases in the fiscal 2000 State budget include the following:

- Current expense education aid increases by \$48.9 million or 3.1%.
- Compensatory education aid increases by \$18.2 million or 15.2%.
- Student transportation funding increases by \$5.3 million or 4.7%.
- Community college formula aid increases by \$14.3 million or 12.5%.
- Program Open Space funding increases by \$9.7 million or 28.5%.
- State grants for fire, rescue, and ambulance services increase by 25%, from \$7.5 million in fiscal 1999 to \$10 million in fiscal 2000.
- State paid retirement payments decreased by \$21.8 million in fiscal 2000.

## Primary and Secondary Education

State aid for public schools will increase by \$68.2 million or 2.7% in fiscal 2000. State aid paid directly to local school boards increases by \$89.0 million or 4.2%; whereas teachers' retirement costs paid by the State on behalf of local school boards actually decrease by \$20.8 million or 5%.

***Current Expense Aid.*** State law provides for automatic increases in current expense formula aid based on two factors: student enrollment and prior years' spending growth. In fiscal 2000, current expense aid will increase by \$48.9 million. Of this amount, \$18.7 million is due to student enrollment growth and \$30.2 million is due to prior years' spending growth. Current expense formula aid is not restricted for specific purposes and is distributed inversely to local wealth, as measured by net taxable income and property assessable base. The current expense formula is the largest State aid program accounting for 46% of total State assistance to local governments.

**Exhibit 4.4**  
**State Assistance to Local Governments**  
**FY 2000 Legislative Appropriation**  
(\$ in Thousands)

	Direct State Aid						Change Over FY 1999
	General Government #	Community Colleges	Education	Libraries	Health	Subtotal	
Allegany	\$11,220	\$3,741	\$37,278	\$535	\$863	\$53,637	\$5,608
Anne Arundel	32,314	15,752	153,349	1,734	3,795	206,943	37,057
Baltimore City	231,801	0	499,868	4,988	9,306	745,962	49,007
Baltimore County	45,447	25,256	230,211	3,120	6,243	310,277	55,996
Calvert	5,255	805	34,985	247	314	41,607	6,774
Caroline	6,032	647	19,739	204	505	27,127	2,637
Carroll	11,928	3,674	70,850	708	1,413	88,573	11,872
Cecil	6,738	2,864	44,170	425	846	55,043	6,930
Charles	8,480	4,104	60,792	549	1,057	74,981	10,224
Dorchester	6,199	617	16,148	176	448	23,588	2,501
Frederick	15,630	4,315	87,595	770	1,696	110,007	15,257
Garrett	7,483	2,292	16,770	166	404	27,114	2,617
Harford	14,701	5,876	101,760	1,076	2,193	125,606	17,448
Howard	16,722	6,415	79,083	516	1,516	104,252	22,183
Kent	2,565	340	7,105	77	380	10,467	1,518
Montgomery	52,950	21,254	158,685	1,835	3,960	238,684	78,850
Prince George's	50,921	14,516	399,312	4,235	7,194	476,177	61,134
Queen Anne's	4,608	872	15,566	130	419	21,595	3,059
St. Mary's	6,432	1,179	41,072	466	968	50,117	6,780
Somerset	6,210	349	11,762	197	481	18,999	1,602
Talbot	4,009	781	5,146	73	274	10,283	2,089
Washington	10,791	4,247	56,252	761	1,523	73,573	9,374
Wicomico	8,469	2,204	42,679	495	957	54,803	6,730
Worcester	6,107	1,036	6,829	95	202	14,269	3,554
Unallocated	4,358	1,735	17,042	5,217	0	28,351	0
<b>TOTAL</b>	<b>\$577,368</b>	<b>\$124,871</b>	<b>\$2,214,047</b>	<b>\$28,794</b>	<b>\$46,956</b>	<b>\$2,992,036</b>	<b>\$420,800</b>
							<b>\$3,412,836</b>
							<b>\$96,802</b>

NOTE: Detail may not add to total due to rounding. General government includes the municipal share of police aid, highway user revenue and fire aid. Education aid reflects revised enrollment.  
# Includes funding for paratransit grants. The legislature eliminated funding for paratransit grants which were scheduled to sunset at the end of fiscal 1999; however, the expectation expressed by the budget committees was that the funds would be restored through budget amendment if legislation passed at the 1999 session (SB 247/Ch. 161) repealing the sunset. Legislation passed and it is expected that paratransit grants will be funded in fiscal 2000.

# Exhibit 4.4 (continued)

## State Assistance to Local Governments

### Percent Difference between FY 2000 Legislative Appropriation and FY 1999 Working Appropriation

Direct State Aid								
	General		Community					
	Government	Colleges	Education	Libraries	Health	Subtotal	Retirement	Total
Allegany	4.1%	0.2%	-2.0%	0.4%	4.9%	-0.5%	-5.3%	-1.0%
Anne Arundel	3.7%	20.7%	2.9%	4.5%	6.4%	4.2%	-5.2%	2.7%
Baltimore City	2.6%	n.a.	4.0%	-0.9%	4.4%	3.5%	-3.7%	3.1%
Baltimore County	2.4%	10.7%	2.5%	1.5%	4.3%	3.1%	-5.2%	1.7%
Calvert	2.2%	19.3%	6.8%	14.4%	7.0%	6.5%	-5.1%	4.7%
Caroline	4.5%	8.4%	-0.3%	4.5%	4.1%	1.0%	-4.9%	0.5%
Carroll	1.8%	7.1%	3.9%	7.2%	3.2%	3.7%	-5.1%	2.6%
Cecil	1.9%	6.4%	3.3%	5.2%	3.5%	3.3%	-4.9%	2.3%
Charles	2.3%	19.3%	5.9%	6.1%	3.4%	6.1%	-5.2%	4.6%
Dorchester	2.5%	8.4%	1.0%	2.7%	4.6%	1.7%	-4.7%	1.0%
Frederick	1.0%	15.9%	4.1%	5.8%	5.7%	4.1%	-5.1%	2.9%
Garrett	2.3%	0.1%	1.1%	2.5%	5.4%	1.4%	-5.2%	0.8%
Harford	2.4%	15.9%	2.6%	3.3%	4.0%	3.1%	-5.2%	2.1%
Howard	4.4%	15.8%	7.1%	4.1%	3.7%	7.1%	-5.1%	4.7%
Kent	2.2%	8.4%	1.4%	8.5%	19.3%	2.4%	-4.9%	1.4%
Montgomery	3.4%	14.4%	6.4%	3.5%	5.5%	6.3%	-4.9%	3.3%
Prince George's	2.0%	16.9%	4.4%	-24.9%	3.5%	4.1%	-5.1%	3.0%
Queen Anne's	1.3%	8.4%	7.3%	12.5%	3.4%	5.9%	-4.8%	4.5%
St. Mary's	1.1%	19.3%	1.1%	8.5%	3.5%	1.6%	-5.1%	0.7%
Somerset	5.5%	10.0%	1.3%	4.3%	2.9%	2.9%	-5.1%	2.2%
Talbot	2.5%	8.4%	-0.2%	4.8%	4.3%	1.6%	-5.2%	0.4%
Washington	1.5%	10.3%	1.2%	3.2%	6.7%	1.9%	-5.2%	1.0%
Wicomico	3.2%	10.0%	2.3%	2.2%	1.6%	2.7%	-5.0%	1.8%
Worcester	3.7%	10.0%	6.9%	4.8%	7.7%	5.7%	-5.1%	3.3%
Unallocated	11.1%	-49.1%	120.4%	2.7%	n.a.	40.7%	n.a.	40.7%
TOTAL	2.8%	11.5%	4.2%	2.6%	4.5%	4.1%	-4.9%	2.9%

NOTE: Detail may not add to total due to rounding. General government includes the municipal share of police aid, highway user revenue and fire aid.

**Exhibit 4.5**  
**Total State Assistance for Local Governments**

**Direct State Aid**

<b><u>Program</u></b>	<b><u>Fiscal Year</u> <u>1999</u></b>	<b><u>Fiscal Year</u> <u>2000</u></b>	<b><u>Difference</u></b>
*Current Expense Aid	1,518,740,247	1,567,652,844	48,912,597
*Compensatory Aid	101,683,159	119,886,982	18,203,823
*Transportation Aid	107,458,429	112,276,711	4,818,282
*Transportation Aid - Special Ed.	4,792,500	5,248,500	456,000
*Special Education - formula	81,253,347	81,253,344	(3)
*Special Education - nonpublic	69,942,073	76,807,231	6,865,158
Magnet Schools	14,100,000	14,100,000	0
Challenge Grants	5,638,827	5,788,827	150,000
Adult Education	753,602	753,602	0
*Targeted Poverty Grants	8,000,004	8,000,000	(4)
Additional Poverty Grants	18,163,360	18,163,360	0
*Targeted Improvement Grants	20,645,672	21,400,455	754,783
*Teacher Development Grants/Mentoring Programs	18,388,000	20,516,000	2,128,000
*Extended Elementary	19,262,500	19,262,500	0
Food Service Aid	4,336,664	4,336,664	0
Gifted and Talented Program	4,934,829	4,934,829	0
*Limited English Proficiency Grant	23,550,750	25,234,200	1,683,450
Maryland's Tomorrow	9,997,189	9,997,189	0
*Out-of-County Foster Placements	4,750,000	5,600,000	850,000
*Aging Schools	10,370,000	10,370,000	0
Baltimore City Partnership	50,000,000	50,000,000	0
School Reconstitution	9,797,400	9,797,400	0
Education Modernization Initiative	5,375,000	7,836,000	2,461,000
*School Library Media Incentive Program	3,000,000	3,000,000	0
Class Size Reduction Initiative	0	1,367,000	1,367,000
Other Programs	10,113,088	10,463,088	350,000
 EDUCATION	 2,125,046,640	 2,214,046,726	 89,000,086
 *Library Aid	 22,990,884	 23,577,326	 586,442
Prince George's County Library Grant	1,500,000	0	(1,500,000)
State Library Network	5,081,942	5,216,702	134,760
 LIBRARIES	 29,572,826	 28,794,028	 (778,798)
 *Community College Formula	 99,919,633	 114,215,803	 14,296,170
*TIAA-CREF	5,407,348	5,677,715	270,367
Grants for ESOL Programs	1,000,000	1,000,000	0
Advanced Technology Centers	1,815,000	0	(1,815,000)

**Exhibit 4.5 (continued)**  
**Total State Assistance for Local Governments**

**Direct State Aid (continued)**

<u>Program</u>	<u>Fiscal Year 1999</u>	<u>Fiscal Year 2000</u>	<u>Difference</u>
Hold Harmless/Small College Grant	2,242,981	2,242,981	0
Statewide	1,591,242	1,734,803	143,561
COMMUNITY COLLEGES	111,976,204	124,871,302	12,895,098
*LOCAL HEALTH FORMULA	44,919,640	46,956,416	2,036,776
*State Aid for Police Protection	57,646,722	58,949,349	1,302,627
Fire, Rescue Ambulance Services	7,500,000	10,000,000	2,500,000
911 Grants	3,138,630	3,500,000	361,370
Violent Crime Grants	5,000,000	5,000,000	0
Foot Patrol/Drug Enforcement Grants	4,462,500	4,462,500	0
Community Policing	2,000,000	2,000,000	0
Body Armor for Police	100,000	75,000	(25,000)
Prince George's County Fire Apparatus	300,000	0	(300,000)
Vehicle Theft Prevention	2,600,000	2,600,000	0
Baltimore City State's Attorney	0	500,000	500,000
Baltimore City Police Academy Study	0	25,000	25,000
Police & Law Enforcement Officers Training Grants	0	100,000	100,000
PUBLIC SAFETY	82,747,852	87,211,849	4,463,997
*PROGRAM OPEN SPACE	25,674,000	35,331,095	9,657,095
Elderly/Handicapped Transportation	2,403,180	2,403,180	0
Paratransit Grants #	3,382,051	3,382,051	0
*Highway User Grant	379,474,686	374,511,769	(4,962,917)
TRANSPORTATION	385,259,917	380,297,000	(4,962,917)
*Horse Racing Impact Aid	1,246,200	1,331,700	85,500
Security Interest fees/Other	2,868,200	2,817,200	(51,000)
OTHER DIRECT AID	4,114,400	4,148,900	34,500
*DISPARITY GRANT	64,116,025	70,378,828	6,262,803
TOTAL DIRECT STATE AID	2,873,427,504	2,992,036,144	118,608,640

**Exhibit 4.5 (continued)**  
**Total State Assistance for Local Governments**

**Payments-On-Behalf**

<u>Program</u>	<u>Fiscal Year 1999</u>	<u>Fiscal Year 2000</u>	<u>Difference</u>
*Retirement - Libraries	9,426,572	8,989,430	(437,142)
*Retirement - Boards of Education	415,664,910	394,862,583	(20,802,327)
*Retirement - Community Colleges	17,514,318	16,117,638	(1,396,680)
*Retirement - Local Employees	0	829,971	829,971
 TOTAL PAYMENTS-ON-BEHALF	 442,605,800	 420,799,622	 (21,806,178)
 <b>TOTAL STATE ASSISTANCE</b>	 <b>3,316,033,304</b>	 <b>3,412,835,766</b>	 <b>96,802,462</b>
 <i>General Fund State Assistance</i>	 <i>2,890,196,357</i>	 <i>2,979,157,771</i>	 <i>88,961,414</i>
<i>Special Fund State Assistance</i>	<i>425,836,947</i>	<i>433,677,995</i>	<i>7,841,048</i>

\* Programs mandated by statute.

# The legislature eliminated funding for paratransit grants which were scheduled to sunset at the end of fiscal 1999; however, the expectation expressed by the budget committees was that the funds would be restored through budget amendment if legislation passed at the 1999 session (SB 247/Ch. 161) repealing the sunset. Legislation passed and it is expected that paratransit grants will be funded in fiscal 2000.

***Compensatory Aid.*** The compensatory aid formula distributes funding to local school boards on the basis of the number of students from economically disadvantaged environments as measured by the student counts used for federal Title I aid. The Title I count for fiscal 2000 totals 122,961, a 16% increase from fiscal 1999. In addition, increases in compensatory aid are tied to growth in the current expense formula in that the program's per pupil foundation is one-fourth of the foundation for the current expense formula. In fiscal 2000, the program's per pupil foundation will total \$975. In fiscal 2000 compensatory aid increases by \$18.2 million or 17.9%. Most of this increase results from the growth in the Title I count.

***Student Transportation Grants.*** Each county receives a grant for student transportation based on the county's grant in the previous year increased by inflation. Increases cannot exceed 8% or be less than 3%. As a result of legislation enacted in 1996, counties with enrollment increases receive additional funds. The fiscal 2000 budget includes \$112.3 million, reflecting a 3% transportation inflation rate and a 1.3% growth in student enrollment. The State also provides a grant for transporting disabled students. Each school board receives \$500 per special education student in excess of the number transported in fiscal 1981. The fiscal 2000 grant level of \$5.2 million is based on 10,497 students. Total funding for student transportation, including special transportation, increases by \$5.3 million in fiscal 2000.

***Special Education.*** State aid for special education recognizes the additional costs associated with providing programs for students with disabilities. Most special education students receive services in the public schools; however, if an appropriate program is not available in the public schools, students may be placed in a private school offering more specialized services. The State and local school systems share the costs of these nonpublic placements. The \$6.9 million increase in special education funding in fiscal 2000 is for nonpublic placements.

***Teachers' Retirement Costs.*** The State pays the employers' retirement costs for local teachers who are members of either the teachers' retirement or pension systems maintained and operated by the State. The \$20.8 million decrease in fiscal 2000 results from a 6% increase in the salary base and a 10% decrease in the employer contribution rate. The large decrease in the contribution rate is driven primarily by retirement fund investment earnings.

***Targeted Improvement Grants.*** Legislation enacted in 1998 established a new program called targeted improvement grants. These grants are based on 85% of the number of children eligible for free and reduced-price meals multiplied by 2.5% of the per pupil foundation under the basic current expense formula. Each county's initial allocation is adjusted by a factor relating each county's wealth per full-time equivalent student to the statewide wealth per student. Funding for this program increases by \$755,000 in fiscal 2000 for a total allocation of \$21.4 million.

***Teacher Development/Mentoring/Certification Grants.*** Teacher development grants are provided to enhance teacher development programs in schools with a free or reduced price meal count of 25% or more of their student population. Each eligible school receives an \$8,000 grant to enhance teacher training in instructing at-risk students. In fiscal 2000 these grants will total \$5.6 million, representing a \$128,000 increase over fiscal 1999. In addition, the State provides Baltimore County with \$7.9 million for teacher mentoring programs and provides Prince George's County with \$4.5 million for teacher mentoring and certification programs. The special grants for the two counties did not increase in fiscal 2000. However, Baltimore City will receive an additional \$2 million to develop programs to increase the number of certified teachers in the city's school system in fiscal 2000.

Legislation passed this year, **HB 9/Ch. 600**, enables a public school teacher who has a standard professional certificate or an advanced professional certificate to claim a credit against the State income tax for up to \$1,500 of tuition paid by the individual for graduate level courses required for maintaining certification beginning in fiscal 2001. In addition, the bill provides salary enhancements for teachers obtaining national certification, a signing bonus for teachers graduating in the top of their class, a stipend for teachers working in reconstitution eligible or challenge schools, and \$5 million in grants to local school systems for teacher mentoring programs.

***Limited English Proficiency.*** The State provides grants to local school systems for programs for students with limited English proficiency. The grant amount totals \$1,350 per limited English proficient student. Funding for this program totals \$25.2 million in fiscal 2000, representing a \$1.7 million increase over fiscal 1999. This increase is due to a 1,247 student increase in the limited English proficiency count. Approximately 17,282 students are categorized as limited English proficient.

***Education Modernization Initiative.*** This program provides schools access to on-line computer resources and capacity for data, voice, and video equipment. Funding for this program increases by \$2.5 million in fiscal 2000. Total funding for this program is \$7.8 million.

***Other Programs.*** The State budget includes almost \$2 million in funding for new programs in fiscal 2000. Montgomery County will receive almost \$1.4 million to assist the county in its class size reduction program. Other local school systems will receive funding to reduce class sizes beginning in fiscal 2001, due to the new legislation passed this year **SB 137/Ch. 513** and **HB 187/Ch. 514**. An additional \$250,000 funds the Maryland Technology Academy which will train teachers and professional staff in using technology in the classroom and an additional \$150,000 is provided for challenge grants, which target individual public schools that have failed to meet acceptable standards of performance. In fiscal 2000, there will be \$5.8 million for challenge grants.

## Libraries

The State provides assistance to public libraries through a formula that determines the State and local shares of a minimum per capita library program. The minimum library program is specified in statute. For fiscal 2000, the program is based on a \$11 per capita grant. Overall, the State provides about 40% of the minimum program and the counties provide 60%. However, the State/local share of the minimum program varies from county to county depending on local wealth. In fiscal 2000, State library formula aid will total \$23.6 million, an increase of \$600,000. In addition, the State pays the employer's share of retirement costs for eligible library employees. These payments decreased by \$437,000 in fiscal 2000, due to a 10% decrease in the employer contribution rate. The fiscal 2000 State budget does not include the special grant to Prince George's County. In fiscal 1999, this grant totaled \$1.5 million.

The General Assembly approved legislation, **HB 601/Ch. 701**, that establishes a funding formula for the State Library Resource Center, beginning in fiscal 2001, that requires the State to contribute a larger share of the center's funding. The legislation would increase the mandatory State funding to \$7 million in fiscal 2001 by basing the center's funding on a per capita grant. This represents a \$3.2 million increase over current funding levels. State funding would increase by \$4.3 million in fiscal 2002 and \$6.1 million by fiscal 2004.

## Community Colleges

Total State funding for community colleges increases by \$12.9 million for fiscal 2000. Local community colleges will receive \$114.2 million through the State's funding formula. The formula amount is equal to 23% of the fiscal 1999 State aid per student at selected four-year colleges multiplied by total fiscal 1998 community college enrollment. The fiscal 1998 enrollment is 2.3% higher than the enrollment for fiscal 1997. State aid per community college student increases 12% reflecting growth in State support of the four-year institutions and the phased increase in the community college percent share of four-year funding from 22% to 23%. State paid retirement costs decrease by \$1.4 million, resulting from a 2.7% increase in the salary base and a 10% decrease in the contribution rate.

Legislation, **SB 283/Ch. 537**, passed this session provides an estimated \$620,800 in additional ESOL (English for Speakers of Other Languages) funding for local community colleges in fiscal 2000. Under current law, State ESOL grants cannot exceed \$1 million for local community colleges and \$200,000 for Baltimore City Community College. The new legislation increases the funding caps to \$2.5 million at local community colleges and \$500,000 for Baltimore City Community College. The

legislation also requires the Governor to include a deficiency appropriation in the following year's budget to fund any unfunded grants in which the State appropriation is insufficient to fully fund the ESOL grants.

## **Local Health Programs**

Funding for local health services totals \$47.0 million in fiscal 2000, reflecting a \$2 million or 4.5% increase. This increase is due to inflation and population growth. A deficiency appropriation of \$1.1 million is included in the fiscal 2000 State budget for the Targeted Local Health program. This amount is intended to provide funds to the local health department for a COLA equivalent to that received by State employees in fiscal 1999. In addition, the fiscal 2000 State budget also includes funds for a COLA in fiscal 2000.

## **General Government Assistance**

The State provides grants to counties and municipalities for various governmental functions, including public safety, transportation, and recreation. In addition, the disparity grant program targets aid to low income wealth jurisdictions. Overall, general government assistance will increase by \$16.3 million in fiscal 2000, reflecting a 2.9% increase.

***Police Aid Grants.*** Maryland's counties and municipalities receive grants for police protection through the police aid formula. The police aid formula allocates funds on a per capita basis and jurisdictions with higher population density receive greater per capita grants. Municipalities receive additional grants based on the number of sworn officers. Police aid grants in fiscal 2000 total \$58.9 million, a \$1.3 million or 2.3% increase over fiscal 1999. The fiscal 2000 amount reflects legislation passed this session, **HB 679/Ch. 444**, increasing the municipal officer grant from \$1,200 to \$1,800 for each sworn officer. Under the legislation, municipalities will receive an additional \$854,000 in fiscal 2000.

***Public Safety Grants.*** The State budget includes \$500,000 to fund a computer automation project in the Baltimore City State's Attorney Office and \$25,000 to conduct a feasibility study of establishing a new Baltimore City Police Academy at Coppin State College. An additional \$361,000 in 911 grants is included in the State budget and \$100,000 in State funds is earmarked for professional development grants to support training of local government law enforcement and correctional personnel. Other public safety grants did not increase.

***Fire, Rescue, and Ambulance Services.*** The State provides formula grants to the counties, Baltimore City, and qualifying municipalities for local and volunteer fire, rescue, and ambulance services. The grants are for equipment and renovations, not operating costs. The fiscal 2000 budget includes an additional \$2.5 million in formula funds. However, the State budget does not include funding to Prince George's County for fire apparatus, equipment, and capital improvements. In fiscal 1999, Prince George's County received \$300,000 for these purposes.

***Program Open Space Grants.*** Under the Program Open Space program, the State provides grants to the counties and Baltimore City for land acquisition and the development of park and recreation facilities. State property transfer tax revenues fund Program Open Space and related programs. In fiscal 2000, Program Open Space funding totals \$35.3 million, which includes a \$1.5 million special grant for Baltimore City. This reflects a \$9.7 million or 37.6% increase over fiscal 1999 funding levels.

Program Open Space grants for a fiscal year are based on estimated transfer tax revenues. To the extent actual revenues exceed estimates, the additional funds are appropriated in a subsequent fiscal year. Legislation, **SB 637/Ch. 588**, passed this year authorizes the expenditure of the estimated fiscal 1999 over attainment in fiscal 1999 rather than in fiscal 2001. This could result in a \$5 million increase in local Program Open Space funds in fiscal 1999 with a corresponding decrease in fiscal 2001.

***Transportation.*** The State shares receipts from motor fuel taxes, vehicle excise (titling) taxes, registration fees, and corporate income taxes with local governments for the purpose of constructing and maintaining transportation facilities across the State. Counties, municipalities, and Baltimore City receive 30% of these "highway user" revenues. The Maryland Department of Transportation projects a modest decrease in these grants in fiscal 2000 (\$5 million) based on estimated tax revenues.

***Disparity Grant.*** The disparity grant targets aid to those counties whose per capita piggyback income tax revenue is less than 75% of the State average. In fiscal 2000 \$70.4 million will be allocated among eight counties. The eight jurisdictions receiving a disparity grant in fiscal 2000 are Allegany, Caroline, Dorchester, Garrett, Somerset, Washington, and Wicomico Counties and Baltimore City. The \$6.3 million or 9.8% increase reflects, in part, the recent strong growth in income tax revenues.

## State Mandates on Local Governments

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Eight State mandates were imposed on local governments during the 1999 legislative session. The mandates involved property taxes, education, election laws, collective bargaining, and retirement.

Summary of State Mandates*	
Property Taxes	1
Education	2
Election Laws	2
Collective Bargaining	1
Retirement	2
Total	8

\***Mandate** is defined as a legislative directive requiring a local government unit to perform a task or assume a responsibility that has a discernible fiscal impact on the local government unit (Maryland Annotated Code, State Government Article, §2-1501(c)). In the following section, legislation that imposes a State mandate is signified by a ✓.



## State Legislation Affecting Local Government Revenues

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Revenues</u>	<u>Mandate</u>
<b>LEGISLATION AFFECTING ALL/MULTIPLE LOCAL JURISDICTIONS</b>			
SB 8	Maryland Higher Education Investment Program - Income Tax Subtraction Modification for Contributions (Ch. 7)	(\$130,800) <sup>1</sup>	
SB 24	Motor Vehicle Tax Refunds for Transportation Systems for Elderly, Handicapped, or Low Income Individuals (Ch. 133)	(\$87,400) <sup>2</sup>	
SB 136	Maryland Competitive Advantage Financing Fund (Ch. 299)	Indeterminate Increase	
SB 137/ HB 187	Maryland Learning Success Program - Public School Class Size Reduction Assistance (Ch. 513/514)	See Footnote <sup>3</sup>	
SB 223	Offenses Involving Destructive Devices - Penalties - Suspension of Driving Privileges and Parental Restitution (Ch. 329)	Minimal Increase	
SB 247	Transportation Services - Fiscal Assistance - Repeal of Termination Provision (Ch. 161)	\$3,382,100 <sup>4</sup>	
SB 283/ HB 483	Community Colleges - English for Speakers of Other Languages Programs - Funding (Ch. 537/538)	\$508,300 <sup>5</sup>	

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<sup>1</sup>Revenues decrease by \$310,300 in FY 2001; future year decreases reflect decreases in State income tax revenues.

<sup>2</sup>Legislation repeals sunset of June 30, 1999; annual local revenue losses will continue.

<sup>3</sup>State aid to local school districts increases by \$10.3 million in FY 2001; by \$17.8 million in FY 2002; by \$26.6 million in FY 2003; and by \$33.1 million in FY 2004.

<sup>4</sup>The legislature eliminated funding for paratransit grants which were scheduled to sunset at the end of FY 1999; however, the expectation expressed by the budget committees was that the funds would be restored through budget amendment if this legislation, which repeals the sunset, was enacted.

<sup>5</sup>Future year revenues reflect enrollment growth.

## State Legislation Affecting Local Government Revenues

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Revenues</u>	<u>Mandate</u>
SB 298	Horse Racing (Ch. 168)	Indeterminate Increase <sup>6</sup>	
SB 344/ HB 366	Electric and Gas Utility Tax Reform (Ch. 5/6)	\$900,000 <sup>7</sup>	
SB 367	Motor Vehicle Registration Fees - Exemptions - Surviving Spouses of Deceased Disabled Veterans (Ch. 342)	(\$20,300)	
SB 390/ HB 636	Tax Credit for Cost of Providing Commuter Benefits to Employees (Ch. 559/560)	Indeterminate Decrease	
SB 395	Property Tax Credit - Vacant or Underutilized Commercial Buildings (Ch. 351)	Indeterminate Decrease	
SB 505	Parking Access for Individuals with Disabilities (Ch. 360)	Minimal Increase	
SB 509/ HB 590	Diesel Vehicle Emissions Control Program (Ch. 41/42)	Indeterminate Decrease	
SB 512/ HB 488	Vehicle Laws - Excise Tax - Determination of Fair Market Value and Collection of Tax (Ch. 361/512)	Indeterminate	
SB 593	Home and Community Based Services for Impaired Individuals - Medicaid Waiver (Ch. 126)	Indeterminate Increase	
SB 632/ HB 6	Education - Maryland After-School Opportunity Act (Ch. 585/586)	See Footnote <sup>8</sup>	

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<sup>6</sup>Legislation would only affect Anne Arundel County, Howard County, Baltimore City, and City of Laurel.

<sup>7</sup>Net revenues decrease by \$2.6 million in FY 2001.

<sup>8</sup>Local governments could receive up to \$10 million in funding for after-school programs beginning in FY 2001.

## State Legislation Affecting Local Government Revenues

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Revenues</u>	<u>Mandate</u>
SB 637	State Transfer Tax Revenues - Budget Amendment for Excess Revenues (Ch. 588)	See Footnote <sup>9</sup>	
SB 655	Income Tax - United States Coast Guard Auxiliary Members (Ch. 375)	(\$89,200) <sup>10</sup>	
SB 677/ HB 897	Property Tax - Mandatory Semiannual Payment (Ch. 306/305)	Indeterminate Decrease	✓
SB 744/ HB 868	Education - Maryland Meals for Achievement Pilot In-Classroom Breakfast Program (Ch. 384/385)	Significant Increase <sup>11</sup>	
SB 779/ HB 1148	Tax Credits - New or Expanded Business Premises (Ch. 510/492)	Indeterminate	
HB 4	One Maryland Economic Development Program for Distressed Counties - Tax Credits (Ch. 303)	Indeterminate Increase	
HB 5	One Maryland Economic Development Program for Distressed Counties (Ch. 304)	Indeterminate Increase <sup>12</sup>	
HB 75	Job Creation Tax Credit - Extension (Ch. 208)	Indeterminate	
HB 82	Job Creation Tax Credit - Priority Funding Area - Port Land Use Development Zone (Ch. 209)	Indeterminate Increase <sup>13</sup>	

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<sup>9</sup>Local Program Open Space funds increase by \$5 million in FY 1999 and decrease by \$5 million in FY 2001. No effect in FY 2000.

<sup>10</sup>Revenues decrease by \$85,900 in FY 2001; future year decreases decrease by 3.7% annually.

<sup>11</sup>Assuming 50 schools are selected to participate in the pilot program, local governments could receive up to \$5.25 million in funding in FY 2000 to provide in-classroom breakfasts to students. The program sunsets after FY 2002.

<sup>12</sup>Only those counties that qualify as distressed would be affected.

<sup>13</sup>Affected counties include Baltimore City, Baltimore County, and Anne Arundel County.

## State Legislation Affecting Local Government Revenues

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Revenues</u>	<u>Mandate</u>
HB 98	Courts - Costs - Sheriffs' Fees (Ch. 392)	\$103,400 <sup>14</sup>	
HB 98	Courts - Costs - Sheriffs' Fees (Ch. 392)	(\$205,200) <sup>15</sup>	
HB 99	Explosives - Forfeiture of Vehicle, Vessel, or Aircraft (Ch. 65)	Minimal Decrease	
HB 177	Holocaust Victims - Inheritance Tax and Income Tax - Insurance Policies (Ch. 117)	Minimal Decrease	
HB 188	Maryland Economic Development Assistance Authority and Fund (Ch. 301)	Indeterminate Increase	
HB 274	Recordation and Transfer Taxes - Transfers Between Relatives (Ch. 615)	Minimal Decrease	
HB 301	Municipal Corporations - Authority to Regulate the Possession or Consumption of Alcoholic Beverages in Public Places (Ch. 411)	Minimal Increase	
HB 515	Recordation Tax and State Transfer Tax - Transfer from Class I Railroad Carrier to Wholly-Owned Limited Liability Company (Ch. 427)	(\$181,000) <sup>16</sup>	
HB 521	Property Tax - Credit for Conservation Lands (Ch. 245)	Significant Decrease	
HB 536	Admissions and Amusement Tax - Political Fundraising Events (Ch. 250)	Minimal Decrease	
HB 603	Civil Action - Disclosure of Information and Service of Process (Ch. 434)	Indeterminate Increase	

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<sup>14</sup> Affects local jurisdictions with a fee-for-service arrangement.

<sup>15</sup> Affects local jurisdictions without a fee-for-service arrangement.

<sup>16</sup> Revenue loss could occur in either FY 2000 or FY 2001.

## State Legislation Affecting Local Government Revenues

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Revenues</u>	<u>Mandate</u>
HB 679	State Aid for Police Protection - Municipal Sworn Officer Allocation (Ch. 444)	\$853,800 <sup>17</sup>	
HB 746	Property Tax - Credit for Athletic Fields Used Exclusively for Amateur Sports (Ch. 450)	Indeterminate Decrease	
HB 789	Heritage Structure Rehabilitation Tax Credit - Mortgage Credit Certificates (Ch. 667)	Indeterminate	
HB 877	Economic Development - Enterprise Zones - Focus Areas (Ch. 467)	Indeterminate <sup>18</sup>	
HB 1051	Certified Heritage Structure Rehabilitation Credit - Reciprocity with Other States (Ch. 484)	Indeterminate	
HB 1130	Prepaid Telephone Calling Arrangements - Taxation (Ch. 688)	Indeterminate Increase	
HB 1149	County Income Tax (Ch. 493)	(\$681,000) <sup>19</sup>	
HB 1187	Natural Resources - Wild Waterfowl - Issuance of Fishing and Hunting Licenses (Ch. 703)	Minimal Decrease	
HB 1191	State Procurement Law - Application to Maryland Port Administration and Modification of the Reciprocal Preference Program (Ch. 501)	See Footnote <sup>20</sup>	

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<sup>17</sup>Aggregate revenues increase by \$877,800 in FY 2001; by \$901,800 in FY 2002; by \$926,400 in FY 2003; and by \$953,400 in FY 2004.

<sup>18</sup>Only those counties with a Focus Area will be affected.

<sup>19</sup>Represents net revenue decrease for FY 2000; revenues increase for some counties and municipalities and decrease for others. Net revenues decrease by \$507,000 in FY 2001 and increase by \$1,077,00 in FY 2002.

<sup>20</sup>The legislation could accelerate positive impacts on local economies.



## State Legislation Affecting Local Government Revenues

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Revenues</u>	<u>Mandate</u>
<b>LEGISLATION AFFECTING LOCAL GOVERNMENTS BY SUBDIVISION</b>			
<b>ALLEGANY COUNTY</b>			
HB 362	Allegany County - Alcoholic Beverages - Special Festival License (Ch. 87)	Minimal Increase	
<b>ANNE ARUNDEL COUNTY</b>			
SB 282	Family Law - Marriage Licenses (Ch. 336)	(\$300)	
<b>BALTIMORE CITY</b>			
SB 23	Baltimore City - Alcoholic Beverages - Club Licenses (Ch. 11)	Minimal Increase	
SB 86	Neighborhood Preservation and Stabilization Tax Credits (Ch. 319)	See Footnote <sup>21</sup>	
SB 161	Property Tax - Baltimore City - Repeal of Property Tax Exemption (Ch. 527)	\$350,000 <sup>22</sup>	
SB 369	Baltimore City - 10th and 45th District - Alcoholic Beverages Licenses (Ch. 343)	Minimal Decrease	
HB 559	Baltimore City - Property Tax - Exemption for Economic Development Projects (Ch. 643)	Indeterminate	
HB 601	Libraries - Funding - State Library Resource Center (Ch. 701)	See Footnote <sup>23</sup>	

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<sup>21</sup>Revenues decrease by \$6,400 in FY 2001; by \$10,700 in FY 2002; and by \$14, 300 in FY 2003 and FY 2004.

<sup>22</sup>Revenues increase in FY 2000 only.

<sup>23</sup>The Enoch Pratt Free Library will receive an additional \$3.2 million in FY 2001. Future year increases reflect additional persons served and per capita grant increases.

## State Legislation Affecting Local Government Revenues

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Revenues</u>	<u>Mandate</u>
HB 1181	Baltimore City - Condemnation - Immediate Possession and Title (Ch. 692)	Indeterminate Increase	

### BALTIMORE COUNTY

SB 86	Neighborhood Preservation and Stabilization Tax Credits (Ch. 319)	See Footnote <sup>24</sup>	
HB 155	Baltimore County - Property Tax Credit - Genessee Valley Outdoor Learning Center, Inc. (Ch. 396)	(\$1,700)	
HB 1194	Baltimore County - Special Wine Festival - Micro-Breweries (Ch. 693)	Minimal Increase	

### CALVERT COUNTY

HB 114	Calvert County - Alcoholic Beverages - Licenses (Ch. 67)	Minimal Increase	
HB 115	Maryland Vehicle Law - Calvert County - Enforcement on Private Roadways (Ch. 210)	Minimal Increase	

### CARROLL COUNTY

SB 614	Carroll County - Board of License Commissioners - Penalties (Ch. 370)	Minimal Increase	
SB 615	Carroll County - Special Beer, Wine, and Liquor License - Fee Increase (Ch. 371)	\$1,120	

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<sup>24</sup>Revenues decrease by \$9,000 in FY 2001; by \$17,200 in FY 2002; and by \$22,900 in FY 2003 and FY 2004.

## State Legislation Affecting Local Government Revenues

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Revenues</u>	<u>Mandate</u>
<b>CECIL COUNTY</b>			
HB 1152	Bainbridge Development Corporation (Ch. 494)	Indeterminate Increase	
<b>CHARLES COUNTY</b>			
SB 324	Charles County - Property Tax and Recordation Tax - Rental Dwellings Converted to Owner-Occupied Dwellings (Ch. 547)	Indeterminate Decrease	
HB 384	Charles County - Sale or Disposition of Surplus Real Property - Economic Development Efforts (Ch. 417)	Indeterminate	
<b>DORCHESTER COUNTY</b>			
HB 153	Dorchester County Hotel Rental Tax (Ch. 609)	\$10,000 <sup>25</sup>	
HB 1078	Dorchester County - Alcoholic Beverages (Ch. 682)	Minimal Increase	
<b>GARRETT COUNTY</b>			
SB 665	Garrett County - Property Tax Credit - Avilton Community Association, Inc. (Ch. 190)	Minimal Decrease	
SB 666	Garrett County - Alcoholic Beverages - Special Multiple Event License (Ch. 47)	Minimal Increase	
HB 514	Garrett County - Alcoholic Beverages - Wine Tasting License (Ch. 99)	Minimal Increase	

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<sup>25</sup>Dorchester County revenues decrease by approximately \$30,000 and municipal revenues increase by approximately \$40,000 annually.

## State Legislation Affecting Local Government Revenues

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Revenues</u>	<u>Mandate</u>
<b>HOWARD COUNTY</b>			
HB 39	Howard County - Alcoholic Beverages - Golf Course License (Ho. Co. 5-99) (Ch. 56)	Minimal Increase	
<b>MONTGOMERY COUNTY</b>			
SB 504	Property Tax Credit - Audubon Naturalist Society of the Central Atlantic States (Ch. 185)	Minimal Decrease	
HB 412	Montgomery County - Alcoholic Beverages Licenses - Theaters (MC 917-99) (Ch. 92)	Minimal Increase	
<b>PRINCE GEORGE'S COUNTY</b>			
HB 344	City of District Heights (Prince George's County) - Urban Renewal Authority for Slum Clearance (PG 421-99) (Ch. 413)	Indeterminate Increase <sup>26</sup>	
HB 555	Property Tax Exemption - Exception for Property Owned by Maryland-National Capital Park and Planning Commission and Used for a Concession (MC/PG 8-99) (Ch. 253)	\$27,640	
HB 821	Prince George's County - Property Tax Credit - Boys and Girls Clubs (PG 406-99) (Ch. 460)	Minimal Decrease	
<b>QUEEN ANNE'S COUNTY</b>			
HB 1215	Queen Anne's County - Property Tax Credit - Wildfowl Trust of North America, Inc. (Ch. 505)	(\$7,200)	

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<sup>26</sup>Legislation relates to City of District Heights only; county finances are not affected.

## State Legislation Affecting Local Government Revenues

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Revenues</u>	<u>Mandate</u>
<b>SOMERSET COUNTY</b>			
HB 1007	Somerset County - Authority of County Roads Board to Sell a Public Road (Ch. 275)	\$32,600 <sup>27</sup>	
<b>ST. MARY'S COUNTY</b>			
HB 197	St. Mary's County Alcoholic Beverages Board - Noise Regulation (Ch. 75)	Minimal Increase	
HB 201	St. Mary's County - Alcoholic Beverages - Hotel/Restaurant License (Ch. 78)	\$3,000	
<b>TALBOT COUNTY</b>			
HB 1096	Talbot County - Property Tax Credit - Real Property Owned or Occupied by County Businesses (Ch. 489)	Indeterminate	
<b>WASHINGTON COUNTY</b>			
HB 961	Washington County - County Commissioners - Authority to License Home Builders (Ch. 273)	\$10,000 <sup>28</sup>	
<b>WICOMICO COUNTY</b>			
HB 1020	Wicomico County - Property Tax Credit - Agricultural Land and Easements (Ch.476)	Indeterminate Decrease	

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<sup>27</sup>Revenues increase in FY 2000 only.

<sup>28</sup>Revenues increase by \$30,000 the first year of fee imposition and every third year thereafter.

## State Legislation Affecting Local Government Revenues

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Revenues</u>	<u>Mandate</u>
<b>WORCESTER COUNTY</b>			
HB 506	Worcester County - Liquor Control Board - Working Capital Limit (Ch. 96)	Minimal Decrease	
HB 510	Worcester County - Liquor Control Board - Borrowing Limit (Ch. 97)	\$28,800 <sup>29</sup>	
HB 522	Worcester County - Alcoholic Beverages - Class I License (Ch. 246)	Minimal Increase	
HB 523	Worcester County - Alcoholic Beverages - Special Sunday Club Licenses (Ch. 101)	Minimal Increase	
HB 524	Worcester County - Alcoholic Beverages - Golf Course Licenses (Ch. 102)	Minimal Increase	

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<sup>29</sup>Municipal governments (Berlin, Ocean City, Pocomoke City, and Snow Hill) would share in the revenues.

## State Legislation Affecting Local Government Expenditures

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Expenditures</u>	<u>Mandate</u>
<b>LEGISLATION AFFECTING ALL/MULTIPLE LOCAL JURISDICTIONS</b>			
SB 15	Teachers' Retirement and Pension Systems - Reemployment of Retired Teachers (Ch. 518)	Indeterminate Decrease	
SB 67	Health Insurance - Extension of Benefits (Ch. 139)	Indeterminate Increase	
SB 101/ HB 109	Health Insurance - Medical Clinical Trials - Coverage (Ch. 145/146)	Indeterminate Increase	
SB 113	State Retirement and Pension Systems - Limitations on Benefits and Contributions (Ch. 148)	Minimal Decrease	
SB 137/ HB 187	Maryland Learning Success Program - Public School Class Size Reduction Assistance (Ch. 513/514)	See Footnote <sup>1</sup>	
SB 149	Public Schools - Integrated Pest Management (Ch. 322)	Minimal Increase	✓
SB 181	Health Insurance - Coverage for a Prosthesis (Ch. 155)	Indeterminate Increase	
SB 232/ HB 901	Immunity - State and Local Governments - Year 2000 Litigation (Ch. 533/534)	Indeterminate Decrease	
SB 250	Health Insurance - Retroactive Denial of Reimbursement - Improper Coding (Ch. 162)	Indeterminate Increase	
SB 269/ HB 377	Education - Instructional Materials in Nonvisually Accessible Media (Ch. 334/335)	Minimal Decrease	
SB 273	State and Local Aid Program for Certification of Teachers - National Board for Professional Teaching Standards (Ch. 536)	\$166,300 <sup>2</sup>	✓

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<sup>1</sup>Expenditures could increase by a significant amount beginning in FY 2001.

<sup>2</sup>Expenditures increase by \$198,000 annually in FY 2001, FY 2002, FY 2003, and FY 2004.

## State Legislation Affecting Local Government Expenditures

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Expenditures</u>	<u>Mandate</u>
SB 294	Emergency Medical Services - Automated External Defibrillator Program (Ch. 167)	Minimal Increase	
SB 297	Election Laws - Voting Systems (Ch. 337)	Significant Increase <sup>3</sup>	✓
SB 300/ HB 703	Electric Utility Industry Restructuring (Ch. 3/4)	Indeterminate	
SB 314	Workers' Compensation - Offset of Benefits (Ch. 340)	Minimal Increase	
SB 350	Health Insurance - Coverage Determinations and Retroactive Adverse Decisions (Ch. 554)	Indeterminate Increase	
SB 363	Employees' and Teachers' Systems - Inclusion in Contributory Pension Benefit Program - Participating Governmental Units and Selection C (Combination Formula) Members (Ch. 176)	Indeterminate Increase <sup>4</sup>	
SB 380	Local Government Tort Claims - Indemnification of Law Enforcement Officers (Ch. 177)	Minimal Increase	
SB 464/ HB 958	Child Welfare - Citizen Review Panels and Child Fatality Review Teams (Ch. 355/356)	Indeterminate Increase	
SB 509/ HB 590	Diesel Vehicle Emissions Control Program (Ch. 41/42)	Indeterminate Increase	
SB 677/ HB 897	Property Tax - Mandatory Semiannual Payment (Ch. 306/305)	Indeterminate Increase	✓

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<sup>3</sup>Affects Allegany, Dorchester, and Prince George's counties.

<sup>4</sup>Total expenditures could increase by \$13.8 million in FY 2000 if all 98 participating governmental units elect the enhancement, increasing by 5% per year thereafter based on actuarial assumptions.

## State Legislation Affecting Local Government Expenditures

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Expenditures</u>	<u>Mandate</u>
SB 744/ HB 868	Education - Maryland Meals for Achievement Pilot In-Classroom Breakfast Program (Ch. 384/385)	\$5,300,000 <sup>5</sup>	
HB 5	One Maryland Economic Development Program for Distressed Counties (Ch. 304)	Indeterminate Increase <sup>6</sup>	
HB 9	Quality Teacher Incentive Act of 1999 (Ch. 600)	\$667,500 <sup>7</sup>	
HB 98	Courts - Cost - Sheriffs' Fees (Ch. 392)	(\$105,800) <sup>8</sup>	
HB 126	Steam Heating Companies (Ch. 605)	Minimal Decrease	
HB 141	Criminal Procedure - Pretrial Release - Crimes of Violence (Ch. 394)	Minimal Increase	
HB 182	Patients' Bill of Rights Act of 1999 (Ch. 120)	Minimal Increase	
HB 231	Pretrial Release - Violators of Ex Parte Orders or Protective Orders (Ch. 403)	Indeterminate Increase	
HB 280	Health Insurance - Reimbursements to Health Care Practitioners - Costs of Oncology Drugs (Ch. 617)	Indeterminate Increase	
HB 301	Municipal Corporations - Authority to Regulate the Possession or Consumption of Alcoholic Beverages in Public Places (Ch. 411)	Minimal Increase	

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<sup>5</sup> Assumes 50 schools are selected to participate in the pilot program. The program sunsets after FY 2002.

<sup>6</sup> Only those counties that qualify as distressed would be affected.

<sup>7</sup> Local school expenditures for Social Security increase to \$845,000 by FY 2004.

<sup>8</sup> Affects local jurisdictions without a fee-for-service arrangement.

## State Legislation Affecting Local Government Expenditures

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Expenditures</u>	<u>Mandate</u>
HB 310	Sidewalk Construction Projects - State's Share of Costs - Repeal of Limitation (Ch. 223)	Indeterminate Increase <sup>9</sup>	
HB 449	Local Government Tort Claims Act - Interest on Judgement (Ch. 637)	Minimal Increase	
HB 504	Code Counties - Referendum - Special Election (Ch. 642)	Significant Increase <sup>10</sup>	
HB 576	Continuity of Patient Care Act (Ch. 644)	Indeterminate Increase	
HB 602	Criminal Procedure - Commission on Criminal Sentencing Policy - Sentencing and Parole (Ch. 648)	Indeterminate Increase	
HB 609	Education - County Board Hearing Examiners (Ch. 104)	Minimal Decrease	
HB 679	State Aid for Police Protection - Municipal Sworn Officer Allocation (Ch. 444)	\$853,800 <sup>11</sup>	
HB 767	Health Insurance - Access to the 911 Emergency System (Ch. 268)	Indeterminate Increase	
HB 792	Workers' Compensation - Permanent Partial Disability - Cap on Awards (Ch. 457)	Minimal Increase	
HB 1094	Procurement Contract Dispute Resolution - Construction Contracts - Notice of Claim and Limits on Recovery (Ch. 684)	Indeterminate Increase	

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<sup>9</sup>Affects FY 2000 and FY 2001 only.

<sup>10</sup>Expenditures increase in Allegany (\$50,000), Caroline (\$18,000), Kent (\$14,000), Queen Anne's (\$20,000), and Worcester (\$86,000) counties if special elections are authorized.

<sup>11</sup>Aggregate expenditures increase by \$877,800 in FY 2001; by \$901,800 in FY 2002; by \$926,400 in FY 2003; and by \$953,400 in FY 2004.

## State Legislation Affecting Local Government Expenditures

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Expenditures</u>	<u>Mandate</u>
HB 1183	Property Tax - Tax Sales - High-Bid Premiums for Group and Sealed Bid Sales (Ch. 499)	Minimal Increase	
HB 1187	Natural Resources - Wild Waterfowl - Issuance of Fishing and Hunting Licenses (Ch. 703)	Minimal Decrease	
HB 1204	Labor and Employment - Employee Leave - Adoption (Ch. 503)	Minimal Increase	



## State Legislation Affecting Local Government Expenditures

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Expenditures</u>	<u>Mandate</u>
<b>LEGISLATION AFFECTING LOCAL GOVERNMENTS BY SUBDIVISION</b>			
<b>ANNE ARUNDEL COUNTY</b>			
HB 1036	Legal Officials - Anne Arundel County Assistant State's Attorneys - Sharing Full-Time Position (Ch. 479)	Minimal Increase	
<b>BALTIMORE COUNTY</b>			
HB 917	Election - Compensation of Election Judges - Baltimore County (Ch. 470)	\$60,000 <sup>12</sup>	✓
<b>CARROLL COUNTY</b>			
SB 608	Carroll County - Public Facilities Bonds (Ch. 369)	See Footnote <sup>13</sup>	
<b>CECIL COUNTY</b>			
SB 469	Cecil County - Public Facilities Bonds (Ch. 357)	See Footnote <sup>14</sup>	
HB 1152	Bainbridge Development Corporation (Ch. 494)	Indeterminate Increase	
<b>CHARLES COUNTY</b>			
HB 382	Charles County - Board of Fire and Rescue Commissioners (Ch. 88)	\$22,500 <sup>15</sup>	

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<sup>12</sup>Expenditures increase by \$60,000 in each election year.

<sup>13</sup>Annual debt service of \$2.3 million for 20 years on a \$28.5 million bond issue.

<sup>14</sup>Annual debt service of \$1.15 million for 15 years on a \$12 million bond issue.

<sup>15</sup>Expenditures increase by \$30,000 annually beginning in FY 2001.

## State Legislation Affecting Local Government Expenditures

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Expenditures</u>	<u>Mandate</u>
HB 385	Charles County - Length of Service Award - Cost-of-Living Increase (Ch. 89)	\$1,100	
HB 395	Charles County - Public Facilities Bonds - Charles County Nursing Home (Ch. 91)	See Footnote <sup>16</sup>	
HB 396	Charles County - Recordation Tax Credit - Targeted Businesses (Ch. 631)	Indeterminate Decrease	
HB 656	Charles County - Length of Service Award Program - Death Benefit (Ch. 106)	\$5,000	
HB 1196	Community Colleges - College of Southern Maryland (Ch. 695)	Minimal Increase	

### DORCHESTER COUNTY

SB 542	Election Code - Dorchester and Kent Counties - Board of Elections - Compensation (Ch. 572)	\$1,500	
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### FREDERICK COUNTY

SB 199	Frederick County - Competitive Bidding (Ch. 325)	Indeterminate	
SB 200	Frederick County - Purchase or Lease of Personal Property (Ch. 326)	Indeterminate Increase	
SB 645	Frederick County - Public Facilities Bonds (Ch. 373)	See Footnote <sup>17</sup>	
SB 646	Frederick County - Borrowing Authority (Ch. 374)	See Footnote <sup>18</sup>	

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<sup>16</sup>Annual debt service of \$188,800 for 15 years on a \$2 million bond issue.

<sup>17</sup>Annual debt service of \$7.2 million for 20 years on a \$90 million bond issue.

<sup>18</sup>Debt service expenditures and revenues could increase in connection with increased borrowing.

## State Legislation Affecting Local Government Expenditures

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Expenditures</u>	<u>Mandate</u>
<b>GARRETT COUNTY</b>			
HB 517	Employees' Pension System - Garrett County Office for Children, Youth, and Families (Ch. 428)	\$4,500 <sup>19</sup>	
<b>KENT COUNTY</b>			
SB 542	Election Code - Dorchester and Kent Counties - Board of Elections - Compensation (Ch. 572)	\$1,300	
<b>MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION</b>			
HB 555	Property Tax Exemption - Exception for Property Owned by Maryland-National Capital Park and Planning Commission and Used for a Concession (MC/PG 8-99) (Ch. 253)	\$29,440	
<b>MONTGOMERY COUNTY</b>			
HB 405	Housing Opportunities Commission of Montgomery County - Collective Bargaining (MC 907-99) (Ch. 232)	\$42,000 <sup>20</sup>	✓
HB 406	Montgomery County - Supplemental Retirement Allowance for Retired Teachers (MC 901-99) (Ch. 632)	\$1,100,000	✓

State-mandated expenditures of \$42,000 is less than one-tenth of one cent on Montgomery County's property tax rate. State-mandated expenditures of \$1,100,000 is less than four-tenths of one cent on Montgomery County's property tax rate.

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<sup>19</sup>Represents a one-time cost.

<sup>20</sup>In addition, personnel expenditures could increase by between 1% and 1.5% per year.

## State Legislation Affecting Local Government Expenditures

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Expenditures</u>	<u>Mandate</u>
<b>NORTHEAST MARYLAND WASTE DISPOSAL AUTHORITY</b>			
HB 160	Northeast Maryland Waste Disposal Authority - Participation in State Health and Welfare Benefits Program (Ch. 73)	\$12,000	
<b>PRINCE GEORGE'S COUNTY</b>			
SB 357	Orphans' Court Judges - Pension - Prince George's County (Ch. 341)	Indeterminate Increase	✓
HB 344	City of District Heights (Prince George's County) - Urban Renewal Authority for Slum Clearance (PG 421-99) (Ch. 413)	Indeterminate Increase <sup>21</sup>	
HB 824	Prince George's County - State's Attorney's Office - Assistant State's Attorneys (PG 307-99) (Ch. 461)	\$119,900	
HB 827	Prince George's County Sheriff's Office - Compensation (PG 321-99) (Ch. 463)	\$9,500	
<b>ST. MARY'S COUNTY</b>			
HB 197	St. Mary's County - Alcoholic Beverage Board - Noise Regulation (Ch. 75)	Minimal Increase	
HB 358	St. Mary's County - Public Facilities Bonds (Ch. 86)	See Footnote <sup>22</sup>	
<b>TALBOT COUNTY</b>			
HB 1096	Talbot County - Property Tax Credit - Real Property Owned or Occupied by County Businesses (Ch. 489)	Indeterminate	

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<sup>21</sup>Legislation relates to City of District Heights only; county finances are not affected.

<sup>22</sup>Annual debt service of \$2.39 million for 15 years on a \$25 million bond issue.

## State Legislation Affecting Local Government Expenditures

<u>Bill</u>	<u>Title</u>	<u>FY 2000 Expenditures</u>	<u>Mandate</u>
<b>WASHINGTON COUNTY</b>			
HB 661	Washington County - Land Use - Administrative Adjustments (Ch. 652)	\$14,670	
HB 663	Washington County Commissioners - Borrowing Authority (Ch. 440)	See Footnote <sup>23</sup>	
HB 933	Washington County - Public Facilities Bonds (Ch. 110)	See Footnote <sup>24</sup>	
<b>WASHINGTON SUBURBAN SANITARY COMMISSION</b>			
HB 608	Washington Suburban Sanitary District - Water Main Breaks - Payment for Property Damage (MC/PG 2-99) (Ch. 435)	Indeterminate Increase	
HB 611	Washington Suburban Sanitary Commission - Minority Business Enterprise Programs (MC/PG 3-99) (Ch. 256)	See Footnote <sup>25</sup>	

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<sup>23</sup>Debt service expenditures and revenues could increase in connection with increased borrowing.

<sup>24</sup>Annual debt service of \$4.06 million for 20 years on a \$50 million bond issue.

<sup>25</sup>Legislation extends the authority of the Washington Suburban Sanitary Commission to operate its Minority Business Enterprise program applicable to construction from July 1, 1999 to July 1, 2002; budgeted expenditures will continue.



## Chapter Five - Penalty Legislation

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## Penalty Legislation

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The following is a list of bills passed by the 1999 General Assembly that include or relate to a penalty provision. Penalty provisions can increase revenues through fines and expenditures through incarceration expenses. These increases are not accounted for in the State or local sections. Legislation with multiple entries indicates more than one penalty provision.

<b><u>Bill</u></b>	<b><u>Title</u></b>	<b><u>Maximum Penalty Provision</u></b>
<b>FINES ONLY</b>		
SB 28	Public Service Commission - Gas Companies - Civil Penalties (Ch. 134)	Increased Fine
SB 43	Commercial Vehicles - Safety Inspections (Ch. 16)	Expanded Application of Existing Penalties
SB 45	Vehicle Laws - Businesses and Occupations - Fines (Ch. 18)	\$1,000
SB 46	Commercial Vehicles - Commercial Vehicle Information Systems and Network Transponders (Ch. 19)	\$1,000
SB 299	Telephones - Change of Service Providers and Options (Ch. 543)	\$1,000
SB 464/ HB 958	Child Welfare - Citizen Review Panels and Child Fatality Review Teams (Ch. 355/356)	\$500
SB 509/ HB 590	Diesel Vehicle Emissions Control Program (Ch. 41/42)	\$1,000
SB 511/ HB 372	Motor Vehicle Rental Companies - Authority to Sell or Offer Insurance to Renters (Ch. 629/628)	\$2,500
SB 568	Crimes - Laser Pointers - Prohibited (Ch. 368)	\$500
SB 571	Grain Dealers Licensing - Civil Penalties (Ch. 43)	\$5,000
SB 598	St. Mary's County - Alcoholic Beverages - Bottle Clubs (Ch. 45)	\$1,000

## Penalty Legislation

<u>Bill</u>	<u>Title</u>	<u>Maximum Penalty Provision</u>
SB 609	Vehicle Laws - Speeding in a School Zone - Penalties (Ch. 509)	Expanded Application of Existing Penalties
SB 641	Health Insurance - Carriers and Credentialing Intermediaries - Uniform Credentialing Form (Ch. 589)	\$500
HB 15	Beauty Salons - Prohibition on Use or Possession of Methyl Methacrylate Liquid Monomer (MMA) (Ch. 388)	\$1,000 per day
HB 139	Health Insurance - Penalties and Unfair Claims Settlement Practices (Ch. 71)	Increased Existing Fines
HB 351	Highway Work Zones - Reducing Speed Limits - County and Municipal Authority (Ch. 625)	Expanded Application of Existing Penalties
HB 469	State Tobacco Authority - Regulatory Powers (Ch. 95)	\$5,000
HB 513	Garrett County - Alcoholic Beverages - Penalties (Ch. 98)	Increased Fine
HB 858	Division of State Documents - Public On-Line Access (Ch. 668)	\$1,000
HB 948	Well Drillers - Enforcement and Educational Requirements (Ch. 673)	\$1,000 per day
HB 960	Telephones - Changes in Telecommunications Service (Ch. 544)	\$1,000
HB 995	Health Care Regulatory Reform - Commission Consolidation (Ch. 702)	\$100 per day
HB 1086	Stop-Loss Insurance Policies (Ch. 683)	\$25,000
HB 1189	Crimes - Distribution of Controlled Dangerous Substances - Penalties (Ch. 500)	\$100,000
HB 1210	Department of Health and Mental Hygiene - Health Maintenance Organization (HMO) Quality Assurance Unit - Quality Assurance Medical Director (Ch. 697)	\$125,000

## Penalty Legislation

<u>Bill</u>	<u>Title</u>	<u>Maximum Penalty Provision</u>
<b>FINE AND/OR INCARCERATION</b>		
SB 46	Commercial Vehicles - Commercial Vehicle Information Systems and Network Transponders (Ch. 19)	\$500 and/or 6 months
SB 96	Interstate Compact on Adoption and Medical Assistance (Ch. 320)	\$10,00 and/or 2 years
SB 244/ HB 334	Fraud - Personal Identifying Information Theft (Ch. 331/332)	\$5,000 and/or 1 year
SB 377/ HB 232	Crimes - Unlawful Contact on Prison Employees by Inmates (Ch. 345/346)	\$2,500 and/or 10 years
SB 391/ HB 907	School Safety Act of 1999 (Ch. 561/562)	Expanded Application of Existing Penalties
SB 464/ HB 958	Child Welfare - Citizen Review Panels and Child Fatality Review Teams (Ch. 355/356)	\$500 and/or 90 days
SB 689	Crimes - Use of Cameras and Visual Surveillance (Ch. 377)	\$1,000 and/or 6 months
HB 148	Child Abuse and Neglect - Administrative Appeal Procedures and Maintenance of Data (Ch. 214)	\$500 and/or 90 days
HB 278	Alcoholic Beverages - Interstate Shipment - Felony (Ch. 616)	\$1,000 and/or 2 years
HB 496	Assisted Suicide - Prohibition (Ch. 700)	\$10,000 and/or 1 year
HB 667	Cigarettes - Regulation (Ch. 262)	\$50 per cigarette carton and/or 2 years
HB 711	Crimes - Cruelty to Animals - Animals Used by a Law Enforcement Unit (Ch. 448)	\$5,000 and/or 3 years
HB 1069	Crimes - Destructive Devices - False Statement or Rumor - Biological Substances (Ch. 284)	\$10,000 and/or 10 years

## Penalty Legislation

<u>Bill</u>	<u>Title</u>	<u>Maximum Penalty Provision</u>
<b>INCARCERATION ONLY</b>		
SB 379/ HB 584	Vehicle Laws - Drunk and Drugged Driving - Penalties (Ch. 347/511)	Increased from 2 months to 1 year

## Chapter Six - Vetoed Legislation

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## Vetoed Legislation

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The following is a list of all bills passed by the 1999 General Assembly and vetoed by the Governor for policy reasons.

SB 5/ HB 709	Recordation Tax - Payment and Collection
SB 171/ HB 1012	Public Service Commission - Funding and Personnel
SB 423/ HB 1176	Critical Skills Training - Income Tax Credit for Individuals
SB 515/ HB 193	Personal Property Tax - Lien for Unpaid Taxes
HB 8	Commercial Law - Year 2000 Commerce Protection Act
HB 787	Maryland Crime Laboratory Council

SB 5/HB 709 would have resulted in an annual decrease of at least \$5.7 million in general fund revenues, and a corresponding increase in local revenues, beginning in FY 2001. SB 171/HB 1012 would have resulted in a \$9 million annual decrease in general fund revenues and expenditures, and a \$9.2 million annual increase in special fund revenues and expenditures. SB 423/HB 1176 would have resulted in a significant decrease in general fund revenues. SB 515/HB 193 would have resulted in a significant decrease in local revenues and a significant increase in local expenditures. HB 8 would not have had a fiscal impact on State or local government. HB 787 would have resulted in an annual increase in general fund expenditures of a minimum of \$80,800.