

EFFECT OF THE 2019 LEGISLATIVE PROGRAM ON THE FINANCIAL CONDITION OF THE STATE



DEPARTMENT OF LEGISLATIVE SERVICES 2019

Effect of the 2019 Legislative Program on the Financial Condition of the State

**Department of Legislative Services
Office of Policy Analysis
Annapolis, Maryland**

July 2019

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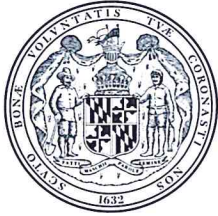
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DEPARTMENT OF LEGISLATIVE SERVICES
OFFICE OF POLICY ANALYSIS
MARYLAND GENERAL ASSEMBLY

Victoria L. Gruber
Executive Director

Ryan Bishop
Director

July 2019

The Honorable Thomas V. Mike Miller, Jr., President of the Senate
The Honorable Adrienne A. Jones, Speaker of the House of Delegates
Members of the Maryland General Assembly

Ladies and Gentlemen:

State law requires the Department of Legislative Services to annually prepare a report that summarizes the effect of the preceding legislative program on State and local governments (State Government Article, Section 2-1237). In accordance with this requirement, we are pleased to submit the following report, *Effect of the 2019 Legislative Program on the Financial Condition of the State*.

This document is divided into five chapters.

Chapter 1 highlights the major components of the fiscal 2020 operating budget (**House Bill 100/Chapter 565**).

Chapter 2 summarizes the fiscal 2020 capital budget program, including the 2019 capital budget bill (**House Bill 101/Chapter 14**).

Chapter 3 identifies enacted legislation from the 2019 session other than **House Bill 100** and **House Bill 101** that affects State revenues or expenditures. The revenue and expenditure effects of the legislation are summarized, as are the number of regular and contractual positions required to implement the legislation.

Chapter 4 identifies enacted legislation from the 2019 session that affects local governments. This chapter also identifies State mandates on units of local government and provides an overview of State aid to local governments.

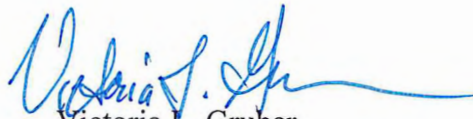
Chapter 5 identifies 2019 bills vetoed by the Governor for policy reasons and the bills' associated fiscal impact if they had been enacted. However, 2019 bills for which the vetoes were subsequently overridden are discussed with the enacted legislation.

The Honorable Thomas V. Mike Miller, Jr., President of the Senate
The Honorable Adrienne A. Jones, Speaker of the House of Delegates
Members of the Maryland General Assembly
July 2019
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Further information on issues considered during the 2019 session may be found in *The 90 Day Report – A Review of the 2019 Legislative Session*, issued by the Department of Legislative Services following the adjournment of the General Assembly.

This report is prepared by the staff of the Office of Policy Analysis. Elizabeth Allison, Mya Dempsey, Scott Gates, Mary Alice Gehrdes, David Juppe, Kathleen Kennedy, Matthew Klein, and Steven McCulloch each contributed to the content or editing of the report. The work was coordinated by Jennifer Botts and reviewed by David Romans. We 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 us.

Sincerely,



Victoria L. Gruber
Executive Director



Ryan Bishop
Director

VLG:RB/mag

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Abbreviations

BOND	—	Bond
Ch.	—	Chapter
FF	—	Federal Fund
FY	—	Fiscal Year
GF	—	General Fund
HB	—	House Bill
HE	—	Higher Education
MHBE	—	Maryland Health Benefit Exchange
M-NCPPC	—	Maryland-National Capital Park and Planning Commission
NB	—	Nonbudgeted
PAYGO	—	pay-as-you-go
REIM	—	Reimbursable Funds
SB	—	Senate Bill
SF	—	Special Fund
()	—	Indicates Decrease

Fiscal Effects of the 2019 Legislative Program

The fiscal 2020 budget (operating budget bill), House Bill 100 (Chapter 565) of 2019, provides \$46.6 billion in appropriations for fiscal 2020, a 4.0% (\$1.8 billion) increase above fiscal 2019. The appropriations consist of 41.6% in general fund spending, 28.2% in federal fund spending, 19.9% in special fund spending, and 10.2% in spending of higher education revenue.

The Maryland Consolidated Capital Bond Loan (MCCBL) of 2019 (capital budget bill), House Bill 101 (Chapter 14), authorizes \$1.1 billion in general obligation (GO) bonds for capital spending. The overall capital budget program passed by the General Assembly for fiscal 2020 totals \$4.9 billion, consisting primarily of the \$1.1 billion in GO bonds authorized under the MCCBL of 2019, \$3.0 billion for the transportation program (consisting of revenue bond funding and pay-as-you-go (PAYGO) funding), \$816.1 million in other PAYGO funding, and \$34.0 million in revenue bonds issued by the University System of Maryland.

The fiscal 2020 budget and the MCCBL of 2019 are consistent with numerous recommendations of the Spending Affordability Committee (SAC). The fiscal 2020 budget fully resolved the projected fiscal 2020 structural deficit and left a structural surplus of \$13.0 million. The estimated balance of the Rainy Day Fund (\$1.1 billion) complies with the SAC recommendation to maintain a balance in the Rainy Day Fund at 6% of estimated general fund revenues. The net amount of new GO bond authorizations in the MCCBL of 2019 (\$1.085 billion in new GO bond authorizations) is the amount recommended by SAC.

While the fiscal effect of enacted legislation other than the fiscal 2020 operating and capital budget bills cannot be fully quantified overall due to certain fiscal impacts that could not be reliably estimated, the impacts of legislation that have been quantified in fiscal and policy notes, including those under the Budget Reconciliation and Financing Act (BRFA) of 2019, House Bill 1407 (Chapter 16), total to a net increase in general fund revenues of \$34.5 million and a net increase in general fund expenditures of \$17.1 million in fiscal 2020, for an overall positive general fund impact of \$17.4 million. However, the quantified impacts of 2020 legislation have a significant negative net general fund impact beginning in fiscal 2021, in the range of \$198.3 to \$547.8 million each year through 2024. Special fund revenues increase by a net amount of \$144.5 million, and special fund expenditures increase by a net amount of \$356.8 million in fiscal 2020. Federal fund revenues increase by a net amount of \$19.3 million, and federal fund expenditures increase by a net amount of \$19.7 million in fiscal 2020. In addition, fiscal and policy notes in which personnel impacts were able to be quantified included an overall net increase of 154.7 regular and contractual positions in fiscal 2020.

**Total of Quantified General Fund Impacts of 2019 Legislation
(Exclusive of the Operating and Capital Budget Bills)**

	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>
General Fund Revenues	\$34,467,120	(\$26,940,704)	(\$34,326,284)	(\$36,656,823)	(\$42,744,529)
General Fund Expenditures	\$17,083,374	\$171,327,151	\$307,464,257	\$413,231,195	\$505,077,922
Net General Fund Impact	\$17,383,746	(\$198,267,855)	(\$341,790,541)	(\$449,888,018)	(\$547,822,451)

A number of the expenditure impacts of 2019 legislation are reflected in the fiscal 2020 budget; however, impacts of certain enacted legislation expected to require increased expenditures beginning in fiscal 2020 are not accounted for in the fiscal 2020 budget. Of the impacts that have been quantified in fiscal and policy notes, \$38.5 million in general fund expenditure increases are not accounted for in the fiscal 2020 budget and may result in deficiency appropriations for the affected agencies in the next budget bill, or agencies may absorb the added costs into their existing budgets. In the case of special and federal fund expenditure increases that are not reflected in the enacted budget, State agencies may add special and federal funds through the budget amendment process, and, in certain cases, the expenditure impacts are offset by corresponding revenue increases.

**Fiscal 2020 Expenditure Increases (Resulting from 2019 Legislation)
Not Included in the Budget**

<u>General Funds</u>	<u>Special Funds</u>	<u>Federal Funds</u>
\$38,502,634	\$110,735,125	\$24,338,811

Although not contributing to the totals shown above and in Chapter 3 of the report, each bill with an unquantified impact is listed in Chapter 3 with an indication of whether it is expected to have a positive or negative impact on the budget. All estimates of the impacts of 2019 enacted legislation (aside from the fiscal 2020 budget and MCCBL of 2019) are based on the assumptions stated in the fiscal and policy notes for the bills.

Chapter 4 includes a discussion of State aid to local governments and briefly describes the impacts on local governments of legislation enacted in 2019 other than the fiscal 2020 budget and the MCCBL of 2019.

Chapter 1. Operating Budget

- Overview
- Budget in Brief
- Framing the Session: 2018 Interim Activity
- Governor's Spending Plan as Introduced
- Legislative Consideration of the Budget
- Outlook for Future Budgets
- Budget Reconciliation and Financing Act Legislation
- Selected Budgetary Initiatives and Enhancements
- By the Numbers

Overview

Education was the focus of the 2019 session, as legislators sought to establish funding for the recommendations of the Commission on Innovation and Excellence in Education (a.k.a. the Kirwan Commission), which issued *The Blueprint for Maryland's Future* in January 2019. Providing \$500.0 million for school construction was also a session priority. For fiscal 2020, operating budget action either restricted or authorized a total of \$255.7 million to begin implementing preK-12 funding enhancements. Separate legislation proposed increased spending of \$356.2 million in fiscal 2021 and \$501.2 million in fiscal 2022 (in part, contingent on additional revenues to be enacted in the 2019 or 2020 sessions). The operating and capital budgets also combined to meet the school construction goal by providing \$500.6 million, with \$170.5 million in the operating budget.

In December 2018, the Spending Affordability Committee (SAC) projected a fiscal 2020 structural general fund shortfall of \$18 million and recommended that this deficit be fully resolved in the 2019 session. The budget introduced by the Governor for fiscal 2020 failed to eliminate the entire structural shortfall, leaving a shortfall of \$64 million. Legislative action on the budget was made more challenging by a revenue write-down of \$268.5 million across fiscal 2019 and 2020, largely related to a trend of lower estimated income tax payments. As a result, budget reconciliation legislation was initiated by the General Assembly to withdraw current year appropriations, implement contingent reductions in fiscal 2020, and to effectuate limited revenue actions. The fiscal 2020 budget grows by 4.0% to \$46.6 billion. Final action on the budget leaves an estimated \$95.8 million in the General Fund as well as \$1.1 billion (6%) in the Revenue Stabilization Account (a.k.a. the Rainy Day Fund). The General Assembly also met most of the SAC recommendations, including those related to the structural shortfall, reserve fund balance, and State employment.

While the State's fiscal position is positive in fiscal 2019 and 2020, the outlook is less favorable in the out-years. A cash shortfall of approximately \$900 million is forecast in fiscal 2021 and is expected to grow to \$1.6 billion by fiscal 2024. Absent one-time spending, the forecast of ongoing general fund revenue and spending shows a structural deficit of nearly \$1.0 billion in fiscal 2021, growing to \$1.5 billion by fiscal 2024.

Budget in Brief

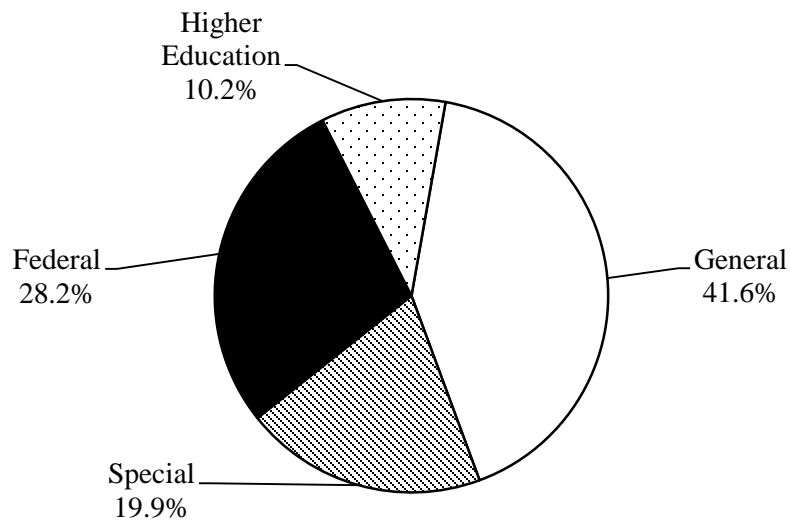
For fiscal 2020, **House Bill 100 (Chapter 565)** provides \$46.6 billion in appropriations for fiscal 2020 – an increase of \$1.8 billion (4.0%) above fiscal 2019. **Exhibit 1.1** illustrates funding by type of revenue. General fund spending accounts for 41.6% of the total budget. Federal funds support 28.2% of all spending. Special funds constitute 19.9% of the budget with higher education revenue providing the remaining 10.2%. State agency operations constitute the largest area of spending, accounting for 41.0% of the total budget. Entitlements represent 27.3% of the budget, and 19.8% is provided as aid to local governments. Remaining appropriations fund pay-as-you-go (PAYGO) capital spending, debt service on State general obligation (GO) bonds, and an appropriation to the Rainy Day Fund.

General fund appropriations increase by nearly \$1.5 billion, or 8.4%, over the fiscal 2019 working appropriation. The \$498.8 million increase in the appropriation to the Rainy Day Fund accounts for nearly one-third of the total general fund budget growth and brings the Rainy Day Fund balance to 6.0% of general fund revenues. Although spending on general fund PAYGO projects account for less than 1.2% of the total general fund budget, the availability of additional cash resources in fiscal 2020 and the recommendation of SAC that cash resources be directed to one-time expenses provided for a \$172.3 million increase over the amount of general fund PAYGO projects funded in fiscal 2019. This increase included an additional \$127 million for school construction and \$25.0 million used for projects that would have otherwise been funded with taxable debt at a higher cost to the State.

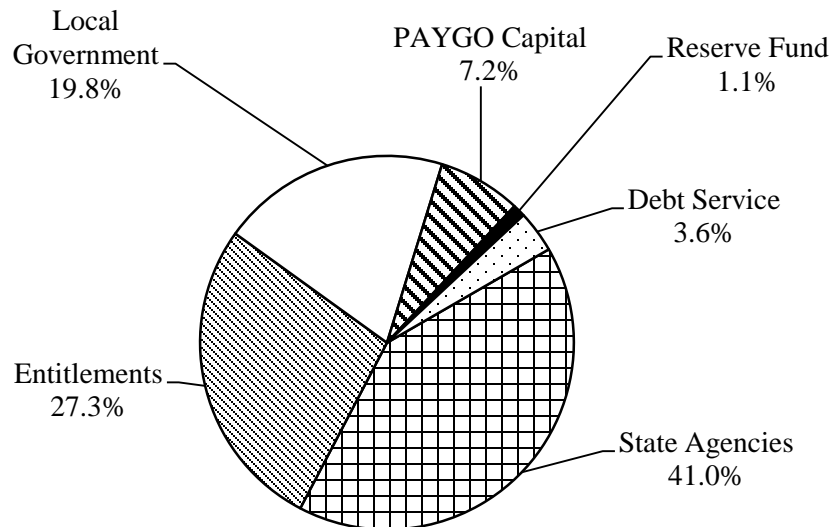
Aid to local governments, primarily in the form of education aid, accounts for 36.7% of total general fund spending in fiscal 2020; an overall increase of \$388.3 million over the current fiscal year. Education aid provided through K-12 education formulas, such as the Foundation Program, Compensatory Education, and student transportation grants, accounts for 90.8% of the total growth in local aid. Funding for State agency operations increases at a rate of 4.6%, providing a total spending increase of \$327.2 million. Net changes to employee compensation, including a 3% general salary increase for all State employees and a 5% increase for law enforcement union members, account for \$186.2 million. Additional funding in the Developmental Disabilities Administration (DDA) provides \$52.9 million for a provider rate increase and to expand access and utilization of services. The budget also includes \$13.0 million to fund a new initiative aimed at reducing violent crime in Baltimore City.

Exhibit 1.1
Maryland's \$46.6 Billion Fiscal 2020 Budget

Where It Comes From: Budget by Fund Source



Where It Goes: Budget by Purpose



PAYGO: pay-as-you-go

Special funds grow by a net \$115.1 million, or 1.3%, compared to the fiscal 2019 working appropriation. In fiscal 2020, the General Assembly identified \$150.3 million in special funds to be used toward education spending priorities for The Blueprint for Maryland's Future included in **Senate Bill 1030 (Chapter 771)**. In addition, growth in operating expenses for the Maryland Transit Administration's (MTA) bus and rail operations also account for the majority of the \$60.8 million increase in the special fund appropriation for the Maryland Department of Transportation (MDOT). GO bond debt service also accounts for \$51.0 million of the increase. This growth is offset by a \$136.6 million reduction for special fund PAYGO projects, including \$42.5 million in the Maryland Department of the Environment as funding for the Water Quality Revolving Loan Fund is aligned with the project list. Special fund PAYGO transportation projects account for \$88.4 million of the total PAYGO reduction, as increased Transportation Trust Fund (TTF) revenues are needed for debt service and other operating expenses, leaving less funding available for capital projects in fiscal 2020.

Federal fund spending increases by a modest \$57.1 million, or 0.4%. The most significant area of growth is the \$207.5 million in additional federal PAYGO funds for capital projects, including \$160.7 million for transportation projects, such as MTA's Purple Line and various projects within the State Highway Administration. There is also a \$48.3 million increase in the Behavioral Health Administration (BHA), primarily due to provider rate increases and higher utilization of substance use disorder services. Federal fund increases are primarily offset by less funding for entitlement programs, particularly Medicaid funding, which decreases by a net \$235.1 million due to declining enrollment, a reduction in calendar 2019 managed care organization (MCO) rates, and a lower federal matching rate for the Affordable Care Act expansion population and the Maryland Children's Health Program. In addition, the budget for Food Supplement Program benefits decreases by \$71.0 million to align funding with actual spending.

Current unrestricted and current restricted funding for higher education in the fiscal 2020 budget totals \$4.8 billion. This reflects an increase of \$118.9 million, or 2.6%, over fiscal 2019 and assumes the growth of in-state tuition rates of 2%. Of the total increase, \$48.0 million is from general funds.

With respect to personnel, the size of the regular State workforce decreases by 81 positions to 80,863 regular positions in fiscal 2020. Effective July 1, 2019, a 3% general salary increase is provided for most State employees; however, select law enforcement positions will receive a 5% general salary increase. If fiscal 2019 general fund revenues exceed December 2018 forecasted levels by at least \$75 million, State employees will also receive a 1.0% general salary increase effective January 1, 2020. While there is no funding for merit salary increases for most State employees, there is funding to provide step increases for law enforcement officers per collective bargaining agreements with certain law enforcement unions.

Framing the Session: 2018 Interim Activity

Fiscal 2018 closed with a fund balance of \$589.6 million in the General Fund, reflecting significant over attainment as fiscal 2018 revenues finished the year nearly \$340 million (2.0%) above the estimate. This was the result of higher than anticipated collections from the personal income tax, primarily due to large capital gains realizations, along with sales tax collections exceeding estimates by over \$34 million.

Although economic expansion continued to be lethargic on both the national and State level and Maryland's employment growth decelerated in calendar 2017 and 2018, the positive revenue performance at the close of fiscal 2018 and increases in wage income in the first half of 2018 resulted in the Board of Revenue Estimates (BRE) revising its general fund revenue forecast for fiscal 2019 upward by a net \$313.2 million between its September and December 2018 meetings. Year-to-date economic performance and revised economic assumptions also led the board to marginally reduce the fiscal 2020 general fund revenue outlook by \$55.3 million. In addition, in its December 2018 report, the board cautioned that monetary and fiscal policies at the federal level and the steep trajectory of revenues relative to the real economy highlighted the potential risk for a recession in the near future.

SAC Recommendations

SAC prepared its final report to the Governor in December 2018, which made recommendations concerning the fiscal 2020 spending limit, use of fund balances, and State employment.

Spending Limit and Sustainability

Although the significant revenue over attainment realized in fiscal 2018 virtually eliminated any cash and structural shortfalls projected for fiscal 2020, out-year projections presented to SAC estimated the structural deficit returning in fiscal 2021 and growing to more than \$1.4 billion by fiscal 2024. SAC recommended that the budget, as introduced and enacted, maintain structural balance and that the appropriations subject to the spending affordability limit be held to no more than a 3.75% increase over the 2018 session. In addition, the committee recommended that the General Assembly minimize the impact of legislation passed at the 2019 session on the structural deficit forecast for fiscal 2021 and beyond.

Fund Balances

Recognizing the dichotomy of having sizeable cash balances available in fiscal 2020 yet a significant structural imbalance beginning in fiscal 2021, SAC recommended that the fiscal 2020 operating budget prioritize the preservation of cash reserves by maintaining a minimum closing fund balance of \$100 million in the General Fund, increasing the Rainy Day Fund balance to at least 6% of general fund revenues, and allocating any remaining cash balances to reserves or one-time spending.

Personnel

Ongoing concern regarding the growing number of vacant positions in Executive Branch agencies combined with serious understaffing for critical classes of positions, particularly correctional officers, resulted in a SAC recommendation to provide a one-grade increase for correctional officer salaries and to encourage the Administration to fill vacant positions in understaffed agencies expeditiously.

Governor's Spending Plan as Introduced

With a planned \$44.9 billion in spending for fiscal 2019, including \$216.5 million in deficiency appropriations and \$35.0 million in unspecified reversions, the Governor's budget plan, as introduced, assumed that the current fiscal year would close with \$805.5 million in fund balance for the General Fund. This sizable cash balance recognized nearly \$400 million in revenue over attainment and higher than anticipated agency reversions that occurred at the close of fiscal 2018 along with \$300 million in upward revisions from BRE. In addition, \$49.8 million in additional revenue was recognized from a contract settlement for a failed Medicaid information technology (IT) project along with \$23.3 million in reimbursements from tax credits. Significant deficiency appropriations included \$60.1 million in total funds for general salary increases and other enhancements to employee compensation, \$50.1 million in funds to offset prior year funding shortfalls, and over \$95 million to cover agency operating expenses in the current fiscal year, primarily in the Maryland Department of Health (MDH).

The fiscal 2020 budget plan proposed \$46.6 billion in total spending, reflecting a \$1.8 billion (3.9%) increase over the fiscal 2019 spending plan. General funds accounted for nearly \$1.6 billion of the total increase. Although the balancing plan did rely on the transfer of \$158 million from the Rainy Day Fund, lowering the fund's balance to 6.5% of general fund revenues, the sizable cash balance in the General Fund estimated at the close of fiscal 2019 meant that the Governor's allowance did not require the use of budget reconciliation legislation to balance the fiscal 2020 budget. The budget, as introduced, met nearly all of the SAC goals by being \$20.2 million below the 3.75% spending limit set by SAC and providing a \$105.5 million closing general fund balance. From a structural perspective, however, the Governor's allowance did not comply with the SAC recommendation to maintain structural balance, instead leaving a shortfall of \$64 million. **Exhibit 1.2** details the Governor's original general fund spending plan for fiscal 2019 and 2020.

Exhibit 1.2
Governor's Original Budget Plan
Fiscal 2019-2020
(\$ in Millions)

	<u>2019</u>	<u>2020</u>
Opening Balance	\$589.6	\$805.5
Board of Revenue Estimates Revenues	\$18,069.8	\$18,587.3
Additional Revenues	73.1	81.5
Transfers	0.0	158.0
Subtotal	\$18,142.9	\$18,826.8
Appropriations/Deficiencies	\$17,962.0	\$19,561.9
Reversions	-35.0	-35.0
Subtotal	\$17,927.0	\$19,526.9
Closing Balance	\$805.5	\$105.5

Source: Maryland Budget Highlights, Fiscal 2020

Fiscal 2020 Revenue Assumptions

The Administration's fiscal 2020 spending plan assumed a total of \$44.0 million in additional general fund revenue from increased spending on lottery advertisements (\$9.0 million) and a delay in the implementation of an exemption to the annual corporate filing fee (\$35 million). The budget also assumed \$37.5 million in reimbursements from tax credit programs. Revenue assumptions were offset by \$35.0 million in proposed revenue reductions tied to legislation. This included:

- **House Bill 41/Senate Bill 88 (both failed)** proposed to create a deduction against the State income tax equal to the interest paid on a qualified student loan in the taxable year and also to expand the deduction for Maryland 529 Plan contributions. The Administration estimated this would reduce revenue by \$13.0 million in fiscal 2020.
- **House Bill 149/Senate Bill 170 (both failed)** proposed to expand the existing income tax pension exclusion by allowing additional types of income to be subtracted beginning in tax year 2019. As a result, the Administration estimated that State income tax revenues would decrease by \$11.0 million in fiscal 2020.

- **House Bill 46/Senate Bill 89 (both failed)** proposed to expand the small business relief tax credit by allowing a credit to small businesses for providing qualified paid parental leave benefits to qualified employees. The Administration estimated that this would reduce revenue by \$5.0 million in fiscal 2020.
- **House Bill 150/Senate Bill 174 (both failed)** proposed to expand and modify the existing More Jobs for Marylanders tax credit program to include businesses that locate or expand in opportunity zones in the State. The Administration's budget estimated a \$6 million revenue reduction associated with this expansion in fiscal 2020.

Legislative Consideration of the Budget

Revenue and Spending Changes

Following submission of the budget in January 2019, the Governor submitted one supplemental budget, and general fund revenues were revised downward by BRE in March 2019 by a net \$268.5 million across fiscal 2019 and 2020.

Revenue Revisions

In March 2019, BRE revised its general fund revenue projection for fiscal 2019 downward by \$138.0 million and for fiscal 2020 by \$130.5 million. Based on lower than expected attainment from estimated payments, the entire revision came from income tax revenue.

Spending Changes

Supplemental Budget No. 1

Following submission of the budget in January 2019, the Governor introduced one supplemental budget, which proposed a net total of \$3.2 million in additional spending. Fiscal 2019 spending decreased by \$25.0 million in this supplemental budget, as \$27.1 million in over budgeted Medicaid and higher education general salary increases were used to defray about \$2.1 million in spending needs for under budgeted personnel expenses, an Ellicott City Public Alert System, National Registry testing centers at the Maryland Fire and Rescue Institute, State Center litigation expenses, and support for homelessness programs in Charles County. Spending in fiscal 2020 grew by a net \$28.3 million, largely to correct the omission of special fund appropriations from the Healthy School Facility Fund and School Safety grants. Smaller increases were provided for Medicaid physician rates, new spending in support of the dairy industry, and other programs and purposes. Nearly \$56 million in new spending was offset by \$27.3 million in withdrawn appropriations, chiefly due to an increase in the Medicaid hospital discount rate.

Reductions

Fiscal 2019 appropriations were reduced by a net \$17.3 million in all funds. In the Budget Reconciliation and Financing Act (BRFA) of 2019, \$13.9 million in unspent funds were withdrawn based on high levels of vacant correctional officer positions, unspent teacher retention pilot program funds, surplus Department of Juvenile Services (DJS) residential per diem expenses, and unspent utilization review funding in DDA. The withdrawn \$25.0 million from Medicaid via Supplemental Budget No. 1 was restored by legislative budget action but withdrawn as part of the BRFA of 2019.

In total, the fiscal 2020 budget was reduced by \$183.1 million across all fund types. Of this, \$112.8 million relates to reductions made in the following areas:

- \$30.2 million from the Medicaid program, largely based on reductions to the Money Follows the Person Rebalancing Initiative due to available funds in the current fiscal year and the timing of funding needed for value-based purchasing funds;
- \$17.0 million from health insurance based on available fund balance;
- \$12.1 million from higher education operating expense growth;
- \$11.5 million from the Department of Commerce (Commerce) based on available fund balances or low usage related to Sunny Day Fund obligations, the More Jobs for Marylanders Program, and the Maryland Economic Development Assistance Authority and Fund; and
- \$10.0 million from appropriations to the Dedicated Purpose Account (DPA) based on over budgeted funds for the grant to MDOT for the Washington Metropolitan Area Transit Authority (WMATA) capital program and the estimated cash flow needs of the Catastrophic Event Account (CEA).

Another \$32.0 million in reductions are contingent on the BRFA of 2019, including:

- \$15.0 million from the Medicaid program based on a provision that slowed a scheduled reduction to the Medicaid Deficit Assessment;
- \$10.0 million from the Medicaid program based on the use of unexpended balance remaining in the Maryland Health Insurance Plan (MHIP) Fund for provider reimbursements;
- \$5.0 million from the Department of Information Technology (DoIT) based on the repeal of an exemption that will now direct transportation Resource Sharing Agreement revenue to the Major Information Technology Development Project Fund (MITDPF); and

- \$2.0 million in general funds from the Uninsured Employers' Fund (UEF) based on a provision that allows the fund to pay hearing loss claims for Bethlehem Steel Corporation retirees.

Final Actions Related to SAC

Limiting Spending Growth

SAC had recommended that the fiscal 2020 general fund budget be structurally balanced and that growth in State-sourced spending be limited to 3.75%. Final revenue and spending actions by the General Assembly resulted in a structural surplus of \$3 million in fiscal 2020. Moreover, State-sourced spending growth was limited to 3.31%, well below the recommended limit. **The goals to maintain general fund structural balance in fiscal 2020 and to limit growth below 3.75% were met.**

General Fund and State Reserve Fund Balances

Per the recommendation to maintain a fiscal 2020 cash balance of at least \$100 million as well as a minimum of 6% balance in the Rainy Day Fund, legislative action resulted in (1) an estimated closing fund balance of \$95.8 million and (2) an estimated Rainy Day Fund balance of \$1.1 billion, or 6%, of estimated general funds. **Final action on the budget complied with the SAC recommendation to maintain a balance in the Rainy Day Fund of 6% of estimated general fund revenues.**

State Employment

To address the concern expressed by SAC, the fiscal 2020 budget provided funding for annual salary review increases for certain position classifications, including registered nurses, alcohol and drug counselors, mental health professional counselors, park services associates, epidemiologists, environmental compliance specialists, and procurement positions. With respect to correctional officers, \$7.6 million was included in fiscal 2019 to continue hiring and retention bonuses, and the fiscal 2020 budget provides funding to increase pay by 6%. The Administration proposed **Senate Bill 169/House Bill 158 (both failed)** to address hiring barriers. **Final actions pertaining to State employment are consistent with the SAC recommendation.**

Summary of 2019 Session Activity

Exhibit 1.3 illustrates the general fund balance for fiscal 2019 and 2020 based on final legislative action at the 2019 session. Following the BRE March revenue revisions that resulted in a combined write-down of \$268.5 million, the introduction of budget reconciliation legislation by the General Assembly became necessary for the purpose of identifying sufficient revenues and reductions to achieve a balanced budget and to meet all of the identified SAC goals. At the end of fiscal 2020, the closing balance is estimated to be \$95.8 million.

Exhibit 1.3
Final Legislative Budget Action
Fiscal 2019-2020
(\$ in Millions)

	<u>2019</u>	<u>2020</u>
Opening Balance	\$589.6	\$718.5
Board of Revenue Estimates Revenues	\$17,931.8	\$18,491.8
Additional Revenues	73.3	76.8
Legislation	10.8	34.5
Transfers	0.0	158.0
Subtotal	\$18,016.0	\$18,761.1
Appropriations/Deficiencies	\$17,962.0	\$19,561.9
Supplemental Budgets	-25.5	-1.5
Reductions	-0.4	-141.5
Targeted Reversions	-13.9	0.0
Reversions	-35.0	-35.0
Subtotal	\$17,887.1	\$19,383.8
Closing Balance	\$718.5	\$95.8

Source: Department of Legislative Services

Outlook for Future Budgets

As shown in **Exhibit 1.4** and **Exhibit 1.5**, fiscal 2020 is projected to end with a fund balance of \$96 million. In fiscal 2020, ongoing revenues exceed ongoing spending by \$3 million.

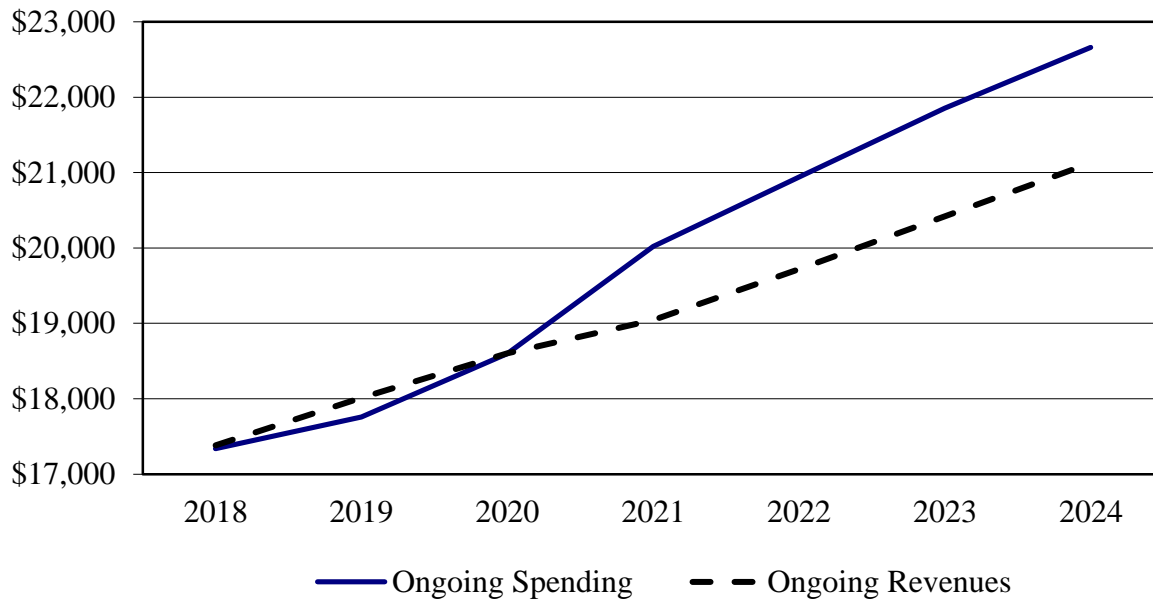
Exhibit 1.4
General Fund Budget Outlook
Fiscal 2020-2024
(\$ in Millions)

<u>Revenues</u>	<u>2020 Leg.</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2020-24</u>
	<u>Approp.</u>	<u>Est.</u>	<u>Est.</u>	<u>Est.</u>	<u>Est.</u>	<u>Avg.</u>
						<u>Annual</u>
						<u>Change</u>
Opening Fund Balance	\$719	\$96	\$0	\$0	\$0	
Transfers	158	245	47	47	48	
Subtotal One-time Revenue	\$877	\$341	\$47	\$47	\$48	
Ongoing Revenues	\$18,569	\$19,073	\$19,755	\$20,457	\$21,171	
Revenue Adjustments and Legislation	34	-27	-34	-37	-43	
Subtotal Ongoing Revenue	\$18,603	\$19,046	\$19,721	\$20,420	\$21,128	3.2%
Total Revenues and Fund Balance	\$19,480	\$19,387	\$19,768	\$20,467	\$21,176	2.1%
Ongoing Spending						
Operating Spending	\$18,712	\$20,004	\$20,845	\$21,723	\$22,495	
Ongoing (Reductions)/Additions	-112	-96	-96	-96	-97	
Ongoing Spending – Legislation	0	114	191	227	263	
Subtotal Ongoing Spending	\$18,600	\$20,023	\$20,940	\$21,854	\$22,661	5.1%
One-time Spending	\$784	\$258	\$167	\$146	\$146	
Total Spending	\$19,384	\$20,280	\$21,107	\$22,000	\$22,806	4.1%
Ending Balance	\$96	-\$893	-\$1,340	-\$1,533	-\$1,630	
Rainy Day Fund Balance	\$1,116	\$951	\$986	\$1,021	\$1,057	
Balance Over 5% of GF Revenues	185	0	0	0	0	
As % of GF Revenues	6.03%	5.00%	5.00%	5.00%	5.00%	
Structural Balance	\$3	-\$977	-\$1,220	-\$1,434	-\$1,533	

GF: general fund

Source: Department of Legislative Services

Exhibit 1.5
General Fund Structural Deficit
Projected to Exceed \$1.5 Billion by Fiscal 2024
Fiscal 2018-2024
(\$ in Millions)



Source: Department of Legislative Services

Structural deficits are projected to return for the remaining years of the forecast period. In fiscal 2021 ongoing spending is projected to exceed ongoing revenues by \$977 million. The structural deficit grows each year of the forecast, reaching just over \$1.5 billion by fiscal 2024. Between fiscal 2020 and 2024, ongoing revenues are projected to grow at an average annual rate of 3.2% while ongoing spending is projected to grow at an average annual rate of 5.1%.

The forecast is impacted by legislation enacted during the 2019 session. By fiscal 2024, legislation enacted during session is expected to add nearly \$263 million of ongoing spending to the forecast and reduce ongoing revenues by about \$43 million. Legislation affecting revenues with a projected five-year impact of \$50 million or more includes:

- **House Bill 1301 (Chapter 735)** requires a marketplace facilitator and a marketplace seller to collect and remit the State sales and use tax under specified circumstances. The bill also establishes tax collection and licensing requirements for marketplace facilitators and

marketplace sellers. In addition, the bill alters the distribution of sales and use tax revenues by requiring that for each fiscal year (1) the first \$100.0 million in sales taxes collected from marketplace facilitators and certain out-of-state vendors be distributed to the General Fund and (2) revenues in excess of \$100.0 million from these sales taxes be distributed to The Blueprint for Maryland's Future Fund. Finally, the bill requires specified out-of-state sellers to pay the tobacco tax on pipe tobacco and premium cigars on which the tobacco tax has not been paid. The change in the revenue distribution will result in an estimated decrease in general fund revenues of \$9.9 million in fiscal 2021, \$14.5 million in fiscal 2022, \$19.5 million in fiscal 2023, and \$24.6 million in fiscal 2024.

- **Senate Bill 870 (Chapter 432)** expands the existing child and dependent care tax credit. It is estimated that this action will decrease State revenues by \$10.9 million in fiscal 2020 and the revenue loss will increase each year reaching a loss of \$12.3 million by fiscal 2024.

Legislation affecting spending with a projected five-year impact of \$50 million or more includes:

- **House Bill 166/Senate Bill 280 (Chapters 10 and 11)** phase in an increase in the State minimum wage to \$15.00 per hour by January 1, 2025, with a longer phase-in for employers with 14 or fewer employees. General fund spending, related to payroll costs and health care provider rate increases, increases by an estimated \$28.7 million in fiscal 2021, \$62.4 million in fiscal 2022, \$96.5 million in fiscal 2023, and \$131.0 million in fiscal 2024.
- **Senate Bill 946 (Chapter 767)** establishes prescription drug out-of-pocket (OOP) reimbursement or catastrophic coverage programs for specified State retirees, dependents, or surviving dependents who are enrolled in a Medicare prescription drug benefit plan. State employees hired after June 30, 2011, remain ineligible for most prescription drug coverage from the State when they retire, except for a new program that reimburses OOP costs for life-sustaining drugs not covered by Medicare. General fund spending under the bill increases by an estimated \$20.1 million in fiscal 2021, \$41.0 million in fiscal 2022, \$43.6 million in fiscal 2023, and \$46.4 million in fiscal 2024.
- **Senate Bill 239/House Bill 258 (Chapters 597 and 598)** extend the existing State health insurance provider fee assessment through calendar 2023. In calendar 2020 through 2023, the amount of the assessment must be 1% on all amounts used to calculate the entity's premium tax liability for the immediately preceding calendar year. General fund spending increases to pay the Medicaid share of the assessment by an estimated \$20 million to \$22 million for fiscal 2021 through 2023 and by \$11 million for fiscal 2024.
- **Senate Bill 581 (Chapter 211)** establishes the Opportunity Zone Enhancement Program, to be administered by the Department of Commerce. Qualifying businesses within an opportunity zone may qualify for enhanced incentives under specified tax credit programs. Senate Bill 581 also (1) makes specified changes to the Heritage Structure Rehabilitation Tax Credit Program and extends the program through fiscal 2024; (2) extends the More

Jobs for Marylanders Program by two years and expands geographic and business eligibility; (3) generally extends the geographic eligibility for a number of State economic development/tax credit and financing programs available for priority funding areas and/or sustainable communities to include opportunity zones in Allegany, Garrett, Somerset, and Wicomico counties; (4) creates a State income tax credit for qualified workforce housing projects located within opportunity zones; and (5) authorizes local governments to create a tax credit against the local property tax for qualified investments made within an opportunity zone. General fund spending under the bill is estimated to increase by \$14.1 million in fiscal 2021 and by approximately \$24 million for fiscal 2022 through 2024.

Budget Reconciliation and Financing Act Legislation

As summarized in **Exhibit 1.6, House Bill 1407 (Chapter 16)**, the BRFA of 2019 has an overall impact of \$148.5 million on the fiscal 2020 budget plan, with a general fund impact of \$132.8 million. Fiscal 2019 and 2020 general fund expenditure reductions total \$70.9 million. Fiscal 2019 and 2020 general fund revenue actions total \$61.8 million. Other actions increase special fund revenue by \$15.8 million in fiscal 2020.

Exhibit 1.6 Actions in the Budget Reconciliation and Financing Act of 2019 (\$ in Millions)

	<u>Action</u>
Contingent General Fund Reductions – Fiscal 2019	\$38.9
Contingent General Fund Reductions – Fiscal 2020	32.0
General Fund Revenue Actions – Fiscal 2019	10.8
General Fund Revenue Action – Fiscal 2020	51.0
General Fund Subtotal	\$132.8
Special Fund Revenue Action – Fiscal 2020	\$15.8
Grand Total	\$148.5

Source: Department of Legislative Services

Fiscal 2019 General Fund Expenditure Reductions

The BRFA of 2019 includes five actions to reduce fiscal 2019 expenditures by a total of \$38.9 million. Four of these actions are due to lower than expected expenditures in various programs:

- Medicaid due to favorable caseload trends (\$25.0 million in general funds);
- the Department of Public Safety and Correctional Services (DPSCS) for correctional officer vacancy savings due to higher than budgeted vacancies (\$7.5 million in general funds);
- DDA as a result of two contracts (a utilization review and financial management for self-directed services) that will not be procured until fiscal 2020 (\$6.9 million in total funds comprised of \$3.9 million in general funds and \$2.9 million federal funds); and
- DJS for per diem placements (\$0.5 million in general funds).

The final fiscal 2019 general fund expenditure reduction (\$2 million) occurs in the Maryland State Department of Education (MSDE) due to a provision that lowers the mandate for the Teacher Induction, Retention, and Advancement pilot program to \$1 million beginning in fiscal 2019, until the pilot ends in fiscal 2022. The lower mandate level is consistent with the program utilization. Funds available due to the lower mandate in fiscal 2020 (\$4 million) were restricted to instead be used for special education grants contingent on the enactment of **Senate Bill 1030** (The Blueprint for Maryland's Future) and the BRFA of 2019.

Fiscal 2020 General Fund Expenditure Reductions

As noted in Exhibit 1.6, there are \$32.0 million in fiscal 2020 general fund reductions contingent on the BRFA of 2019. The BRFA of 2019 contains two provisions that result in reductions totaling \$25 million in general funds in Medicaid: (1) \$15 million as a result of slowing the phase-down of the Medicaid Deficit Assessment from \$40 million to \$25 million, resulting in an assessment of \$309.8 million; and (2) \$10 million as a result of the utilization of the majority of the remaining balance retained after the repeal of MHIP. The out-year phase-down of the Medicaid Deficit Assessment remains unchanged at \$25 million per year thereafter.

A series of provisions allowed for a \$5 million contingent general fund reduction in DoIT's MITDPF. These provisions (1) remove the exclusion of MDOT from depositing revenue from resource-sharing agreements into the MITDPF; (2) require MDOT to deposit revenues from resource-sharing agreements in the MITDPF rather than the TTF; and (3) remove the restriction on the use of revenue from resource-sharing agreements in the MITDPF for telecommunication and computer networks. Removing this restriction on the use of all of this revenue allows it to be used for major IT projects generally.

A provision added hearing loss claims from retirees of Bethlehem Steel to the authorized uses of funds in the UEF, resulting in a \$2 million contingent general fund reduction. The fiscal 2020 budget included \$2 million of general funds in UEF to pay these claims because the payment of these types of claims was not authorized with existing special funds.

Revenue Actions

The BRFA of 2019 includes five actions that impact revenues, four of which are one-time actions. One-time revenue actions are:

- A reversion of \$10 million from the Economic Development Opportunities Fund (a.k.a. the Sunny Day Fund) that was part of the planned incentives for Amazon to locate its second headquarters in Maryland. Maryland was not chosen as the location, and the planned incentives are not required.
- A credit of \$820,750 to the General Fund due to funds that were improperly retained by the Department of State Police (DSP) at the fiscal 2018 closeout.
- A one-time reduction in the cap on projected nonwithholding income tax revenues that must, under certain circumstances, be withheld from projected general fund revenue estimates from 0.5% to 0.225%. This alteration is expected to increase general fund revenues in fiscal 2020 by \$51.0 million.
- A delay in the exemption from the State's annual filing fee for corporations and business entities who participate in the Maryland Small Business Retirement Savings Program and Trust until fiscal 2022. In fiscal 2021, the revenue from the filing fee in excess of \$66.25 million is directed to the Commission on Innovation and Excellence in Education Fund. The funds directed in this manner are expected to total \$36 million.

One provision produces an ongoing increase in revenue. The BRFA of 2019 repeals the authority of the State Lottery and Gaming Control Commission (SLGCC) to increase the share of proceeds from video lottery terminals (VLT) to certain facilities following the award of a license in Prince George's County. As a result of this provision additional revenues are available in fiscal 2020 and beyond for the Education Trust Fund (ETF). A related provision authorizes the processing of a budget amendment in fiscal 2020 of \$15.8 million due to the additional ETF revenue. These special funds are to be used for special education grants contingent on the enactment of **Senate Bill 1030**. The anticipated revenue resulting from this repeal is expected to increase slightly in the out-years.

Miscellaneous Provisions

Other provisions in the BRFA of 2019 include:

- Requiring for fiscal 2020 only, nonwithholding income tax revenues that exceed the capped estimate and are not needed to close a shortfall in general fund revenues to be used for up to a 2% cost-of-living adjustment (COLA) beginning July 1, 2020, for regular employees in the Executive Branch that are in bargaining units represented by exclusive representatives of (1) the American Federation of State, County and Municipal Employees (AFSCME), the American Federation of Labor and Congress of Industrial Organizations (AFL-CIO) excluding those represented by AFSCME, AFL-CIO Local 1859; (2) AFT Healthcare – Maryland, AFT, AFL-CIO Local 5197; or (3) the Maryland Professional Employees Council/AFT/AFL-CIO Local 6197. These funds would otherwise have been required to be used for PAYGO construction projects at public schools, public community colleges, or four-year public institutions of higher education.
- Requiring the Governor’s budget books and any supplemental budgets submitted that include funds related to Tax Increment Financing grants to local boards of education to include supporting data and the calculation of those grants.
- Modifying the allocation of local impact grants from VLT proceeds to jurisdictions to include the Town of Forest Heights in Prince George’s County.
- Requiring projects submitted by local governments for inclusion in MDOT’s *Consolidated Transportation Program* to include a certification that all members of the legislative delegation of the county in which the project is located have been notified.
- Two provisions that authorize the Governor to process a budget amendment from the Rainy Day Fund and DPA in fiscal 2020 to support legislative priorities specified in the fiscal 2020 budget bill and requiring that budget amendments may transfer funds from those accounts only for the legislative priorities specified in the fiscal 2020 budget bill.

Selected Budgetary Initiatives and Enhancements

The Blueprint for Maryland’s Future

In January 2019, the Kirwan Commission submitted an interim report containing policy recommendations to transform the State’s early childhood, primary, and secondary education system into a world-class system. Costs under the commission’s recommendations are estimated to require an additional \$3.8 billion in total State and local costs by fiscal 2030. However, the commission has yet to determine State and local shares of these costs. **Senate Bill 1030** extended the term of the commission and established The Blueprint for Maryland’s Future as a policy to

transform Maryland's education system and align it with the recommendations in the commission's January 2019 interim report.

The fiscal 2020 budget provides funding for multiple programs and entities established under The Blueprint for Maryland's Future contingent on its enactment. Funding sources include the following:

- \$100.8 million in ETF lock box funding that had originally been budgeted for public school construction or set aside for unspecified commission initiatives (an additional \$24.2 million in ETF lock box funding is budgeted in fiscal 2020 to pay for commission initiatives that were mandated under Chapter 361 of 2018);
- \$134.5 million to be transferred from the Commission on Innovation and Excellence in Education Fund that is renamed as The Blueprint for Maryland's Future Fund;
- \$4.0 million in general funds originally budgeted for the Teacher Induction, Retention, and Advancement pilot program that were not likely to be used; and
- \$689,137 originally budgeted for an Education Monitoring Unit within MSDE – Headquarters.

Additionally, the BRFA of 2019 repeals the authority of SLGCC to increase the licensee's share of VLT proceeds for certain casinos, resulting in an increase of \$15.8 million in ETF revenues available for fiscal 2020 that are then authorized to be used as funding for The Blueprint for Maryland's Future. In total, \$255.7 million is available for The Blueprint for Maryland's Future in fiscal 2020 that has been specified for the following purposes:

- \$75.0 million for teacher salary incentive grants;
- \$65.5 million for the education of students with disabilities;
- \$54.6 million for concentration of poverty school grants;
- \$31.7 million to expand full-day prekindergarten for four-year-olds;
- \$23.0 million to provide transitional supplemental instruction grants;
- \$2.5 million for teacher collaborative grants;
- \$2.0 million to fund a full-time mental health services coordinator for each local school system;

- \$689,137 for an Office of Inspector General for Education;
- \$500,000 to expand MSDE's direct certification IT system to include Medicaid data; and
- \$250,000 for outreach and training on The Blueprint for Maryland's Future.

Baltimore City Crime Initiative

In response to growing concern about the increasing amount of violent crime occurring in Baltimore City, the Governor's fiscal 2020 allowance included approximately \$13.0 million and 18 new positions to support the Baltimore City Crime Prevention Initiative. The primary purpose of the initiative was to create a special operations unit, the Baltimore Strike Force, serving as one of seven investigation groups under the federal Organized Crime Drug Enforcement Task Force program. The Baltimore Strike Force will be comprised of various State, local, and federal law enforcement agencies operating with the goal of disrupting and dismantling violent gangs and drug trafficking organizations.

The budget, as introduced, provided \$1.6 million in general funds to DSP for personnel costs associated with assigning 5 new sworn positions to the initiative. In addition, the DSP capital program included \$2.2 million in GO bonds to design, construct, and equip a new State Law Enforcement Special Operations Group Center in Baltimore City. The Governor's Office of Crime Control and Prevention (GOCCP) received \$4.3 million in personnel and operating expenses to support 6 intelligence analysts and 7 management-level positions associated with the initiative. In addition, the agency received \$6.9 million in grant funding to provide additional resources for victim witness relocation, police officer recruitment and retention, and more Special Assistant U.S. Attorneys to increase the number of federally prosecuted cases.

In the initial budget, details about the new initiative were lacking regarding how it would be implemented, which State agency would be primarily responsible for operations, and how the new initiative would improve upon existing resources. The General Assembly adopted several actions to address and clarify some of these concerns. Specifically, budget language requires the operational funding and positions associated with the initiative be consolidated within DSP to establish a new Baltimore Regional Intelligence Center in Baltimore City as a subset of the existing Maryland Coordination and Analysis Center. In addition, grant funding is withheld until the Baltimore City Mayor's Office, the Baltimore City Police Department, and the Baltimore City State's Attorney develop a crime reduction strategy and provide quarterly performance measures to the budget committees. Finally, restrictive language was added requiring DSP and GOCCP to report on existing resources available for reducing crime in Baltimore City, where current deficiencies exist, and how the new initiative will address them. The crime reduction strategy and report on existing resources are due August 1 and September 15, 2019, respectively.

More Jobs for Marylanders Opportunity Zone Expansion

The budget includes \$6.5 million in dedicated funding for Opportunity Zone-related programs. The federal Tax Cuts and Jobs Act of 2017 established the Qualified Opportunity Zones Program to incentivize private investment in distressed communities. The budget includes funding in Commerce and the Department of Labor (DoL), (formerly the Department of Labor, Licensing, and Regulation).

Senate Bill 581 establishes the Opportunity Zone Enhancement Program to be administered by Commerce. Qualifying businesses within an opportunity zone may receive enhanced incentives under specified tax credit programs, including More Jobs for Marylanders. The bill expands the types of new businesses that can qualify for certain incentives available within opportunity zones and increases the minimum salary for qualified positions eligible for the income tax credit in opportunity zones. The budget includes \$6 million in funding for the expansion of the income tax credit portion of the More Jobs for Marylanders Program. It further includes \$500,000 in funding for the Employment Advancement Right Now program in opportunity zones, a workforce training grant program in DoL.

Senate Bill 581 renames the Heritage Structure Rehabilitation Tax Credit Program as the Historic Revitalization Tax Credit Program. Commercial rehabilitations within an opportunity zone qualify for an additional tax credit and increased maximum credit amounts if certain requirements established by the program are met. Subject to these requirements, **Senate Bill 581** also increases the maximum tax credit for small commercial projects located within an opportunity zone. The budget includes \$9 million in general funds for this program, which is not limited to use in opportunity zones.

Finally, the fiscal 2020 capital budget for the Department of Housing and Community Development (DHCD) increased significantly compared to the fiscal 2019 working appropriation. Although the funding is not restricted for use in opportunity zones, the department has indicated that it will focus its increased funding on projects in those areas in an attempt to attract more capital to the State.

Maintenance Funding

Over three-quarters of the Department of General Services (DGS)-operated State facilities are over 30 years old, and DGS advises that the average age of its facilities is 52 years. An aging infrastructure requires more effort and funding to maintain. The budget committees have expressed concerns about the condition of State facilities. In its December 2018 report, SAC recommended that the State conduct a comprehensive assessment of the condition of State facilities. In this budget, DGS receives additional resources, such as:

- approximately \$267,400 to create 4 new regular positions and reconstitute the Statewide Facility Condition Assessment Unit;

- a \$2.5 million deficiency appropriation and fiscal 2020 statewide operating critical maintenance funding of \$10.5 million, which is \$3 million more than actual fiscal 2018 spending. In addition, DPSCS receives one-time maintenance funding of \$3.0 million in fiscal 2020, and MDH is provided with another \$3.0 million in each of fiscal 2019 and 2020 toward one-time maintenance funding needs; and
- GO bond authorizations for capital facilities maintenance of \$34.3 million, an increase of \$19.4 million over fiscal 2018 GO bond authorizations.

Adding positions for the Statewide Facility Condition Assessment Unit is intended to be a positive step that will allow DGS to assume a more direct role in facility management. Since the positions will be capital maintenance project engineers and architects, they should have the requisite skills to provide accurate data for DGS' databases. Having trained engineers is also likely to provide better data than facilities managers whose experience and skill sets may be uneven.

Provider Rate Increases

Medicaid Rate Increases and Hospital Rate Assumptions

As shown in **Exhibit 1.7**, the fiscal 2020 budget includes 3.0% rate increases for most Medicaid providers, an assumption of regulated rate growth of 1.1% for hospitals (the actual rate increase in fiscal 2019), and funding to maintain physician evaluation and management rates at 93% of Medicare rates. However, costs associated with these increases are more than offset by the impact of an overall 1.7% reduction in rates for MCOs in calendar 2019 for the fiscal 2020 budget. As is normal, no assumption is made for MCO rates in calendar 2020. Deliberations over the calendar 2020 rates began in February 2019 and will continue until the early fall. The total fund impact of these rate increases and assumptions is -\$12.7 million, a general fund increase of \$8.6 million offset by a federal fund reduction of \$21.5 million.

Exhibit 1.7
Medicaid – Rate Increases and Hospital Rate Assumptions
Fiscal 2020
(\$ in Millions)

Nursing Homes (3%)	\$35.5
Community First Choice (3%)	11.2
Inpatient and Outpatient Hospital (1.1%)	7.7
Physician Evaluation and Management Codes (to 93% of Medicare Rates)	4.8
Medical Day Care (3%)	3.7
Private Duty Nursing (3%)	3.3
Home- and Community-based Services (3%)	0.7
Personal Care (3%)	0.3
Rare and Expensive Case Management Services (3%)	0.3
Managed Care Organization Calendar 2019 Adjustment (-1.7%)	-80.0
Total Change	-\$12.7

Source: Maryland Department of Health; Department of Legislative Services

BHA Provider Rate Increases

In MDH BHA, the allowance included a 3.5% rate increase for mental health and substance use disorder providers mandated by the Heroin and Opioid Prevention Effort and Treatment Act of 2017. For behavioral health providers, the rate increases total to \$42.3 million (\$20.9 million in general funds and \$21.4 million in federal funds).

Other Provider Rate Increases

Foster Care: The budget includes approximately \$4.4 million in total funds to support a 3% rate increase for foster care providers that have rates set by the Interagency Rates Committee (IRC) as well as the regular foster care board rate;

Developmental Disabilities: The budget included a 3.5% provider rate increase in DDA totaling \$42.5 million (\$22.5 million in general funds and \$20.0 million in federal funds);

Juvenile Services: The budget includes approximately \$650,000 in total funds to support a 3% rate increase for residential treatment providers who have rates set by the IRC.

Nonpublic Placements: Providers for the Nonpublic Placement Program receive a 1.9% inflationary rate increase in fiscal 2020. However, actual expenditures for the program are primarily driven by the number of students and the intensity of the services that they receive.

Opioid Funding

In total, the fiscal 2020 budget has nearly \$710 million targeted toward the opioid crisis in Maryland. Nearly \$700 million of this funding is budgeted in MDH, the overwhelming majority of which is through substance use disorder treatment in the Medicaid program (\$622.5 million). Also included in MDH's budget for fiscal 2020 is the second and final year of \$33 million in federal funds for the State Opioid Response Grant. The budget also contains \$3 million for the Behavioral Health Crisis Response Grant Program as mandated by the General Assembly. Outside of MDH:

- the Opioid Operation Command Center manages \$10 million of general fund grants, including \$4 million to local jurisdictions for their Opioid Intervention Teams;
- DPSCS continues to support medication assisted treatment in correctional facilities totaling \$3 million in fiscal 2020; and
- GOCCP and DSP have a total of \$725,000 budgeted in fiscal 2020 for enforcement and treatment efforts related to the opioid crisis.

Legislative Priorities

The General Assembly expressed its spending priorities by restricting \$140.1 million of appropriations for other purposes. **Exhibit 1.8** details the specific restrictions or authorizations. The bulk of these are tied to K-12 enhancements related to The Blueprint for Maryland's Future (\$104.8 million, or 75%). The remaining \$35.3 million (25%) is restricted for a variety of grants or programs, including \$7.0 million for technology improvements for the Baltimore City Police Department, \$3.6 million to establish a Baltimore Regional Information Center in DSP to address crime in Baltimore City, and \$3.5 million to establish a rape kit testing grant fund in GOCCP.

Exhibit 1.8
Legislative Budget Priorities
Fiscal 2020

	<u>General Funds</u>	<u>Special Funds</u>
Source of Funds: Legislative Priority		
GOCCP: Baltimore Regional Information Center	\$3,647,141	
Comptroller: Grant to Cash Campaign of Maryland	200,000	
Comptroller: Private Letter Ruling Process	255,946	
MDOT: Transit Fares for Youth in Summer Employment		\$168,000
MDOT: Study of Regional Transportation Authorities		45,000
MDOT: Southern Maryland Rapid Transit Project		2,500,000
MDH: Tuberculosis Grants	100,000	
MDH: Bed Registry System	100,000	
MDH: Grants to Nonprofit for Chronic Pain Management	750,000	
MDH: Tele-education for Childhood Mental Health Disorders	1,800,000	
Medicaid: Prescription Drug Affordability Board	750,000	
DHS: Grant to Support Transition to Two Generation Model	950,000	
DoL: Baltimore City YouthWorks	1,000,000	
DoL: Anne Arundel YouthWorks	500,000	
DoL: Prince George's Workforce Development Board	500,000	
DoL: Adult High School Programs in Opportunity Zones	300,000	
DoL: Hagerstown Community College	200,000	
DPSCS: Staffing Study	500,000	
MSDE: The Blueprint for Maryland's Future	4,000,000	35,750,000
IAC: The Blueprint for Maryland's Future		65,000,000
MHEC: Modifications to Maryland College Aid System	125,000	
MHEC: Reaccredit Physician's Assistant Program at UMES	1,000,000	
MHEC: Attorney Fees for Violation of Sexual Assault Policies	250,000	
MHEC: Eastern Shore Ctr. for Innov. Entrepreneurship and Econ. Dev.	307,750	
MHEC: TeamBuilder's Academy at PG Community College	250,000	
MHEC: Youth for Success Youth Conflict Management	50,000	
MHEC: Nurse Practitioner Program at Frostburg State Univ.	261,500	
DHCD: East Baltimore Development, Inc.	2,500,000	
DHCD: Baltimore Rock Opera Society	175,000	

	<u>General Funds</u>	<u>Special Funds</u>
Commerce: Grant to Visit Baltimore	500,000	
Commerce: Minority Outreach for Business Programs	300,000	
Commerce: WellMobile	200,000	
Commerce: PG Community College Operating Expenses	250,000	
TEDCO: Baltimore and PG State's Attorney's Offices Grants	250,000	
TEDCO: Baltimore Police Dept. Technology Improvements	7,000,000	
TEDCO: Baltimore Symphony Orchestra	1,600,000	
TEDCO: Implement Ending Youth Homelessness Act	500,000	
TEDCO: North Bay Overnight Program	430,000	
TEDCO: Irvington Place and Harlem Gardens Security Grants	150,000	
TEDCO: Rape Kit Testing Grant Fund	3,500,000	
TEDCO: Pretrial Services Grant Fund	750,000	
TEDCO: Crest Regional Higher Education Center	50,000	
MDE: Remediation of 1600 Harford Avenue Property	200,000	
Sunny Day Fund: Maryland Academy of Sciences Operating Support	335,000	
Sunny Day Fund: MSU Task Force on Reconciliation and Equity	25,000	
Sunny Day Fund: Grant to Lighthouse Homeless Shelter	100,000	
Total	\$36,612,237	\$103,463,000

Commerce: Department of Commerce
 DHCD: Department of Housing and Community Development
 DHS: Department of Human Services
 DoL: Department of Labor
 DNR: Department of Natural Resources
 DPSCS: Department of Public Safety and Correctional Services
 GOCCP: Governor's Office of Crime Control and Prevention
 IAC: Interagency Committee on School Construction
 MDE: Maryland Department of the Environment
 MDH: Maryland Department of Health
 MDOT: Maryland Department of Transportation
 MHEC: Maryland Higher Education Commission
 MSDE: Maryland Department of Education
 MSU: Morgan State University
 PG: Prince George's County
 P-TECH: Pathways in Technology Early College High
 TEDCO: Maryland Technology Development Corporation
 UMES: University of Maryland Eastern Shore

Source: Department of Legislative Services

Exhibit 1.9 illustrates the intent of the General Assembly that the Governor process budget amendments totaling \$302.3 million, including \$150.3 million in special funds to implement spending under The Blueprint for Maryland's Future. If processed, the budget amendment would bring the total amount available for the Blueprint for Maryland's Future in fiscal 2020 to \$255.7 million. Other funds are authorized by budget amendment from the State Reserve Fund for either public school construction (\$127.0 million) or DHCD PAYGO programs (\$25.0 million).

Exhibit 1.9
Special Fund Spending Authorized for Other Purposes
Fiscal 2020

Unappropriated Kirwan Funds	\$134,500,000
Gaming Revenue	15,766,919
Rainy Day Fund/DPA: Public School Construction	127,000,000
DPA: DHCD Pay-as-you-go Programs	25,000,000
Total	\$302,266,919

DHCD: Department of Housing and Community Development

DPA: Dedicated Purpose Account

Kirwan: Commission on Innovation and Excellence in Education

Source: Department of Legislative Services

By the Numbers

A number of exhibits summarize legislative budget action, as described below.

Exhibit 1.10, the fiscal note on the budget bill, depicts the Governor's allowance, funding changes made through one supplemental budget, legislative reductions, and final appropriations for fiscal 2019 and 2020 by fund source. The Governor's original request provided for \$46.6 billion in fiscal 2020 expenditures and \$216.5 million in fiscal 2019 deficiencies.

The Governor withdrew a net \$25.3 million in fiscal 2019 spending in one supplemental budget. Net of legislative reductions of \$17.3 million, the fiscal 2019 appropriation is \$44.8 billion. The fiscal 2020 budget decreased by \$13.2 million through one supplemental budget and net legislative actions (including the addition of special funds consistent with legislative intent) totaling \$4.9 million. This resulted in a final appropriation of \$46.6 billion.

Exhibit 1.11 illustrates budget changes by major expenditure category by fund. Total spending increases by \$1.8 billion, or 4.0%. Debt service grows by \$50.7 million, or 3.1%, based on the past and projected issuance of GO and transportation debt. Aid to local government increases by \$556.4 million, or 6.4%, largely due to formula-based education aid as well as the reflection of legislative intent on funding for The Blueprint for Maryland's Future. Increases are also provided for transportation and public safety grants. Entitlement spending decreases by \$212.2 million, or 1.6%, driven by declining enrollment in the Medicaid program as well as a lower calendar 2019 rate for MCO providers. State agency spending increases by \$651.1 million, or 3.5%, largely due to growth in higher education spending, a 3% general salary increase for State employees effective July 1, 2019, and various increases in agency operations and programs. PAYGO capital expenditures increase by \$243.2 million, or 7.8%. Legislative action authorized \$127.0 million for public school construction, \$39.9 million for POS, and \$25 million for DHCD PAYGO programs.

Exhibit 1.10
Fiscal Note – Summary of the Fiscal 2020 Budget Bill – House Bill 100

	<u>General Funds</u>	<u>Special Funds</u>	<u>Federal Funds</u>	<u>Education Funds</u>	<u>Total Funds</u>
Governor's Allowance					
Fiscal 2019 Budget	\$17,926,954,525	\$9,179,215,997	\$13,091,453,029	\$4,656,155,634	\$44,853,779,185 ¹
Fiscal 2020 Budget	19,526,867,839 ²	9,128,435,374	13,177,083,146	4,775,103,692	46,607,490,051
Supplemental Budgets					
Fiscal 2019 Deficiencies	-\$25,515,291	\$235,000	\$0	\$0	-\$25,280,291
Fiscal 2020 Budget	-1,543,465	2,600,000	-14,252,470	0	-13,195,935
Subtotal	-\$27,058,756	\$2,835,000	-\$14,252,470	\$0	-\$38,476,226
Budget Reconciliation and Financing Act (BRFA) of 2019					
Fiscal 2019 Deficiencies	-\$38,939,918	\$0	-\$2,912,113	\$0	-\$41,852,031
Fiscal 2020 Budget	-32,000,000	47,766,919 ³	0	0	15,766,919
Total Reductions	-\$70,939,918	\$47,766,919	-\$2,912,113	\$0	-\$26,085,112
Legislative Reductions					
Fiscal 2019 Deficiencies	\$24,554,000	\$0	\$0	\$0	\$24,554,000
Fiscal 2020 Budget	-109,516,088	115,790,484 ⁴	-17,163,816	0	-10,889,420
Total Reductions	-\$84,962,088	\$115,790,484	-\$17,163,816	\$0	-\$13,664,580
Appropriations					
Fiscal 2019 Budget	\$17,887,053,316	\$9,179,450,997	\$13,088,540,916	\$4,656,155,634	\$44,811,200,863
Fiscal 2020 Budget	19,383,808,286	9,294,592,777	13,145,666,860	4,775,103,692	46,599,171,615
Change	\$1,496,754,970	\$115,141,780	\$57,125,944	\$118,948,058	\$1,787,970,752

¹Reflects \$216.5 million in proposed deficiencies, including \$53.0 million in general funds, \$77.0 million in special funds, and \$86.4 million in federal funds. Assumes \$35.0 million in unspecified general fund reversions.

²Assumes \$35 million in unspecified general fund reversions.

³Assumes \$32.0 million in special funds to back-fill for general fund reductions and \$15.8 million in spending on The Blueprint for Maryland's Future utilizing Education Trust Fund revenue generated by the Budget Reconciliation and Financing Act of 2019.

⁴Includes the assumption of \$134.5 million in special fund spending on The Blueprint for Maryland's Future utilizing revenue from the Commission on Innovation and Excellence in Education Fund.

Exhibit 1.11
State Expenditures – General Funds
Fiscal 2018-2020
(\$ in Millions)

<u>Category</u>	<u>2018 Actual</u>	<u>2019 Working Approp.</u>	<u>2020 Legislative Approp.</u>	<u>2020 Legislative Priorities¹</u>	<u>2020 Adjusted Legislative Approp.</u>	<u>2019-2020 \$ Change</u>	<u>% Change</u>
Debt Service	\$259.6	\$286.0	\$287.0	\$0.0	\$287.0	\$1.0	0.3%
County/Municipal	\$276.9	\$288.9	\$300.9	\$11.5	\$312.4	\$23.5	8.2%
Community Colleges	317.0	322.4	331.0	0.7	331.7	9.3	2.9%
Education/Libraries	5,970.2	6,059.1	6,407.8	4.0	6,411.8	352.8	5.8%
Health	49.5	52.7	55.4	0.0	55.4	2.7	5.1%
<i>Aid to Local Governments</i>	<i>\$6,613.5</i>	<i>\$6,723.0</i>	<i>\$7,095.1</i>	<i>\$16.2</i>	<i>\$7,111.3</i>	<i>\$388.3</i>	<i>5.8%</i>
Foster Care Payments	\$191.9	\$188.2	\$191.2	\$0.0	\$191.2	\$3.1	1.6%
Assistance Payments	55.1	45.4	40.6	0.0	40.6	-4.8	-10.5%
Medical Assistance	3,194.0	3,389.9	3,504.6	0.0	3,504.6	114.7	3.4%
Property Tax Credits	89.8	101.2	97.2	0.0	97.2	-4.0	-3.9%
<i>Entitlements</i>	<i>\$3,530.9</i>	<i>\$3,724.6</i>	<i>\$3,833.6</i>	<i>\$0.0</i>	<i>\$3,833.6</i>	<i>\$109.0</i>	<i>2.9%</i>
Health	\$1,425.6	\$1,492.0	\$1,542.6	\$3.5	\$1,546.1	\$54.1	3.6%
Human Services	363.1	372.3	361.9	1.0	362.8	-9.4	-2.5%
Children's Cabinet Interagency Fund	18.5	18.5	18.5	0.0	18.5	0.1	0.3%
Juvenile Services	258.0	263.7	260.3	0.1	260.4	-3.4	-1.3%
Public Safety/Police	1,469.7	1,521.5	1,534.9	4.1	1,539.1	17.6	1.2%
Higher Education	1,432.6	1,481.8	1,528.0	1.8	1,529.8	48.0	3.2%
Other Education	421.7	461.2	488.4	1.0	489.3	28.2	6.1%
Agriculture/Natural Res./Environment	119.9	127.1	141.7	0.5	142.2	15.1	11.9%
Other Executive Agencies	662.8	781.8	927.3	6.2	933.6	151.7	19.4%
Judiciary	484.2	508.5	534.6	0.0	534.6	26.1	5.1%
Legislative	89.3	91.3	95.6	0.0	95.6	4.3	4.7%
Across-the-board Cuts	0.0	0.0	-5.2	0.0	-5.2	-5.2	n/a
<i>State Agencies</i>	<i>\$6,745.5</i>	<i>\$7,119.6</i>	<i>\$7,428.7</i>	<i>\$18.1</i>	<i>\$7,446.8</i>	<i>\$327.2</i>	<i>4.6%</i>
Total Operating	\$17,149.6	\$17,853.2	\$18,644.5	\$34.3	\$18,678.8	\$825.6	4.6%
Capital ²	\$9.5	\$59.5	\$77.0	\$154.9	\$231.8	\$172.3	289.8%
<i>Subtotal</i>	<i>\$17,159.1</i>	<i>\$17,912.7</i>	<i>\$18,721.4</i>	<i>\$189.2</i>	<i>\$18,910.6</i>	<i>\$997.9</i>	<i>5.6%</i>
Reserve Funds	\$10.0	\$9.3	\$508.2	\$0.0	\$508.2	\$498.8	5,337.6%
Appropriations	\$17,169.1	\$17,922.1	\$19,229.6	\$189.2	\$19,418.8	\$1,496.8	8.4%
Reversions	\$0.0	-\$35.0	-\$35.0	\$0.0	-\$35.0	\$0.0	0.0%
Grand Total	\$17,169.1	\$17,887.1	\$19,194.6	\$189.2	\$19,383.8	\$1,496.8	8.4%

¹The General Assembly reduced the allowance by \$189.2 million but provided authorization for those funds to be used for a variety of purposes. However, spending the \$189.2 million is at the discretion of the Governor.

²Includes the Heritage Structure Rehabilitation Tax Credit Reserve Fund.

Note: The fiscal 2019 working appropriation includes \$13.1 million in deficiencies.

Exhibit 1.11 (Continued)
State Expenditures – Special and Higher Education Funds*
Fiscal 2018-2020
(\$ in Millions)

<u>Category</u>	<u>2018 Actual</u>	<u>2019 Working Approp.</u>	<u>2020 Legislative Approp.</u>	<u>2020 Legislative Priorities¹</u>	<u>2020 Adjusted Legislative Approp.</u>	<u>2019-2020 \$ Change</u>	<u>% Change</u>
Debt Service	\$1,303.8	\$1,337.8	\$1,388.8	\$0.0	\$1,388.8	\$51.0	3.8%
County/Municipal	\$347.9	\$374.8	\$400.5	\$0.0	\$400.5	\$25.6	6.8%
Community Colleges	0.0	0.0	0.0	0.0	0.0	0.0	n/a
Education/Libraries	475.8	556.4	428.4	247.6	676.0	119.6	21.5%
Health	0.0	0.0	0.0	0.0	0.0	0.0	n/a
<i>Aid to Local Governments</i>	<i>\$823.7</i>	<i>\$931.2</i>	<i>\$828.9</i>	<i>\$247.6</i>	<i>\$1,076.5</i>	<i>\$145.3</i>	<i>15.6%</i>
Foster Care Payments	\$4.3	\$4.3	\$4.3	\$0.0	\$4.3	-\$0.1	-1.4%
Assistance Payments	9.6	10.1	5.4	0.0	5.4	-4.7	-46.2%
Medical Assistance	918.9	932.1	902.3	0.0	902.3	-29.8	-3.2%
Property Tax Credits	0.0	0.0	0.0	0.0	0.0	0.0	n/a
<i>Entitlements</i>	<i>\$932.7</i>	<i>\$946.6</i>	<i>\$912.0</i>	<i>\$0.0</i>	<i>\$912.0</i>	<i>-\$34.5</i>	<i>-3.6%</i>
Health	\$382.0	\$429.7	\$442.8	\$0.0	\$442.8	\$13.1	3.0%
Human Services	85.5	82.6	76.5	0.0	76.5	-6.1	-7.4%
Juvenile Services	3.3	3.6	3.0	0.0	3.0	-0.6	-15.9%
Public Safety/Police	211.8	217.7	229.0	0.0	229.0	11.4	5.2%
Higher Education	4,490.8	4,733.6	4,856.9	0.0	4,856.9	123.3	2.6%
Other Education	67.1	72.1	69.0	3.4	72.4	0.3	0.4%
Transportation	1,942.4	1,974.9	2,035.6	0.0	2,035.6	60.8	3.1%
Agriculture/Natural Res./Environment	262.8	303.4	294.4	0.0	294.4	-9.0	-3.0%
Other Executive Agencies	606.2	750.0	763.0	0.0	763.0	13.0	1.7%
Judiciary	58.1	62.1	65.3	0.0	65.3	3.3	5.3%
Across-the-board Cuts	0.0	0.0	-0.4	0.0	-0.4	-0.4	n/a
<i>State Agencies</i>	<i>\$8,109.9</i>	<i>\$8,629.6</i>	<i>\$8,835.2</i>	<i>\$3.4</i>	<i>\$8,838.5</i>	<i>\$209.0</i>	<i>2.4%</i>
Total Operating	\$11,170.1	\$11,845.2	\$11,964.9	\$251.0	\$12,215.9	\$370.7	3.1%
Capital	\$1,855.3	\$1,990.4	\$1,853.8	0.0	\$1,853.8	-\$136.6	-6.9%
Transportation	1,490.7	1,514.2	1,425.9	0.0	1,425.9	-88.4	-5.8%
Environment	187.1	220.3	177.7	0.0	177.7	-42.5	-19.3%
Other	177.5	255.9	250.2	0.0	250.2	-5.7	-2.2%
Grand Total	\$13,025.4	\$13,835.6	\$13,818.7	\$251.0	\$14,069.7	\$234.1	1.7%

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

¹The General Assembly reduced the allowance by \$100.8 million but provided authorization for those funds to be used for a variety of purposes. In the 2019 budget bill and the Budget Reconciliation and Financing Act of 2019 (**House Bill 1407**) (**Chapter 16**), the General Assembly identified additional special fund spending priorities of \$150.3 million for The Blueprint for Maryland's Future (**Senate Bill 1030**) (**Chapter 771**). However, spending the total additional amount of \$251.0 million is at the discretion of the Governor.

Note: The fiscal 2019 working appropriation reflects deficiencies of \$77.3 million. The fiscal 2020 legislative appropriation reflects \$37.7 million in additional special fund spending due to funding swaps.

Exhibit 1.11 (Continued)
State Expenditures – Federal Funds
Fiscal 2018-2020
(\$ in Millions)

<u>Category</u>	<u>2018 Actual</u>	<u>2019 Working Approp.</u>	<u>2020 Legislative Approp.</u>	<u>2019-2020 \$ Change</u>	<u>% Change</u>
Debt Service	\$11.5	\$12.8	\$11.5	-\$1.3	-10.1%
County/Municipal	\$75.0	\$74.0	\$74.1	\$0.0	0.1%
Community Colleges	0.0	0.0	0.0	0.0	n/a
Education/Libraries	864.4	961.9	984.7	22.8	2.4%
Health	4.2	0.0	0.0	0.0	n/a
Aid to Local Governments	\$943.6	\$1,035.9	\$1,058.7	\$22.8	2.2%
Foster Care Payments	\$70.4	\$68.8	\$74.6	\$5.8	8.4%
Assistance Payments	1,029.4	1,102.6	1,045.2	-57.4	-5.2%
Medical Assistance	6,652.4	7,069.1	6,834.0	-235.1	-3.3%
Property Tax Credits	0.0	0.0	0.0	0.0	n/a
Entitlements	\$7,752.2	\$8,240.5	\$7,953.8	-\$286.7	-3.5%
Health	\$968.7	\$1,106.4	\$1,140.8	\$34.4	3.1%
Human Services	527.8	552.1	571.0	18.9	3.4%
Juvenile Services	4.6	5.3	4.5	-0.8	-15.4%
Public Safety/Police	34.5	34.9	37.4	2.5	7.2%
Higher Education	0.0	0.0	0.0	0.0	n/a
Other Education	234.4	282.8	305.6	22.9	8.1%
Transportation	99.5	98.4	108.0	9.6	9.8%
Agriculture/Natural Res./Environment	59.2	69.6	67.1	-2.5	-3.6%
Other Executive Agencies	580.2	595.3	626.4	31.1	5.2%
Judiciary	0.5	1.1	0.2	-0.9	-80.2%
Across-the-board Cuts	0.0	0.0	-0.4	-0.4	n/a
State Agencies	\$2,509.4	\$2,745.9	\$2,860.7	\$114.9	4.2%
Total Operating	\$11,216.8	\$12,035.1	\$11,884.8	-\$150.4	-1.2%
Capital	\$926.9	\$1,053.4	\$1,260.9	\$207.5	19.7%
Transportation	814.2	983.6	1,144.3	160.7	16.3%
Environment	42.6	43.3	52.9	9.6	22.1%
Other	70.1	26.5	63.8	37.2	140.2%
Grand Total	\$12,143.7	\$13,088.5	\$13,145.7	\$57.1	0.4%

Note: The fiscal 2019 working appropriation includes \$83.5 million in deficiencies.

Exhibit 1.11 (Continued)
State Expenditures – State Funds
Fiscal 2018-2020
(\$ in Millions)

<u>Category</u>	<u>2018 Actual</u>	<u>2019 Working Approp.</u>	<u>2020 Legislative Approp.</u>	<u>2020 Legislative Priorities¹</u>	<u>2020 Adjusted Legislative Approp.</u>	<u>2019-2020 \$ Change</u>	<u>2019-2020 % Change</u>
Debt Service	\$1,563.4	\$1,623.8	\$1,675.8	\$0.0	\$1,675.8	\$52.0	3.2%
County/Municipal	\$624.8	\$663.7	\$701.4	\$11.5	\$712.9	\$49.2	7.4%
Community Colleges	317.0	322.4	331.0	0.7	331.7	9.3	2.9%
Education/Libraries	6,446.0	6,615.5	6,836.2	251.6	7,087.9	472.4	7.1%
Health	49.5	52.7	55.4	0.0	55.4	2.7	5.1%
<i>Aid to Local Governments</i>	<i>\$7,437.2</i>	<i>\$7,654.3</i>	<i>\$7,924.0</i>	<i>\$263.8</i>	<i>\$8,187.8</i>	<i>\$533.6</i>	<i>7.0%</i>
Foster Care Payments	\$196.2	\$192.5	\$195.5	\$0.0	\$195.5	\$3.0	1.6%
Assistance Payments	64.7	55.5	46.0	0.0	46.0	-9.5	-17.0%
Medical Assistance	4,112.9	4,322.0	4,407.0	0.0	4,407.0	84.9	2.0%
Property Tax Credits	89.8	101.2	97.2	0.0	97.2	-4.0	-3.9%
<i>Entitlements</i>	<i>\$4,463.6</i>	<i>\$4,671.1</i>	<i>\$4,745.6</i>	<i>\$0.0</i>	<i>\$4,745.6</i>	<i>\$74.5</i>	<i>1.6%</i>
Health	\$1,807.6	\$1,921.7	\$1,985.4	\$3.5	\$1,988.9	\$67.2	3.5%
Human Services	448.6	454.8	438.3	1.0	439.3	-15.5	-3.4%
Children's Cabinet Interagency Fund	18.5	18.5	18.5	0.0	18.5	0.1	0.3%
Juvenile Services	261.3	267.3	263.3	0.1	263.4	-3.9	-1.5%
Public Safety/Police	1,681.5	1,739.1	1,763.9	4.1	1,768.1	28.9	1.7%
Higher Education	5,923.4	6,215.4	6,384.9	1.8	6,386.7	171.4	2.8%
Other Education	488.8	533.3	557.4	4.3	561.7	28.4	5.3%
Transportation	1,942.4	1,974.9	2,035.6	0.0	2,035.6	60.8	3.1%
Agriculture/Natural Res./Environment	382.7	430.5	436.1	0.5	436.6	6.1	1.4%
Other Executive Agencies	1,269.1	1,531.8	1,690.3	6.2	1,696.6	164.7	10.8%
Judiciary	542.3	570.6	600.0	0.0	600.0	29.4	5.1%
Legislative	89.3	91.3	95.6	0.0	95.6	4.3	4.7%
Across-the-board Cuts	0.0	0.0	-5.6	0.0	-5.6	-5.6	n/a
<i>State Agencies</i>	<i>\$14,855.4</i>	<i>\$15,749.2</i>	<i>\$16,263.9</i>	<i>\$21.5</i>	<i>\$16,285.4</i>	<i>\$536.2</i>	<i>3.4%</i>
Total Operating	\$28,319.7	\$29,698.4	\$30,609.3	\$285.4	\$30,894.7	\$1,196.3	4.0%
Capital ²	\$1,864.8	\$2,049.9	\$1,930.8	\$154.9	\$2,085.7	\$35.7	1.7%
Transportation	1,490.7	1,514.2	1,425.9	0.0	1,425.9	-88.4	-5.8%
Environment	187.6	220.8	178.3	0.0	178.3	-42.5	-19.3%
Other	186.5	314.9	326.6	154.9	481.5	166.6	52.9%
<i>Subtotal</i>	<i>\$30,184.5</i>	<i>\$31,748.3</i>	<i>\$32,540.1</i>	<i>\$440.2</i>	<i>\$32,980.3</i>	<i>\$1,232.0</i>	<i>3.9%</i>

<u>Category</u>	<u>2018 Actual</u>	<u>2019 Working Approp.</u>	<u>2020 Legislative Approp.</u>	<u>2020 Legislative Priorities¹</u>	<u>2020 Adjusted Legislative Approp.</u>	<u>2019-2020</u>	
						<u>\$ Change</u>	<u>% Change</u>
Reserve Funds	10.0	\$9.3	\$508.2	\$0.0	\$508.2	\$498.8	5,337.6%
Appropriations	\$30,194.5	\$31,757.7	\$33,048.3	\$440.2	\$33,488.5	\$1,730.8	5.5%
Reversions	0.0	-\$35.0	-\$35.0	\$0.0	-\$35.0	\$0.0	0.0%
Grand Total	\$30,194.5	\$31,722.7	\$33,013.3	\$440.2	\$33,453.5	\$1,730.8	5.5%

¹The General Assembly reduced the allowance by \$290.0 million but provided authorization for those funds to be used for a variety of purposes. In the budget bill of 2019 and the Budget Reconciliation and Financing Act of 2019 (**House Bill 1407**) (**Chapter 16**), the General Assembly identified additional special fund spending priorities of \$150.3 million for The Blueprint for Maryland's Future (**Senate Bill 1030**) (**Chapter 771**). However, spending the total additional amount of \$440.2 million is at the discretion of the Governor.

²Includes the Heritage Structure Rehabilitation Tax Credit Reserve Fund.

Note: The fiscal 2019 working appropriation includes \$90.4 million in deficiencies. The fiscal 2020 legislative appropriation reflects \$37.7 million in additional special fund spending due to funding swaps.

Exhibit 1.11 (Continued)
State Expenditures – All Funds
Fiscal 2018-2020
(\$ in Millions)

<u>Category</u>	<u>2018 Actual</u>	<u>2019 Working Approp.</u>	<u>2020 Legislative Approp.</u>	<u>2020 Legislative Priorities¹</u>	<u>2020 Adjusted Legislative Approp.</u>	<u>2019-2020 \$ Change</u>	<u>% Change</u>
Debt Service	\$1,575.0	\$1,636.6	\$1,687.4	\$0.0	\$1,687.4	\$50.7	3.1%
County/Municipal	\$699.7	\$737.7	\$775.4	\$11.5	\$786.9	\$49.2	6.7%
Community Colleges	317.0	322.4	331.0	0.7	331.7	9.3	2.9%
Education/Libraries	7,310.4	7,577.4	7,820.9	251.6	8,072.5	495.2	6.5%
Health	53.7	52.7	55.4	0.0	55.4	2.7	5.1%
<i>Aid to Local Governments</i>	<i>\$8,380.9</i>	<i>\$8,690.2</i>	<i>\$8,982.7</i>	<i>\$263.8</i>	<i>\$9,246.6</i>	<i>\$556.4</i>	<i>6.4%</i>
Foster Care Payments	\$266.6	\$261.3	\$270.1	\$0.0	\$270.1	\$8.8	3.4%
Assistance Payments	1,094.2	1,158.0	1,091.2	0.0	1,091.2	-66.8	-5.8%
Medical Assistance	10,765.2	11,391.2	11,240.9	0.0	11,240.9	-150.2	-1.3%
Property Tax Credits	89.8	101.2	97.2	0.0	97.2	-4.0	-3.9%
<i>Entitlements</i>	<i>\$12,215.8</i>	<i>\$12,911.6</i>	<i>\$12,699.4</i>	<i>\$0.0</i>	<i>\$12,699.4</i>	<i>-\$212.2</i>	<i>-1.6%</i>
Health	\$2,779.2	\$3,028.2	\$3,126.2	\$3.5	\$3,129.7	\$101.6	3.4%
Human Services	976.3	1,006.9	1,009.4	1.0	1,010.3	3.4	0.3%
Children's Cabinet Interagency Fund	18.5	18.5	18.5	0.0	18.5	0.1	0.3%
Juvenile Services	265.9	272.6	267.8	0.1	267.9	-4.8	-1.7%
Public Safety/Police	1,715.9	1,774.0	1,801.3	4.1	1,805.5	31.5	1.8%
Higher Education	5,923.4	6,215.4	6,384.9	1.8	6,386.7	171.4	2.8%
Other Education	723.3	816.1	863.0	4.3	867.3	51.3	6.3%
Transportation	2,041.9	2,073.3	2,143.7	0.0	2,143.7	70.4	3.4%
Agriculture/Natural Res./Environment	441.9	500.1	503.2	0.5	503.7	3.6	0.7%
Other Executive Agencies	1,849.3	2,127.1	2,316.7	6.2	2,323.0	195.8	9.2%
Judiciary	542.8	571.7	600.2	0.0	600.2	28.5	5.0%
Legislative	89.3	91.3	95.6	0.0	95.6	4.3	4.7%
Across-the-board Cuts	0.0	0.0	-6.0	0.0	-6.0	-6.0	n/a
<i>State Agencies</i>	<i>\$17,367.7</i>	<i>\$18,495.0</i>	<i>\$19,124.6</i>	<i>\$21.5</i>	<i>\$19,146.1</i>	<i>\$651.1</i>	<i>3.5%</i>
Total Operating	<i>\$39,539.4</i>	<i>\$41,733.5</i>	<i>\$42,494.1</i>	<i>\$285.4</i>	<i>\$42,779.4</i>	<i>\$1,045.9</i>	<i>2.5%</i>
Capital ²	\$2,791.8	\$3,103.3	\$3,191.7	\$154.9	\$3,346.6	\$243.2	7.8%
Transportation	2,304.9	2,497.8	2,570.2	0.0	2,570.2	72.3	2.9%
Environment	230.2	264.1	231.1	0.0	231.1	-32.9	-12.5%
Other	256.6	341.4	390.4	154.9	545.3	203.8	59.7%
<i>Subtotal</i>	<i>\$42,331.1</i>	<i>\$44,836.9</i>	<i>\$45,685.8</i>	<i>\$440.2</i>	<i>\$46,126.0</i>	<i>\$1,289.2</i>	<i>2.9%</i>

<u>Category</u>	<u>2018 Actual</u>	<u>2019 Working Approp.</u>	<u>2020 Legislative Approp.</u>	<u>2020 Legislative Priorities¹</u>	<u>2020 Adjusted Legislative Approp.</u>	<u>2019-2020</u>	
						<u>\$ Change</u>	<u>% Change</u>
Reserve Funds	10.0	\$9.3	\$508.2	\$0.0	\$508.2	\$498.8	5,337.6%
Appropriations	\$42,341.1	\$44,846.2	\$46,193.9	\$440.2	\$46,634.2	\$1,788.0	4.0%
Reversions	0.0	-\$35.0	-\$35.0	\$0.0	-\$35.0	\$0.0	0.0%
Grand Total	\$42,341.1	\$44,811.2	\$46,158.9	\$440.2	\$46,599.2	\$1,788.0	4.0%

¹The General Assembly reduced the allowance by \$290.0 million but provided authorization for those funds to be used for a variety of purposes. In the 2019 budget bill and the Budget Reconciliation and Financing Act of 2019 (**House Bill 1407**), the General Assembly identified additional special fund spending priorities of \$150.3 million for The Blueprint for Maryland's Future (**Senate Bill 1030**) (**Chapter 771**). However, spending the total additional amount of \$440.2 million is at the discretion of the Governor.

²Includes the Heritage Structure Rehabilitation Tax Credit Reserve Fund.

Note: The fiscal 2019 working appropriation includes \$173.9 million in deficiencies. The fiscal 2020 legislative appropriation reflects \$37.7 million in additional special fund spending due to funding swaps.

Chapter 2. State Capital Program

- Summary
- PAYGO Capital
- Debt Affordability
- Higher Education
- School Construction
- Transfer Tax Funded Programs

Summary

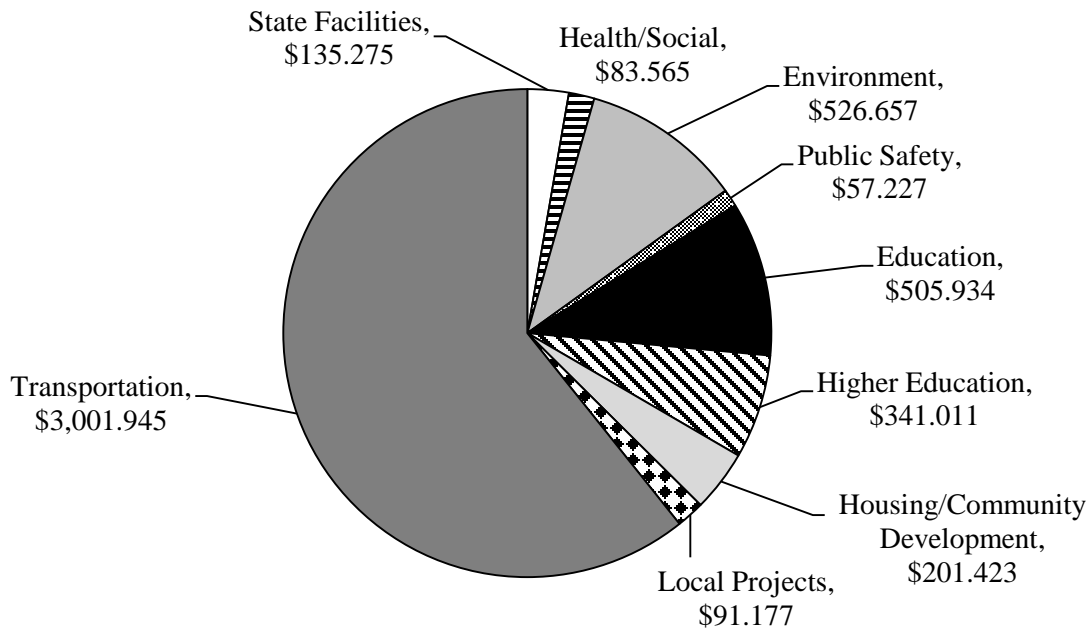
The General Assembly passed a fiscal 2020 capital program totaling \$4.944 billion, including \$3.002 billion for the transportation program. Apart from transportation, the program totals \$1.942 billion: \$1.092 billion is funded with general obligation (GO) bonds authorized in **House Bill 101 (Chapter 14)**, the Maryland Consolidated Capital Bond Loan (MCCBL) of 2019; \$816.1 million is funded on a pay-as-you-go (PAYGO) basis in the operating budget; and \$34.0 million is funded with Academic Revenue Bonds (ARB) for University System of Maryland facilities authorized in **House Bill 1352 (Chapter 148)**.

Exhibit 2.1 provides a summary of the capital program by uses and sources, **Exhibit 2.2** presents an overview of the State's capital program for fiscal 2020, **Exhibit 2.3** provides a detailed list of capital projects and programs by function and fund source, and **Exhibit 2.4** provides the individual legislative bond initiative projects funded in the MCCBL of 2019. The MCCBL of 2019 includes funding for:

- State facilities, including colleges and universities, correctional facilities, Military Department facilities, and the public safety communication system;
- grants to local governments for public school construction, community college facilities, and local detention centers;
- health and social services facilities, such as hospitals, community health and addiction facilities, and low-income housing;
- environmental programs, such as the Chesapeake Bay Water Quality programs, Community Parks and Playgrounds, Program Open Space (POS), Maryland Agricultural Land Preservation and Tobacco Transition programs, and drinking and stormwater programs; and
- local projects and legislative initiatives.

Exhibit 2.1
Fiscal 2020 Capital Program Uses and Sources
(\$ in Millions)

Uses



Sources

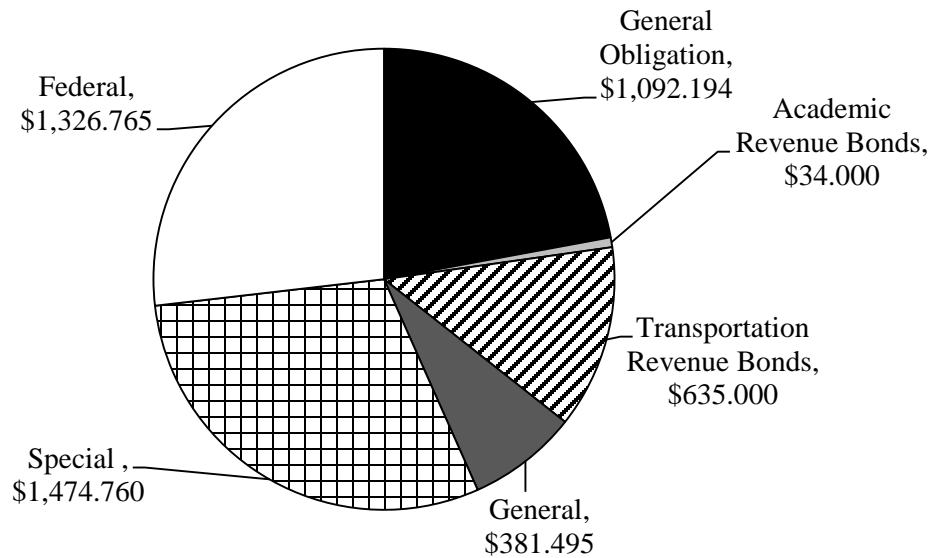


Exhibit 2.2
Capital Program Summary for the 2019 Session
(\$ in Millions)

<u>Function</u>	<u>Bonds</u>		<u>Current Funds (PAYGO)</u>			<u>Total</u>
	<u>General Obligation</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	
State Facilities						\$135.3
Facilities Renewal	\$41.4	\$0.0	\$0.0	\$0.0	\$0.0	
State Facilities Other	53.2	0.0	0.0	0.0	40.7	
Health/Social						\$83.6
Health Other	\$9.8	\$0.0	\$0.0	\$0.0	\$0.0	
Health State Facilities	2.3	0.0	0.0	0.0	0.0	
Private Hospitals	71.5	0.0	0.0	0.0	0.0	
Environment						\$526.7
Agriculture	\$20.9	\$0.0	\$1.0	\$45.0	\$0.0	
Environment	21.5	0.0	0.5	177.7	52.9	
Maryland Environmental Service	9.3	0.0	0.0	0.0	0.0	
Natural Resources	8.2	0.0	33.8	149.0	6.9	
Public Safety						\$57.2
Local Jails	\$8.2	\$0.0	\$0.0	\$0.0	\$0.0	
State Corrections	38.9	0.0	0.0	0.0	0.0	
State Police	10.2	0.0	0.0	0.0	0.0	
Education						\$505.9
Education Other	\$5.3	\$0.0	\$0.0	\$0.0	\$0.0	
School Construction	330.1	0.0	170.5	0.0	0.0	
Higher Education						\$341.0
Community Colleges	\$83.1	\$0.0	\$3.8	\$0.0	\$0.0	
Morgan State University	42.0	0.0	0.0	0.0	0.0	
Private Colleges/Universities	17.6	0.0	0.0	0.0	0.0	
St. Mary's College of Maryland	17.0	0.0	0.0	0.0	0.0	
University System	143.6	34.0	0.0	0.0	0.0	

<u>Function</u>	Bonds		Current Funds (PAYGO)			
	<u>General Obligation</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	<u>Total</u>
Housing and Community Development						\$201.4
Housing	\$62.3	\$0.0	\$52.9	\$56.0	\$16.2	
Housing Other	4.8	0.0	9.0	0.3	0.0	
Local Projects						\$91.2
Local Project Administration	\$35.0	\$0.0	\$0.0	\$0.0	\$0.0	
Local Project Legislative	56.2	0.0	0.0	0.0	0.0	
Current Year Total	\$1,092.2	\$34.0	\$271.5	\$428.0	\$116.6	\$1,942.3
Deauthorizations						-\$7.2
Deauthorizations	-\$4.2	\$0.0	\$0.0	\$0.0	\$0.0	
Deauthorizations Other	-\$3.0	\$0.0	\$0.0	\$0.0	\$0.0	
Adjusted Total	\$1,085.0	\$34.0	\$271.5	\$428.0	\$116.6	\$1,935.1
Transportation	\$0.0	\$635.0	\$110.0	\$1,046.8	\$1,210.2	\$3,002.0
Current Year Grand Total	\$1,092.2	\$669.0	\$381.5	\$1,474.8	\$1,326.8	\$4,944.3

PAYGO: pay-as-you-go

Exhibit 2.3
Capital Program for the 2019 Session

<u>Budget Code</u>	<u>Project Title</u>	<u>Bonds</u>		<u>Current Funds (PAYGO)</u>			<u>Total Funds</u>
		<u>GO</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	
	State Facilities						
D55P04A	MDVA: Cheltenham Veterans Cemetery Burial Expansion and Improvements	\$0	\$0	\$0	\$0	\$11,538,000	\$11,538,000
DA0201A	MDOD: Accessibility Modifications	1,697,000	0	0	0	0	1,697,000
DE0201A	BPW: Construction Contingency Fund	2,500,000	0	0	0	0	2,500,000
DE0201B	BPW: Facilities Renewal Fund	34,399,000	0	0	0	0	34,399,000
DE0201C	BPW: Fuel Storage Tank Replacement Program	1,000,000	0	0	0	0	1,000,000
DE0201D	BPW: Lawyer's Mall Underground Infrastructure Replacement	6,000,000	0	0	0	0	6,000,000
DE02111C	BPW: New Courts of Appeal Building	1,900,000	0	0	0	0	1,900,000
DE0211A	BPW: Addition to Washington County District Court	325,000	0	0	0	0	325,000
DE0211B	BPW: Shillman Building Conversion	2,080,000	0	0	0	0	2,080,000
DH0104A	MD: Freedom Readiness Center	3,015,000	0	0	0	1,635,000	4,650,000

<u>Budget Code</u>	<u>Project Title</u>	<u>Bonds</u>		<u>Current Funds (PAYGO)</u>			<u>Total Funds</u>
		<u>GO</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	
DH0104B	MD: Havre de Grace CSMS Surface Equipment and Automotive Maintenance Facility	1,552,000	0	0	0	24,533,000	26,085,000
DH0106A	MD: MEMA Headquarters Renovation and Expansion	990,000	0	0	0	0	990,000
FB04A	DoIT: Public Safety Communication System	30,840,000	0	0	0	0	30,840,000
RP00A	MPBC: Maryland Public Television Transmission Systems Replacement	61,000	0	0	0	3,000,000	3,061,000
RP00B	MPBC: Studio A Renovations and Addition	8,210,000	0	0	0	0	8,210,000
	Subtotal	\$94,569,000	\$0	\$0	\$0	\$40,706,000	\$135,275,000
	Health/Social						
DA0701A	MDOA: Senior Centers Capital Grant Program	\$818,000	\$0	\$0	\$0	\$0	\$818,000
MA01A	MDH: Community Health Facilities Grant Program	6,500,000	0	0	0	0	6,500,000
MA01B	MDH: Federally Qualified Health Centers Grant Program	2,500,000	0	0	0	0	2,500,000
MA10A	MDH: Clifton T. Perkins Hospital	2,297,000	0	0	0	0	2,297,000
RQ00A	UMMS: Capital Region Medical Center	56,200,000	0	0	0	0	56,200,000
RQ00B	UMMS: Comprehensive Cancer and Organ Transplant Treatment Center	3,000,000	0	0	0	0	3,000,000

<u>Budget Code</u>	<u>Project Title</u>	<u>Bonds</u>		<u>Current Funds (PAYGO)</u>			<u>Total Funds</u>
		<u>GO</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	
RQ00C	UMMS: R Adams Cowley Shock Trauma Center – Phase III	4,000,000	0	0	0	0	4,000,000
ZA00AU	MISC: MedStar Franklin Square Hospital	1,750,000	0	0	0	0	1,750,000
ZA00BB	MISC: Sinai Hospital of Baltimore	1,000,000	0	0	0	0	1,000,000
ZA01A	MISC: Anne Arundel Health System North Hospital Pavilion Renovations	387,000	0	0	0	0	387,000
ZA01B	MISC: Carroll Hospital Center New Critical Care Unit	800,000	0	0	0	0	800,000
ZA01C	MISC: Holy Cross Hospital Labor and Delivery Unit	600,000	0	0	0	0	600,000
ZA01D	MISC: Howard County General Hospital Comprehensive Breast Center	347,000	0	0	0	0	347,000
ZA01E	MISC: MedStar Southern Maryland	500,000	0	0	0	0	500,000
ZA01F	MISC: MedStar Union Memorial Renovations	425,000	0	0	0	0	425,000
ZA01G	MISC: Mercy Medical Center	1,141,000	0	0	0	0	1,141,000
ZA01H	MISC: Peninsula Regional Medical Center East Tower Renovations	800,000	0	0	0	0	800,000
ZA01I	MISC: University of Maryland St. Joseph Medical Center Weinberg Emergency Department	500,000	0	0	0	0	500,000
	Subtotal	\$83,565,000	\$0	\$0	\$0	\$0	\$83,565,000

<u>Budget Code</u>	<u>Project Title</u>	<u>Bonds</u>		<u>Current Funds (PAYGO)</u>			<u>Total Funds</u>
		<u>GO</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	
	Environment						
KA0510A	DNR: Natural Resources Development Fund	\$0	\$0	\$3,625,036	\$15,281,533	\$1,350,000	\$20,256,569 ¹
KA0510B	DNR: Critical Maintenance Program	0	0	9,286,358	4,159,480	0	13,445,838 ¹
KA0510C	DNR: Program Open Space – State	0	0	0	47,127,317	3,000,000	50,127,317
KA0510D	DNR: Program Open Space – Local	0	0	8,535,752	48,031,709	0	56,567,461 ¹
KA05A	DNR: Community Parks and Playgrounds	2,500,000	0	0	0	0	2,500,000
KA05B	DNR: Rural Legacy Program	0	0	6,893,048	18,852,009	0	25,745,057 ¹
KA0906A	DNR: Ocean City Beach Maintenance	0	0	0	2,000,000	0	2,000,000
KA1401A	DNR: Waterway Improvement Fund	0	0	0	13,500,000	2,500,000	16,000,000
KA1402A	DNR: Coastal Resiliency Program	3,085,000	0	0	0	0	3,085,000
KA1701A	DNR: Oyster Restoration Program	2,610,000	0	0	0	0	2,610,000
LA1111A	MDA: Maryland Agricultural Land Preservation Program	0	0	5,456,292	45,015,994	0	50,472,286 ¹
LA1205A	MDA: Salisbury Animal Health Laboratory Replacement	12,417,000	0	0	0	0	12,417,000
LA15A	MDA: Maryland Agricultural Cost Share Program	8,500,000	0	0	0	0	8,500,000
UA0104	MDE: Hazardous Substance Cleanup Program	0	0	525,000	0	0	525,000
UA0111A	MDE: Bay Restoration Fund	0	0	0	70,000,000	0	70,000,000

<u>Budget Code</u>	<u>Project Title</u>	<u>Bonds</u>		<u>Current Funds (PAYGO)</u>			<u>Total Funds</u>
		<u>GO</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	
UA0112	MDE: Bay Restoration Fund Septic System Program	0	0	0	15,000,000	0	15,000,000
UA01A	MDE: Comprehensive Flood Mitigation Program	5,000,000	0	0	0	0	5,000,000
UA01B	MDE: Maryland Drinking Water Revolving Loan Program	5,287,000	0	0	12,672,000	14,041,000	32,000,000
UA01C	MDE: Maryland Water Quality Revolving Loan Fund	8,764,000	0	0	80,073,000	38,820,000	127,657,000
UA01D	MDE: Mining Remediation Program	500,000	0	0	0	0	500,000
UA01E	MDE: Water Supply Financial Assistance Program	1,960,000	0	0	0	0	1,960,000
UB00A	MES: Infrastructure Improvement Fund	9,290,000	0	0	0	0	9,290,000
YA0201	MDA: Southern Maryland Agricultural Land Preservation	0	0	999,000	0	0	999,000 ¹
	<i>Subtotal</i>	<i>\$59,913,000</i>	<i>\$0</i>	<i>\$35,320,486</i>	<i>\$371,713,042</i>	<i>\$59,711,000</i>	<i>\$526,657,528</i>
	Public Safety						
QB0403A	DPSCS: Roxbury Correctional Institution Gatehouse and Perimeter Security System	\$611,000	\$0	\$0	\$0	\$0	\$611,000
QR0201A	DPSCS: Maryland Correctional Institution Perimeter Security Improvements	1,226,000	0	0	0	0	1,226,000

<u>Budget Code</u>	<u>Project Title</u>	<u>Bonds</u>		<u>Current Funds (PAYGO)</u>			<u>Total Funds</u>
		<u>GO</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	
QR0202A	DPSCS: Maryland Correctional Training Center Housing Unit Windows and Steam Heating System	5,337,000	0	0	0	0	5,337,000
QS0101A	DPSCS: Jessup Region Electrical Infrastructure Upgrade	7,930,000	0	0	0	0	7,930,000
QT04A	DPSCS: Demolition of Buildings at the Baltimore City Correctional Complex	23,816,000	0	0	0	0	23,816,000
WA01A	DSP: New Berlin Barrack and Garage	800,000	0	0	0	0	800,000
WA01B	DSP: New Cumberland Barrack and Garage	7,154,000	0	0	0	0	7,154,000
WA01C	DSP: State Law Enforcement Special Operations Group Center	2,200,000	0	0	0	0	2,200,000
ZB02A	DPSCS: Anne Arundel County Central Holding and Processing Center	1,715,000	0	0	0	0	1,715,000
ZB02B	DPSCS: Calvert County Detention Center Site and Security Improvements	249,000	0	0	0	0	249,000
ZB02C	DPSCS: Queen Anne's County Detention Center Additions and Renovations	678,000	0	0	0	0	678,000

<u>Budget Code</u>	<u>Project Title</u>	<u>Bonds</u>		<u>Current Funds (PAYGO)</u>			<u>Total Funds</u>
		<u>GO</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	
ZB02D	DPSCS: St. Mary's County Adult Detention Center Upgrades, Housing, and Medical Units	5,511,000	0	0	0	0	5,511,000
	Subtotal	\$57,227,000	\$0	\$0	\$0	\$0	\$57,227,000
	Education						
RA0702A	IAC: Aging Schools Program	\$6,109,000	\$0	\$0	\$0	\$0	\$6,109,000
RA0702B	IAC: Public School Construction Program	251,800,000	0	127,000,000	0	0	378,800,000 ²
RA0702C	IAC: Senator James E. "Ed" DeGrange Nonpublic Aging Schools Program	4,000,000	0	0	0	0	4,000,000 ³
RA0702D	IAC: Supplemental Capital Grant Program for Local School Systems	68,200,000	0	0	0	0	68,200,000
RA0702F	IAC: Healthy School Facilities Fund	0	0	30,000,000	0	0	30,000,000
RA0702H	IAC: Nonpublic School Safety Improvements	0	0	3,500,000	0	0	3,500,000
RA0702I	IAC: Public School Safety Improvements Grant Program	0	0	10,000,000	0	0	10,000,000
RA11A	MSLA: Public Library Capital Grant Program	5,000,000	0	0	0	0	5,000,000
RE01A	MSD: New Emergency Notification System – Columbia Campus	325,000	0	0	0	0	325,000
	Subtotal	\$335,434,000	\$0	\$170,500,000	\$0	\$0	\$505,934,000

<u>Budget Code</u>	<u>Project Title</u>	<u>Bonds</u>		<u>Current Funds (PAYGO)</u>			<u>Total Funds</u>
		<u>GO</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	
	Higher Education						
RB21A	UMB: Central Electric Substation and Electrical Infrastructure Upgrades	\$13,159,000	\$0	\$0	\$0	\$0	\$13,159,000
RB22A	UMCP: Chemistry Building Wing I Replacement	4,663,000	0	0	0	0	4,663,000
RB22B	UMCP: School of Public Policy Building	12,500,000	0	0	0	0	12,500,000
RB22C	UMCP: New Cole Field House	3,941,000	0	0	0	0	3,941,000
RB23A	BSU: Communication Arts and Humanities Building	5,100,000	0	0	0	0	5,100,000
RB23B	BSU: Robinson Hall	1,400,000	0	0	0	0	1,400,000
RB24A	TU: New College of Health Professionals Building	5,266,000	0	0	0	0	5,266,000
RB24B	TU: Science Facility	66,225,000	2,000,000	0	0	0	68,225,000
RB25A	UMES: School of Pharmacy and Health Professions	5,015,000	5,000,000	0	0	0	10,015,000
RB25B	UMES: Campus Flood Mitigation Project	0	1,008,000	0	0	0	1,008,000
RB26A	FSU: Education Professions and Health Sciences Center	6,200,000	0	0	0	0	6,200,000
RB31A	UMBC: Utility Upgrades and Site Improvements	1,676,000	2,346,000	0	0	0	4,022,000
RB31B	UMBC: Stadium and Athletic Facility Improvements	1,500,000	0	0	0	0	1,500,000
RB36A	USMO: Capital Facilities Renewal	10,000,000	18,646,000	0	0	0	28,646,000

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RB36B	USMO: Southern Maryland Regional Higher Education Center	6,953,000	5,000,000	0	0	0	11,953,000
RC00A	BCCC: Liberty Campus Loop Road and Entrance Improvements	874,000	0	0	0	0	874,000
RD00A	SMCM: Academic Building and Auditorium	13,208,000	0	0	0	0	13,208,000
RD00B	SMCM: Campus Infrastructure Improvements	3,763,000	0	0	0	0	3,763,000
RI0005A	MHEC: Community College Facilities Renewal Program	0	0	3,800,000	0	0	3,800,000
RI00A	MHEC: Community College Construction Grant Program	76,705,000	0	0	0	0	76,705,000
RM00A	MSU: Deferred Maintenance and Site Improvements	10,000,000	0	0	0	0	10,000,000
RM00B	MSU: New Health and Human Services Building	4,901,000	0	0	0	0	4,901,000
RM00C	MSU: New Health and Human Services Building Phase II	4,403,000	0	0	0	0	4,403,000
RM00D	MSU: New Student Services Support Building	22,659,000	0	0	0	0	22,659,000
ZA00Y	MISC: Garrett College – Community Education and Performing Arts Center	5,500,000	0	0	0	0	5,500,000
ZA00AN	MICUA: Hood College Hodson Library and Technology Center Renovations	2,900,000	0	0	0	0	2,900,000

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ZA00AO	MICUA: Johns Hopkins University Stavros Niarchos Foundation Agora Institute	2,900,000	0	0	0	0	2,900,000
ZA00AP	MICUA: Mount St. Mary's University Knott Academic Center	2,900,000	0	0	0	0	2,900,000
ZA00AQ	MICUA: Stevenson University New Academic Building	2,900,000	0	0	0	0	2,900,000
ZA00BD	MISC: Stevenson University – Rosewood Property Environmental Abatement	6,000,000	0	0	0	0	6,000,000
	Subtotal	\$303,211,000	\$34,000,000	\$3,800,000	\$0	\$0	\$341,011,000
	Housing and Community Development						
DB01A	HSMCC: Maryland Dove	\$2,500,000	\$0	\$0	\$0	\$0	\$2,500,000
DW0108A	MDP: Maryland Archeological Conservation Laboratory Expansion and Renovation	668,000	0	0	0	0	668,000
DW0111A	MDP: African American Heritage Preservation Grant Program	1,000,000	0	0	0	0	1,000,000
DW0111B	MDP: Maryland Historical Trust Capital Grant Program	600,000	0	0	0	0	600,000
DW0111C	MDP: Maryland Historical Trust Revolving Loan Fund	0	0	0	300,000	0	300,000
DW0112A	MDP: Sustainable Communities Tax Credit	0	0	9,000,000	0	0	9,000,000

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SA2402A	DHCD: Community Development Block Grant Program	0	0	0	0	9,000,000	9,000,000
SA2402B	DHCD: Baltimore Regional Neighborhoods Initiative	0	0	12,000,000	0	0	12,000,000 ⁴
SA2402C	DHCD: Seed Community Development Anchor Institution Fund	0	0	5,000,000	0	0	5,000,000 ⁵
SA24A	DHCD: Community Legacy Program	6,000,000	0	0	0	0	6,000,000
SA24B	DHCD: Neighborhood Business Development Program	6,000,000	0	2,000,000	2,200,000	0	10,200,000
SA24C	DHCD: Strategic Demolition and Smart Growth Impact Fund	850,000	0	15,000,000	8,400,000	0	24,250,000 ⁶
SA24D	DHCD: National Capital Strategic Economic Development Fund	4,000,000	0	0	0	0	4,000,000
SA25A	DHCD: Homeownership Programs	7,800,000	0	0	15,200,000	0	23,000,000
SA25B	DHCD: Housing and Building Energy Programs	1,000,000	0	0	8,350,000	700,000	10,050,000
SA25C	DHCD: Local Government Infrastructure Fund	9,680,000	0	0	0	0	9,680,000
SA25D	DHCD: Partnership Rental Housing Program	6,000,000	0	0	0	0	6,000,000
SA25E	DHCD: Rental Housing Program	13,000,000	0	14,000,000	16,500,000	4,500,000	48,000,000 ⁷

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		<u>GO</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	
SA25F	DHCD: Shelter and Transitional Housing Facilities Grant Program	4,000,000	0	0	0	0	4,000,000
SA25G	DHCD: Special Loan Programs	4,000,000	0	0	5,300,000	2,000,000	11,300,000
YA0201	HSMCC: Historic St. Mary's Commission Facilities Renewal	0	0	1,000,000	0	0	1,000,000
YA0201	MDP: Patterson Center Renovations	0	0	3,875,000	0	0	3,875,000
	Subtotal	\$67,098,000	\$0	\$61,875,000	\$56,250,000	\$16,200,000	\$201,423,000
	Local Projects						
ZA00A	MISC: A Wider Circle – Community Services Center Renovation and Expansion	\$500,000	\$0	\$0	\$0	\$0	\$500,000
ZA00B	MISC: Allegany Museum – Facility Renovation	200,000	0	0	0	0	200,000
ZA00C	MISC: ARC of Washington County – Facility Renovations	500,000	0	0	0	0	500,000
ZA00D	MISC: Arena Players Infrastructure Improvements	300,000	0	0	0	0	300,000
ZA00E	MISC: Baltimore Police Department Evidence Storage Facility	1,500,000	0	0	0	0	1,500,000
ZA00F	MISC: Bon Secours Community Works	725,000	0	0	0	0	725,000
ZA00G	MISC: Cal Ripken Sr. Foundation Athletic Fields	500,000	0	0	0	0	500,000

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ZA00I	MISC: Carroll Hospice – Dove House Renovation	650,000	0	0	0	0	650,000
ZA00J	MISC: Chesapeake Bay Environmental Center – New Pavilion	175,000	0	0	0	0	175,000
ZA00K	MISC: Chesapeake Bay Maritime Museum – New Library and Exhibit Building	250,000	0	0	0	0	250,000
ZA00L	MISC: Chesapeake Region Accessible Boating – Adaptive Boating Center	1,000,000	0	0	0	0	1,000,000
ZA00N	MISC: City of Brunswick – New Emergency Operations Center	483,000	0	0	0	0	483,000
ZA00O	MISC: City of Brunswick – New Public Works Repair Building	100,000	0	0	0	0	100,000
ZA00P	MISC: City of Brunswick – Stormwater Tunnel Repairs	100,000	0	0	0	0	100,000
ZA00Q	MISC: City of Gaithersburg – New Police Station	1,000,000	0	0	0	0	1,000,000
ZA00R	MISC: Citywide Youth Development – EMAGE Center	450,000	0	0	0	0	450,000
ZA00S	MISC: Cumberland to LaVale Water and Sewer Line	250,000	0	0	0	0	250,000
ZA00T	MISC: Delmarva Community Services – Chesapeake Grove Senior Housing and Intergenerational Center	200,000	0	0	0	0	200,000

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ZA00U	MISC: ECO City Farms – Electrical and HVAC Improvements	100,000	0	0	0	0	100,000
ZA00V	MISC: Frederick County – Detox Facility	500,000	0	0	0	0	500,000
ZA00W	MISC: Frederick County – ROOT Business Innovation Center	250,000	0	0	0	0	250,000
ZA00Z	MISC: Garrett County Emergency Operations Center	500,000	0	0	0	0	500,000
ZA00AA	MISC: Hagerstown Revitalization	500,000	0	0	0	0	500,000
ZA00AB	MISC: Harford Crisis Center	750,000	0	0	0	0	750,000
ZA00AC	MISC: HEAT Center – National Center for Manufacturing Sciences	875,000	0	0	0	0	875,000
ZA00AD	MISC: Helping Up Mission – Women and Children Support Services Building	1,900,000	0	0	0	0	1,900,000
ZA00AE	MISC: Historic Annapolis	3,000,000	0	0	0	0	3,000,000
ZA00AF	MISC: Hollins Market and Avenue Market Renovations	500,000	0	0	0	0	500,000
ZA00AG	MISC: Imagination Stage – New Storage Facility	550,000	0	0	0	0	550,000
ZA00AH	MISC: Junior Achievement of Central Maryland – Youth Workforce Innovation Center	350,000	0	0	0	0	350,000
ZA00AJ	MISC: KID Museum – New Facility	300,000	0	0	0	0	300,000
ZA00AK	MISC: Lexington Market	500,000	0	0	0	0	500,000

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		<u>GO</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	
ZA00AL	MISC: Maryland Center for the Arts – New Amphitheater	125,000	0	0	0	0	125,000
ZA00AM	MISC: Maryland Historical Society – Building Renovations	500,000	0	0	0	0	500,000
ZA00AR	MISC: Maryland State Fair – Facility Improvements	500,000	0	0	0	0	500,000
ZA00AS	MISC: Maryland Zoo in Baltimore	5,000,000	0	0	0	0	5,000,000
ZA00AT	MISC: McHenry Business Park – Interior Construction	100,000	0	0	0	0	100,000
ZA00AV	MISC: National Aquarium in Baltimore	2,000,000	0	0	0	0	2,000,000
ZA00AY	MISC: Olney Theatre Center – Site Improvements and Artists’ Village	500,000	0	0	0	0	500,000
ZA00AZ	MISC: Paul’s Place – Community Training Kitchen	500,000	0	0	0	0	500,000
ZA00BA	MISC: Ronald McDonald House – New Baltimore Facility	500,000	0	0	0	0	500,000
ZA00BC	MISC: Somerset County Visitor Center – Exhibit Center Addition	500,000	0	0	0	0	500,000
ZA00BE	MISC: The League for People with Disabilities – Facility Upgrade	500,000	0	0	0	0	500,000
ZA00BF	MISC: Town of North Brentwood – Stormwater Remediation	250,000	0	0	0	0	250,000

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ZA00BG	MISC: University of Maryland – New Hillel Student Center	1,000,000	0	0	0	0	1,000,000
ZA00BH	MISC: Washington County Public Service Academy – New Training Facility	500,000	0	0	0	0	500,000
ZA00BI	MISC: Western Correctional Institution – Adaptive Community and Workforce Training Facility	1,650,000	0	0	0	0	1,650,000
ZA00BJ	MISC: Woodbourne Center Vocational Building	380,000	0	0	0	0	380,000
ZA00BK	MISC: YMCA of Chesapeake – St. Michael’s YMCA Senior Center	250,000	0	0	0	0	250,000
ZA00BL	MISC: YMCA of Frederick County – New South County Complex	400,000	0	0	0	0	400,000
ZA00BM	MISC: YWCA – Domestic Violence Safe House Shelter	100,000	0	0	0	0	100,000
ZA00BN	MISC: YWCA – Educational and Wellness Center	300,000	0	0	0	0	300,000
ZA00BO	MISC: Brooklyn Park Athletic Complex	1,000,000	0	0	0	0	1,000,000
ZA00BP	MISC: Maryland Hall for the Creative Arts	1,000,000	0	0	0	0	1,000,000
ZA00BQ	MISC: National Center on Institutions and Alternatives Expansion	500,000	0	0	0	0	500,000

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ZA00BR	MISC: Franklin Middle School Infrastructure Improvements	500,000	0	0	0	0	500,000
ZA00BS	MISC: Roberta's House	500,000	0	0	0	0	500,000
ZA00BT	MISC: Greenbelt Consumer Cooperative	350,000	0	0	0	0	350,000
ZA00BU	MISC: Baltimore Museum of Art	2,000,000	0	0	0	0	2,000,000
ZA00BV	MISC: College Park Woods Community Facility Redevelopment	200,000	0	0	0	0	200,000
ZA00BW	MISC: Glen Burnie High School Stadium	500,000	0	0	0	0	500,000
ZA00BX	MISC: France-Merrick Performing Arts Center	1,000,000	0	0	0	0	1,000,000
ZA00BY	MISC: Stephen P. Turney Recreation Complex	250,000	0	0	0	0	250,000
ZA00BZ	MISC: Everyman Theatre	500,000	0	0	0	0	500,000
ZA00CA	MISC: Frostburg Municipal Center	100,000	0	0	0	0	100,000
ZA00CB	MISC: YMCA of Cumberland	50,000	0	0	0	0	50,000
ZA00CC	MISC: Western Maryland Works	300,000	0	0	0	0	300,000
ZA00CD	MISC: Station North Investment Fund	1,000,000	0	0	0	0	1,000,000
ZA00CE	MISC: Bates Middle School Outdoor Recreation Improvements	1,000,000	0	0	0	0	1,000,000
ZA00CF	MISC: YMCA Bethesda Chevy Chase	300,000	0	0	0	0	300,000

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ZA00CG	MISC: Delta Lambda Foundation Outreach Center	1,000,000	0	0	0	0	1,000,000
ZA00CH	MISC: Maryland State LGBT Center	500,000	0	0	0	0	500,000
ZA00CI	MISC: Innovative Center for Autonomous Systems	500,000	0	0	0	0	500,000
ZA00CJ	MISC: College Park City Hall	500,000	0	0	0	0	500,000
ZA00CK	MISC: Prince George's Indoor Sports Facility	600,000	0	0	0	0	600,000
ZA00CL	MISC: Newtowne Community Resource Center	750,000	0	0	0	0	750,000
ZA00CM	MISC: Woodlawn High School Athletic Facilities	300,000	0	0	0	0	300,000
ZA00CN	MISC: Caroline County Public Schools Track Replacement	325,000	0	0	0	0	325,000
ZA00CO	MISC: Columbia Local Park	200,000	0	0	0	0	200,000
ZA00CP	MISC: VFW Free State Post 8950 Aquaculture Training Center	200,000	0	0	0	0	200,000
ZA00CQ	MISC: Center Stage	1,000,000	0	0	0	0	1,000,000
ZA00CR	MISC: Western Maryland Training Center	150,000	0	0	0	0	150,000
ZA00CS	MISC: Sheppard Pratt Hospital	2,000,000	0	0	0	0	2,000,000
ZA00CT	MISC: Ripken Stadium	300,000	0	0	0	0	300,000
ZA00CU	MISC: Merriweather Post Pavilion	2,000,000	0	0	0	0	2,000,000

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ZA00CV	MISC: Prince George's County Public High School Athletic Facilities	3,100,000	0	0	0	0	3,100,000
ZA00CW	MISC: Johns Hopkins Medicine New Medical Research Building Children's Medical and Surgical Center and North Tower Annex	3,000,000	0	0	0	0	3,000,000
ZA00CX	MISC: Poolesville Grape Crushing Economic Development Facility	1,000,000	0	0	0	0	1,000,000
ZA00CY	MISC: Round House Theatre	500,000	0	0	0	0	500,000
ZA00CZ	MISC: National Cryptologic Museum – Cyber Center of Education and Innovation	500,000	0	0	0	0	500,000
ZA00DA	MISC: Charles E. Smith Life Communities	235,000	0	0	0	0	235,000
ZA00DB	MISC: Baltimore Police Mounted Unit Stables	400,000	0	0	0	0	400,000
ZA00DC	MISC: Doctor First Mobile Communication System	1,000,000	0	0	0	0	1,000,000
ZA00DD	MISC: Prince George's County Amphitheatre	250,000	0	0	0	0	250,000
ZA00DE	MISC: Blue Whale Recycling Plant	300,000	0	0	0	0	300,000
ZA00DF	MISC: North County High School Field House	82,000	0	0	0	0	82,000
ZA00DG	MISC: Belvedere Place	75,000	0	0	0	0	75,000
ZA00DH	MISC: Wayland Village II	50,000	0	0	0	0	50,000
ZA00DI	MISC: Cherry Hill Town Center	250,000	0	0	0	0	250,000

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		<u>GO</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	
ZA00DJ	MISC: Chesapeake Shakespeare Company Pedestrian Bridge	50,000	0	0	0	0	50,000
ZA00DL	MISC: Port Discovery Children's Museum	1,000,000	0	0	0	0	1,000,000
ZA00DM	MISC: South Baltimore Learning Center	50,000	0	0	0	0	50,000
ZA00DN	MISC: Westport Community Economic Development Corporation	50,000	0	0	0	0	50,000
ZA00DO	MISC: Le Mondo	100,000	0	0	0	0	100,000
ZA00DP	MISC: New City of Hope Literacy Center	100,000	0	0	0	0	100,000
ZA00DQ	MISC: Great Blacks in Wax Museum	150,000	0	0	0	0	150,000
ZA00DR	MISC: Hoen Building II	75,000	0	0	0	0	75,000
ZA00DS	MISC: North East Housing Initiative	75,000	0	0	0	0	75,000
ZA00DT	MISC: Northeast Family Life Center	50,000	0	0	0	0	50,000
ZA00DU	MISC: The Last Mile Community Enhancements	192,000	0	0	0	0	192,000
ZA00DV	MISC: Weinberg Community Center	60,000	0	0	0	0	60,000
ZA00DW	MISC: Baltimore Rock Opera Society	25,000	0	0	0	0	25,000
ZA00DX	MISC: Harford Road Senior Center	150,000	0	0	0	0	150,000
ZA00DY	MISC: Parkville High School Turf Field	150,000	0	0	0	0	150,000

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ZA00DZ	MISC: Avery Road Treatment Center	525,000	0	0	0	0	525,000
ZA00EA	MISC: Garrett County Public High School Athletic Facilities	1,500,000	0	0	0	0	1,500,000
ZA00EB	MISC: Jewish Foundation for Group Homes	50,000	0	0	0	0	50,000
ZA00EC	MISC: White Rose Foundation Service Center	250,000	0	0	0	0	250,000
ZA00ED	MISC: Arundel Lodge	50,000	0	0	0	0	50,000
ZA00EE	MISC: Vehicles for Change	100,000	0	0	0	0	100,000
ZA00EF	MISC: Rash Field Park	1,000,000	0	0	0	0	1,000,000
ZA00EG	MISC: College Park Woods Neighborhood Park	200,000	0	0	0	0	200,000
ZA00EH	MISC: Josiah Henson Park	250,000	0	0	0	0	250,000
ZA00EI	MISC: Randallstown Community Center	25,000	0	0	0	0	25,000
ZA00EJ	MISC: Reisterstown Sportsplex	30,000	0	0	0	0	30,000
ZA00EK	MISC: Northwest Regional Park	15,000	0	0	0	0	15,000
ZA00EL	MISC: Reisterstown Regional Park	25,000	0	0	0	0	25,000
ZA00EM	MISC: Radebaugh Park	100,000	0	0	0	0	100,000
ZA00EN	MISC: Linover Park	50,000	0	0	0	0	50,000
ZA00EO	MISC: Ovid Hazen Wells Recreational Park	200,000	0	0	0	0	200,000
ZA00EP	MISC: Hagerstown Municipal Stadium	300,000	0	0	0	0	300,000
ZA00EQ	MISC: Doctors Community Hospital	250,000	0	0	0	0	250,000

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ZA00ER	MISC: Huntingtown Heritage Society	300,000	0	0	0	0	300,000
ZA00ES	MISC: Town of Brookville Market Street Improvements	100,000	0	0	0	0	100,000
ZA00ET	MISC: Deale Volunteer Fire Department	25,000	0	0	0	0	25,000
ZA00EU	MISC: HopeWork Community Development Corporation	100,000	0	0	0	0	100,000
ZA00EV	MISC: CrossRoads Freedom Center Recovery Housing	100,000	0	0	0	0	100,000
ZA00EW	MISC: Chesapeake Arts Center	150,000	0	0	0	0	150,000
ZA00EX	MISC: CASA Centers Technology Upgrades	125,000	0	0	0	0	125,000
ZA00EY	MISC: Gatehouse Community Resource Center	100,000	0	0	0	0	100,000
ZA00EZ	MISC: Girl Scouts Program Center Refresh	50,000	0	0	0	0	50,000
ZA00FA	MISC: Maryland-National Capital Park and Planning Commission Property Acquisition	500,000	0	0	0	0	500,000
ZA00FB	MISC: University Park Town Hall	50,000	0	0	0	0	50,000
ZA00FC	MSU: Lake Arbor Capital Improvements	50,000	0	0	0	0	50,000
ZA00FD	MISC: Bus Shelter Public Arts Projects	100,000	0	0	0	0	100,000
ZA00FE	MISC: East Baltimore Library	100,000	0	0	0	0	100,000

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ZA02	Local House Initiatives	7,500,000	0	0	0	0	7,500,000
ZA03	Local Senate Initiatives	7,500,000	0	0	0	0	7,500,000
	<i>Subtotal</i>	<i>\$91,177,000</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$91,177,000</i>
	Current Year Total	\$1,092,194,000	\$34,000,000	\$271,495,486	\$427,963,042	\$116,617,000	\$1,942,269,528
	Deauthorizations						
ZF00	Deauthorizations as Introduced	-\$4,194,000	\$0	\$0	\$0	\$0	-\$4,194,000
ZF00A	Additional Deauthorizations	-3,000,000	0	0	0	0	-3,000,000
	Total Deauthorizations	-\$7,194,000	\$0	\$0	\$0	\$0	-\$7,194,000
	Adjusted Current Year Total	\$1,085,000,000	\$34,000,000	\$271,495,486	\$427,963,042	\$116,617,000	\$1,935,075,528
	Transportation CTP	\$0	\$635,000,000	\$0	\$1,046,796,515	\$1,210,148,000	\$2,891,944,515
	Transportation DPA	\$0	\$0	\$110,000,000	\$0	\$0	\$110,000,000
	Grand Total	\$1,092,194,000	\$669,000,000	\$381,495,486	\$1,474,759,557	\$1,326,765,000	\$4,944,214,043

BCCC: Baltimore City Community College
 BPW: Board of Public Works
 BSU: Bowie State University
 CSMS: Combined Support Maintenance Shop
 CTP: *Consolidated Transportation Program*
 DPA: Dedicated Purpose Account
 DHCD: Department of Housing and Community Development
 DNR: Department of Natural Resources
 DPSCS: Department of Public Safety and Correctional Services

MDOD: Maryland Department of Disabilities
 MDP: Maryland Department of Planning
 MDVA: Maryland Department of Veterans Affairs
 MEMA: Maryland Emergency Management Agency
 MES: Maryland Environmental Service
 MHEC: Maryland Higher Education Commission
 MICUA: Maryland Independent College and University Association
 MISC: miscellaneous
 MPBC: Maryland Public Broadcasting Commission

DoIT: Department of Information Technology
 DSP: Department of State Police
 FSU: Frostburg State University
 GO: general obligation
 HSMCC: Historic St. Mary's City Commission
 HVAC: heating, ventilation, and air conditioning
 IAC: Interagency Commission on School Construction
 MD: Military Department
 MDA: Maryland Department of Agriculture
 MDE: Maryland Department of the Environment
 MDH: Maryland Department of Health
 MDOA: Maryland Department of Aging

MSD: Maryland School for the Deaf
 MSLA: Maryland State Library Agency
 MSU: Morgan State University
 PAYGO: pay-as-you-go
 SMCM: St. Mary's College of Maryland
 TU: Towson University
 UMB: University of Maryland, Baltimore Campus
 UMBC: University of Maryland Baltimore County
 UMCP: University of Maryland, College Park Campus
 UMES: University of Maryland Eastern Shore
 UMMS: University of Maryland Medical System
 USMO: University System of Maryland Office

¹The general funds reflect the General Assembly's allocation of funds budgeted in the DPA of the State Reserve Fund (SRF) for the transfer tax replacement plan as established by Chapter 10 of 2016 and subsequently amended by the Budget Reconciliation and Financing Act of 2018. This amount includes \$1.0 million for facilities renewal projects at HSMCC, \$3.875 million for renovations to the Patterson Center restricted from the amount budgeted for the Natural Resources Development Fund, and \$999,000 for agricultural land preservation through the Southern Maryland Tri-County Council restricted from the amount budgeted for the Department of Agricultural Land Preservation Program. The Governor is authorized to process a special fund budget amendment to transfer funds from the DPA for these purposes.

²The General Assembly restricted \$90.0 million in the Revenue Stabilization Account and another \$37.0 million from the DPA of the SRF to increase the total amount for all school construction related programs to \$500.5 million for fiscal 2020. Of the \$37.0 million in the DPA, \$9.285 million may only be expended for the purpose of providing reimbursement to public school systems whose counties forward funded the State's share of eligible public school construction and cannot be reimbursed with GO bond funds. The Governor is authorized to process a special fund budget amendment to transfer funds from the DPA for these purposes.

³The budget restricts \$1.042 million for the following projects: \$250,000 for the Bishop McNamara High School; \$200,000 for the St. Elizabeth School; \$142,000 for the Kent School; \$125,000 for the Torah Institute of Baltimore; \$125,000 for The Ivymount School; \$100,000 for the Mother Seton Academy; and \$100,000 for the Summit School.

⁴The budget restricts \$125,000 of this appropriation for the purpose of providing a grant to the Baltimore Rock Opera Society.

⁵The budget restricts \$2.5 million of this appropriation for the purpose of providing a grant to the East Baltimore Development Inc.

⁶The General Assembly restricted \$13.0 million in the DPA of the SRF to be used for the DHCD Smart Growth Impact Fund program. The Governor is authorized to process a special fund budget amendment to transfer funds from the DPA for these purposes.

⁷The General Assembly restricted \$12.0 million in the DPA of the SRF designated for the Washington Metropolitan Area Transit Authority contributions to instead be used for the DHCD Rental Housing Program. The Governor is authorized to process a special fund budget amendment to transfer funds from the DPA for these purposes.

Exhibit 2.4
Legislative Bond Initiative Projects
2019 Session

<u>Project Title</u>	<u>House Initiative</u>	<u>Senate Initiative</u>	<u>Other</u>	<u>Total Funding</u>
Statewide				
CASA Centers Technology Upgrades			\$125,000	\$125,000
<i>Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$125,000</i>	<i>\$125,000</i>
Allegany				
Frostburg Municipal Center		\$100,000	\$100,000	\$200,000
Western Maryland Works		60,000	300,000	360,000
YMCA of Cumberland		50,000	50,000	100,000
<i>Subtotal</i>	<i>\$0</i>	<i>\$210,000</i>	<i>\$450,000</i>	<i>\$660,000</i>
Anne Arundel				
Annapolis Compassion Center	\$50,000			\$50,000
Annapolis Maritime Museum and Park	125,000	\$50,000		175,000
Anne Arundel County Fairgrounds		75,000		75,000
Anne Arundel County Food and Resource Bank			\$165,000	165,000
Arundel Lodge	50,000		50,000	100,000
Cape St. Claire Beach Replenishment		25,000		25,000
Chesapeake Arts Center			150,000	150,000
Chesapeake High School Stadium Upgrades		125,000		125,000
Chrysalis House Child Development Center	100,000	100,000		200,000

<u>Project Title</u>	<u>House Initiative</u>	<u>Senate Initiative</u>	<u>Other</u>	<u>Total Funding</u>
Deale Volunteer Fire Department			25,000	25,000
Glen Burnie High School Stadium			500,000	500,000
Historic Annapolis Museum	100,000			100,000
John Marshall Park		13,000		13,000
Maryland City Athletic Complex Lighting Upgrade	50,000	50,000		100,000
Maryland Hall for the Creative Arts			1,000,000	1,000,000
National Cryptologic Museum and Cyber Center for Education and Innovation			500,000	500,000
North County High School Field House		118,000	82,000	200,000
Pascal Crisis Stabilization Center	100,000			100,000
Ralph J. Bunche Community Center		37,000		37,000
The Summit School Academic and Resource Center			100,000	100,000
<i>Subtotal</i>	<i>\$575,000</i>	<i>\$593,000</i>	<i>\$2,572,000</i>	<i>\$3,740,000</i>
Baltimore City				
40 West Assistance and Referral Center		\$200,000		\$200,000
Baltimore Museum of Art			\$2,000,000	2,000,000
Baltimore Police Mounted Unit Stables			400,000	400,000
Baltimore Rock Opera Society			25,000	25,000
Belvedere Place			75,000	75,000
Bond Street Park			50,000	50,000
Cherry Hill Town Center			250,000	250,000
Chesapeake Shakespeare Company Pedestrian Bridge	\$100,000		50,000	150,000

<u>Project Title</u>	<u>House Initiative</u>	<u>Senate Initiative</u>	<u>Other</u>	<u>Total Funding</u>
Cylburn Arboretum Carriage House and Nature Museum			250,000	250,000
East Baltimore Historical Library			100,000	100,000
Edward A. Myerberg Senior Center	75,000			75,000
Everyman Theatre			500,000	500,000
France-Merrick Performing Arts Center			1,000,000	1,000,000
Garrett Park			250,000	250,000
Gatehouse Community Resource Center			100,000	100,000
Great Blacks in Wax Museum		100,000	150,000	250,000
Harford Road Senior Center		100,000	150,000	250,000
Hoen Building – Number 2			75,000	75,000
HopeWork Community Development Corporation		100,000	100,000	200,000
Johnston Square Greenspace	15,000			15,000
Le Mondo			100,000	100,000
Maryland State LGBT Center			500,000	500,000
Mercy High School Athletics Complex	150,000			150,000
Mother Seton Academy			100,000	100,000
New City of Hope Literacy Center			100,000	100,000
New Creation Christian Church Hoop House	100,000			100,000
North East Housing Initiative			75,000	75,000
Northeast Family Life Center			50,000	50,000
Port Discovery Children's Museum			1,000,000	1,000,000
Rash Field Park			1,000,000	1,000,000
Restoration House	50,000			50,000
Roberta's House			500,000	500,000

<u>Project Title</u>	<u>House Initiative</u>	<u>Senate Initiative</u>	<u>Other</u>	<u>Total Funding</u>
Roland Water Tower Stabilization	75,000			75,000
South Baltimore Learning Center	125,000		50,000	175,000
St. Elizabeth's School			200,000	200,000
The Hub Integrated Learning Resource Center	200,000			200,000
The Last Mile Community Enhancements			192,000	192,000
Vehicles for Change			100,000	100,000
Warwick Park			50,000	50,000
Wayland Village II		100,000	50,000	150,000
Weinberg Community Center			60,000	60,000
Westport Community Economic Development Corporation	75,000		50,000	125,000
WYPR Radio Building and Studio	175,000			175,000
Subtotal	\$1,140,000	\$600,000	\$9,702,000	\$11,442,000
Baltimore				
Chestnut Ridge Volunteer Fire Company	\$50,000			\$50,000
Essex Elementary School Playground	30,000	\$29,000		59,000
Fire Museum of Maryland	100,000	100,000		200,000
Idlewylde Hall	75,000			75,000
Lansdowne Volunteer Fire Department	75,000			75,000
Linover Park			\$50,000	50,000
Morning Star Family Life Center	250,000	50,000		300,000
National Center on Institutions and Alternatives Expansion			500,000	500,000
Parkville High School Turf Field		100,000	150,000	250,000

<u>Project Title</u>	<u>House Initiative</u>	<u>Senate Initiative</u>	<u>Other</u>	<u>Total Funding</u>
Perry Hall High School Stadium Press Box		200,000		200,000
Pikesville High School Artificial Turf Field	250,000	600,000		850,000
Radebaugh Park			100,000	100,000
St. Luke's United Methodist Church Fellowship Hall		160,000		160,000
Torah Institute of Baltimore			125,000	125,000
Upperco Volunteer Fire Company	85,000			85,000
WIN Team Headquarters and Treatment Facility	327,000			327,000
Woodlawn High School Athletic Facilities	50,000		300,000	350,000
<i>Subtotal</i>	<i>\$1,292,000</i>	<i>\$1,239,000</i>	<i>\$1,225,000</i>	<i>\$3,756,000</i>
Calvert				
Calvert Marine Museum Paleontology Collections and Research Center	\$250,000			\$250,000
St. John Vianney Inter-Faith Food Pantry		\$125,000		\$125,000
<i>Subtotal</i>	<i>\$250,000</i>	<i>\$125,000</i>	<i>\$0</i>	<i>\$375,000</i>
Caroline				
Caroline County Public Schools Track Replacement			\$325,000	\$325,000
<i>Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$325,000</i>	<i>\$325,000</i>
Carroll				
Boys and Girls Club of Westminster		\$50,000		\$50,000
Carroll County Turf Field	\$150,000	50,000		200,000
<i>Subtotal</i>	<i>\$150,000</i>	<i>\$100,000</i>	<i>\$0</i>	<i>\$250,000</i>

<u>Project Title</u>	<u>House Initiative</u>	<u>Senate Initiative</u>	<u>Other</u>	<u>Total Funding</u>
Cecil				
Bee Hive Colonial Village		\$75,000		\$75,000
Our Town Early Literacy Center		50,000		50,000
<i>Subtotal</i>	<i>\$0</i>	<i>\$125,000</i>	<i>\$0</i>	<i>\$125,000</i>
Charles				
Benedict Volunteer Fire Department and Rescue Squad and Auxiliary Facility		\$150,000		\$150,000
Indian Head Center for the Arts	\$65,000			65,000
Indian Head Recreation Center	200,000			200,000
Lions Camp Merrick		35,000		35,000
The Arnold House		75,000		75,000
Velocity Center		25,000		25,000
<i>Subtotal</i>	<i>\$265,000</i>	<i>\$285,000</i>	<i>\$0</i>	<i>\$550,000</i>
Dorchester				
Dorchester Center for the Arts		\$80,000		\$80,000
Maces Lane Community Center	\$100,000			100,000
Richardson Maritime Museum		20,000		20,000
<i>Subtotal</i>	<i>\$100,000</i>	<i>\$100,000</i>	<i>\$0</i>	<i>\$200,000</i>
Frederick				
CrossRoads Freedom Center Recovery Housing			\$100,000	\$100,000
Federated Charities District Building	\$75,000			75,000
Frederick Bocce Ball Courts		\$50,000		50,000

<u>Project Title</u>	<u>House Initiative</u>	<u>Senate Initiative</u>	<u>Other</u>	<u>Total Funding</u>
Heritage Frederick Capital Improvements		25,000		25,000
Sophie and Madigan Lillard Memorial Playground		50,000		50,000
YMCA of Frederick County	200,000			200,000
Yourtee Springs		100,000		100,000
<i>Subtotal</i>	<i>\$275,000</i>	<i>\$225,000</i>	<i>\$100,000</i>	<i>\$600,000</i>
Garrett				
Garrett County Historical Museum	\$50,000	\$50,000		\$100,000
Grantsville Volunteer Fire Department	100,000	100,000		200,000
<i>Subtotal</i>	<i>\$150,000</i>	<i>\$150,000</i>	<i>\$0</i>	<i>\$300,000</i>
Harford				
Chesapeake Therapeutic Riding at Serenity Hill Farm		\$100,000		\$100,000
Habitat for Humanity Susquehanna		100,000		100,000
Jericho Road Stone Bank Barn	\$200,000	50,000		250,000
<i>Subtotal</i>	<i>\$200,000</i>	<i>\$250,000</i>	<i>\$0</i>	<i>\$450,000</i>
Howard				
Barnard Fort House	\$50,000			\$50,000
Carroll Baldwin Hall	100,000			100,000
Carrollton Hall Restoration		\$50,000		50,000
Community Action Council Early Childhood Education Center		50,000		50,000
Gateway Innovation Center	100,000	100,000		200,000

<u>Project Title</u>	<u>House Initiative</u>	<u>Senate Initiative</u>	<u>Other</u>	<u>Total Funding</u>
Harriet Tubman Community Center and Museum	300,000			300,000
iHomes, Inc.		100,000		100,000
Linwood School		100,000		100,000
<i>Subtotal</i>	<i>\$550,000</i>	<i>\$400,000</i>	<i>\$0</i>	<i>\$950,000</i>
Kent				
Echo Hill Outdoor School		\$150,000		\$150,000
Kent School			\$142,000	142,000
<i>Subtotal</i>	<i>\$0</i>	<i>\$150,000</i>	<i>\$142,000</i>	<i>\$292,000</i>
Montgomery				
Black Hill SEED Classroom	\$250,000			\$250,000
Boys and Girls Clubs of Greater Washington	91,000			91,000
Brooke Grove Retirement Village	100,000			100,000
Centerway Local Park		\$250,000		250,000
Columbia Local Park			\$200,000	200,000
Cornerstone Montgomery		100,000		100,000
Dolores R. Miller Park		15,000		15,000
EveryMind Headquarters Building	75,000			75,000
Friends House Retirement Community	100,000			100,000
Guru Nanak Health Clinic		100,000		100,000
Ivymount School			125,000	125,000
Jewish Foundation for Group Homes		50,000	50,000	100,000
Josiah Henson Park			250,000	250,000
Manna Food Center	150,000			150,000

<u>Project Title</u>	<u>House Initiative</u>	<u>Senate Initiative</u>	<u>Other</u>	<u>Total Funding</u>
Montgomery County Humane Society	150,000			150,000
Poolesville Grape Crushing Economic Development Facility			1,000,000	1,000,000
Round House Theatre			500,000	500,000
Sandy Spring Museum		50,000		50,000
Sunflower Bakery		75,000		75,000
Takoma Park Library		150,000		150,000
Woodend Nature Sanctuary Accessible Trail		250,000		250,000
YMCA Bethesda-Chevy Chase			300,000	300,000
<i>Subtotal</i>	<i>\$916,000</i>	<i>\$1,040,000</i>	<i>\$2,425,000</i>	<i>\$4,381,000</i>
Prince George's				
Allentown Splash, Tennis and Fitness Park	\$150,000			\$150,000
American Legion Southern Maryland District Youth Camp	250,000			250,000
Baden Library Relocation Project		\$250,000		250,000
Benjamin Tasker Middle School		25,000		25,000
Bishop McNamara High School			\$250,000	250,000
Bus Shelter Public Art Projects		50,000	100,000	150,000
Camp Springs Elks Lodge No. 2332		25,000		25,000
Champ House	50,000			50,000
College Park Woods Community Facility Redevelopment			200,000	200,000
Forest Heights Safe Route to School Project		125,000		125,000
Fraternal Order of Police Lodge 89	25,000			25,000
Greenbelt Consumer Cooperative			350,000	350,000

<u>Project Title</u>	<u>House Initiative</u>	<u>Senate Initiative</u>	<u>Other</u>	<u>Total Funding</u>
Lake Arbor Capital Improvements		100,000	50,000	150,000
Landover Crossing Indoor Sport Facility			600,000	600,000
Laurel Advocacy and Referral Services (LARS) Facility Renovation	17,000			17,000
Laurel Multi Service Center	200,000	125,000		325,000
Morningside Volunteer Fire Department and Job Training Center	125,000	200,000		325,000
Mount Rainier Library	50,000			50,000
Prince George's County Public Schools Electronic Signs		105,000		105,000
Sis's Tavern	125,000			125,000
The Arc of Prince George's County	250,000			250,000
University Park Town Hall		150,000	50,000	200,000
Upper Marlboro Welcome Center		175,000		175,000
VFW Free State Post 8950 Aquaculture Training Center		50,000	200,000	250,000
White Rose Foundation Service Center			250,000	250,000
<i>Subtotal</i>	<i>\$1,242,000</i>	<i>\$1,380,000</i>	<i>\$2,050,000</i>	<i>\$4,672,000</i>
Queen Anne's				
Queen Anne's County High Schools Synthetic Turf Fields		\$250,000		\$250,000
<i>Subtotal</i>	<i>\$0</i>	<i>\$250,000</i>	<i>\$0</i>	<i>\$250,000</i>

<u>Project Title</u>	<u>House Initiative</u>	<u>Senate Initiative</u>	<u>Other</u>	<u>Total Funding</u>
Somerset				
Crisfield Customs House		\$60,000		\$60,000
Subtotal	\$0	\$60,000	\$0	\$60,000
St. Mary's				
Three Notch Theater	\$100,000			\$100,000
Subtotal	\$100,000	\$0	\$0	\$100,000
Talbot				
American Legion Post 77		\$50,000		\$50,000
Subtotal	\$0	\$50,000	\$0	\$50,000
Washington				
Boonsboro Parking Lot		\$25,000		\$25,000
Hagerstown Elks Lodge No. 378		23,000		23,000
Vietnam War Veterans Monument		30,000		30,000
YMCA of Hagerstown	\$100,000	50,000		150,000
Subtotal	\$100,000	\$128,000	\$0	\$228,000
Wicomico				
Fruitland Park		\$14,000		\$14,000
Salisbury Elks Lodge No. 817	\$95,000			95,000
Truitt Street Community Center	100,000			100,000
Subtotal	\$195,000	\$14,000	\$0	\$209,000

<u>Project Title</u>	<u>House Initiative</u>	<u>Senate Initiative</u>	<u>Other</u>	<u>Total Funding</u>
Worcester				
Delmarva Discovery Center and Museum		\$26,000		\$26,000
<i>Subtotal</i>	<i>\$0</i>	<i>\$26,000</i>	<i>\$0</i>	<i>\$26,000</i>
Grand Total	\$7,500,000	\$7,500,000	\$19,116,000	\$34,116,000

PAYGO Capital

In addition to GO debt, the State's capital program is funded with general, special, and federal funds appropriated in the operating budget referred to as PAYGO funds. Excluding transportation funding, the capital program uses \$271.5 million of general funds, \$428.0 million of special funds, and \$116.6 million of federal funds. Total transportation PAYGO funding is \$110.0 million of general funds and \$2.257 billion of special and federal funds.

Due to the State's strong fiscal 2020 cash position, the Spending Affordability Committee (SAC) recommended the prudent use of PAYGO general funds for fiscal 2020, particularly for programs and projects that would require the issuance of more expensive taxable bonds, to supplement the capital program while maintaining a limit on the growth in GO bond authorizations. The budget as introduced included \$118.0 million of PAYGO general funds, which was significantly above the \$48.2 million programmed in the 2018 *Capital Improvement Program* (CIP) for fiscal 2020. The fiscal 2020 budget passed by the General Assembly increased the amount of general fund support for the capital program to \$271.5 million principally by restricting the use of general funds budgeted in the State Reserve Fund, including \$127 million for public school construction and \$25 million for the Department of Housing and Community Development (DHCD) capital programs.

The actions of the General Assembly to increase the amount of PAYGO general funds are outlined below.

- **Public School Construction Enhancement:** The Governor's budget provided \$438 million to fund various components of public school construction programs, including the use of \$65 million of special funds from the Education Trust Fund (ETF). The General Assembly set a goal to fund public school construction at a level of \$500 million for fiscal 2020, but this did not include the use of the ETF, which was restricted to support funding priorities for The Blueprint for Maryland's Future under **Senate Bill 1030 (Chapter 771)**. The General Assembly instead restricted \$90 million in the Revenue Stabilization Account (Rainy Day Fund), an amount available above the SAC recommendation of a Rainy Day Fund balance of 6% of general fund revenues, and restricted \$37 million in the Dedicated Purpose Account (DPA) designated in the budget as introduced for retirement reinvestment contributions. A more detailed outline of the funding for public school construction can be found in the subpart "School Construction" within this section.
- **Housing and Community Development:** As introduced, the budget provided \$23 million in PAYGO general funds for capital programs administered by DHCD. The General Assembly increased this amount by \$25 million consistent with the SAC recommendation to prudently use general funds for programs that, if funded with GO bonds, would require the issuance of taxable bonds. This included restricting \$13 million in the DPA that was designated for retirement reinvestment contributions to

instead be used to fund the DHCD Strategic Demolition and Smart Growth Impact Fund and restricting \$12 million in DPA for Washington Metropolitan Area Transit Authority contributions to instead be used to fund the DHCD Rental Housing Programs. These actions also created capacity in the GO bond portion of the capital program to fund other legislative priorities in the MCCBL of 2019.

Debt Affordability

In its 2019 report, the Capital Debt Affordability Committee (CDAC) recommended that a maximum of \$995 million in GO bonds may be authorized in the 2019 session and for each year in the five-year planning period included in the annual CIP. The recommendation, the same recommendation made by the committee in its three previous annual reports, was intended to slow the growth in debt service costs and provide additional debt capacity in the out-years.

The CDAC recommendation is advisory, and SAC is not bound by the recommendation. While supporting the objective to slow the growth in debt service costs and reduce the debt service to revenue ratio, SAC remained concerned that the CDAC recommendation to freeze the authorization level through the planning period would reduce the purchasing power of the capital program by not accounting for the impact of construction inflation. In recommending a new GO bond authorization level of \$1.085 billion for the 2019 session, SAC continued to adhere to the recommendation that it made in each of its three previous annual reports, which provided for new GO bond authorizations to increase by 1% annually using the fiscal 2016 level of \$1.045 billion as the starting point. The SAC recommended level moderates GO bond authorizations to the projected increase in State property tax revenue that in recent years has increased at an average annual rate of 2.0%, thereby reducing the ratio of debt service to revenue in the out-years while also allowing authorizations to increase slightly.

Although the Governor's past three proposed capital budgets adhered to the CDAC recommendation of limiting new GO bond authorizations to \$995 million, the 2019 session capital budget proposed by the Governor set the limit at \$1.085 billion consistent with the SAC recommendation. The Governor's five-year CIP also adheres to the SAC recommendation to increase annual new GO authorizations by 1% to account for construction inflation. The MCCBL of 2019 passed by the General Assembly totals \$1.085 billion of net new GO debt authorizations, which is the amount introduced by the Governor and recommended by SAC. An additional \$7.2 million in GO bonds from prior years are deauthorized in the MCCBL of 2019, thereby increasing the amount of new GO debt to \$1.092 billion.

The State's capital program for fiscal 2020 also includes other actions that affect debt affordability, debt issuance, and future capital budgets.

- **House Bill 1347 (Chapter 737)** includes amendments to prior authorizations that, among other changes, extend matching fund deadlines, extend deadlines for expending or

encumbering funds, alter the purposes for which funds may be used, modify certification requirements, rename grant recipients, or alter project locations.

- The MCCBL of 2019 includes \$342.2 million of GO bond authorizations that will not take effect until fiscal 2021, \$102.6 million that will not take effect until fiscal 2022, and \$16.6 million for fiscal 2023. Many of these preauthorizations either continue the funding for existing construction contracts or allow projects expected to be contracted during fiscal 2020 to proceed without the full amount of the construction authorization provided in the fiscal 2020 budget. Some preauthorizations express the General Assembly's support of local projects, which are not contracted by the State but rather by local governments and local and private organizations. **Exhibit 2.5** shows the preauthorizations for fiscal 2021 to 2023 included in the MCCBL of 2019.

Exhibit 2.5
Preauthorizations Included in the Maryland Consolidated
Capital Bond Loan of 2019
Fiscal 2021-2023

<u>Project Title</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
DMIL: Havre de Grace CSMS Automotive and Surface Equipment Maintenance Facility	\$4,784,000	\$4,784,000	
DoIT: Public Safety Communication System	8,000,000		
DPSCS: Jessup Region Electrical Infrastructure Upgrade	6,460,000		
DPSCS: Hot Water and Steam System Improvements	9,211,000	8,459,000	\$8,459,000
DPSCS: Demolition of Buildings at the Baltimore City Correctional Complex	5,101,000		
UMCP: School of Public Policy Building	2,500,000		
UMES: School of Pharmacy and Health Professions	45,735,000	23,600,000	
USMO: Southern Maryland Regional Higher Education Center	62,202,000	3,229,000	
BCCC: Liberty Campus Loop Road and Entrance Improvements	4,749,000		
SMCM: Academic Building and Auditorium	28,200,000	17,033,000	
MHEC: Community College Construction Grant Program	60,260,000	31,154,000	8,188,000
MSU: New Student Services Support Building	4,761,000		
MES: Infrastructure Improvement Fund	7,732,000	1,284,000	
MISC: Garrett College – Community Education and Performing Arts Center	5,500,000		
HSMCC: Maryland Heritage Interpretive Center	7,500,000	7,500,000	
DNR: Coastal Resiliency Program	3,000,000		

<u>Project Title</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
DPSCS: Housing Unit Windows and Steam Heating System	5,000,000		
UMCP: Chemistry Building Wing I	5,000,000		
UMBC: Utility Upgrade and Site Improvements	6,440,000	5,525,000	
MSU: Morgan State University Convocation Center	5,000,000		
DSP: New Cumberland Barrack and Garage	1,866,000		
MISC: The League for People with Disabilities – Facility Upgrade	4,500,000		
MISC: Round House Theatre	1,500,000		
MISC: Olney Theatre	2,000,000		
MISC: Merriweather Post Pavilion	2,000,000		
MISC: Prince George’s County Public High School Athletic Facilities	3,000,000		
MISC: JHU New Medical Research Building Children’s Medical and Surgical Center and North Tower Annex	12,000,000		
MISC: Maryland Science Center	1,500,000		
MISC: Prince George’s County Amphitheatre	14,000,000		
MISC: Downtown Frederick Hotel and Conference Center Public Amenities	2,500,000		
MISC: Bay Sox Stadium	1,000,000		
MISC: Sheppard Pratt at Elkridge	2,000,000		
MISC: Ripken Stadium	700,000		
MISC: MedStar Franklin Hospital	3,500,000		
MISC: Sinai Hospital of Baltimore	1,000,000		
MISC: City of Gaithersburg – New Police Station	1,000,000		
MISC: Port Discovery	1,000,000		
Total	\$342,201,000	\$102,568,000	\$16,647,000

BCCC: Baltimore City Community College
 CSMS: Combined Support Maintenance Shop
 DoIT: Department of Information Technology
 DMIL: Military Department
 DNR: Department of Natural Resources
 DPSCS: Department of Public Safety and Correctional Services
 DSP: Department of State Police
 HSMCC: Historic St. Mary’s City Commission
 JHU: Johns Hopkins University

MES: Maryland Environmental Service
 MHEC: Maryland Higher Education Commission
 MISC: miscellaneous
 MSU: Morgan State University
 SMCM: St. Mary’s College of Maryland
 UMBC: University of Maryland Baltimore County
 UMCP: University of Maryland, College Park Campus
 UMES: University of Maryland Eastern Shore
 USMO: University System of Maryland Office

Higher Education

The State-funded portion of the fiscal 2020 capital program for all segments of higher education is \$341.0 million, including both GO bonds and ARBs. Of the total funding, public four-year institutions, including regional higher education centers, receive \$236.5 million, or 69.4%, of funding; and independent institutions receive \$17.6 million, or 5.2%, of funding. Community colleges receive \$86.9 million in fiscal 2020 GO bonds or 25.4% of higher education funding. This includes \$1.0 million of recycled GO bond funds leftover from prior local community college projects and \$3.8 million for the facilities renewal grant program established by Chapter 687 of 2018. Community college funding is also matched by \$50 million in local support in fiscal 2020. **Exhibit 2.6** shows the fiscal 2020 capital funding by institution.

Exhibit 2.6
Fiscal 2020 Higher Education Capital Funding by Institution
 (\$ in Thousands)

<u>Institution</u>	<u>Capital Funding</u>
University of Maryland, Baltimore Campus	\$13,159
University of Maryland, College Park Campus	21,104
Bowie State University	6,500
Towson University	73,491
University of Maryland Eastern Shore	11,023
Frostburg State University	6,200
University of Maryland Baltimore County	5,522
USM – Facility Renewal	28,646
USM – Southern Maryland Higher Education Center	11,953
Morgan State University	41,963
St. Mary’s College of Maryland	16,971
Independent Institutions	17,600
Community Colleges	86,879
Total	\$341,011

USM: University System of Maryland

Note: Includes general obligation bonds, academic revenue bonds, and bond premiums. Does not include the community college facility grant fund balance of \$1.0 million.

School Construction

The fiscal 2020 capital and operating budgets provide a total of \$500.6 million for school construction, an increase of \$62.5 million above the Governor's proposed plan. This includes \$326.1 million in GO bonds and \$167.0 million in PAYGO funds for public school construction as well as \$4.0 million in GO bonds and \$3.5 million in PAYGO funds for nonpublic school construction. **Exhibit 2.7** illustrates the difference between the Governor's school construction budget plan and that of the General Assembly.

Exhibit 2.7
Comparison of Governor and General Assembly Fiscal 2020
School Construction Funding Plans
(\$ in Millions)

	<u>Governor's Allowance</u>	<u>Legislative Appropriation</u>	<u>Difference</u>
General Funds			
Healthy School Facility Fund	\$30.0	\$30.0	\$0.0
Public School Safety Improvements	10.0	10.0	0.0
Nonpublic School Safety Improvements	3.5	3.5	0.0
Public School Construction Program – Revenue Stabilization Account ¹	0.0	90.0	90.0
Public School Construction Program – Dedicated Purpose Account ²	0.0	37.0	37.0
Subtotal	\$43.5	\$170.5	\$127.0
Special Funds			
Building Opportunity Fund – Education Trust Fund	\$45.0	\$0.0	-\$45.0
Local Share of School Construction Costs Revolving Loan Fund	20.0	0.0	-20.0
Subtotal	\$65.0	\$0.0	-\$65.0
General Obligation Bonds			
Public School Construction Program	\$280.0	\$251.8	-\$28.2
Supplemental Capital Grant Program	40.0	68.2	28.2
Aging Schools Program	6.1	6.1	0.0
Nonpublic Aging Schools Program	3.5	4.0	0.5
Subtotal	\$329.6	\$330.1	\$0.5
Total	\$438.1	\$500.6	\$62.5

¹The release of these funds by budget amendment are at the discretion of the Governor.

²The release of these funds by budget amendment are at the discretion of the Governor. Language restricts \$9.3 million of these funds to forward funded projects that can only be reimbursed with pay-as-you-go funding.

Public School Construction and Supplemental Capital Grant Programs

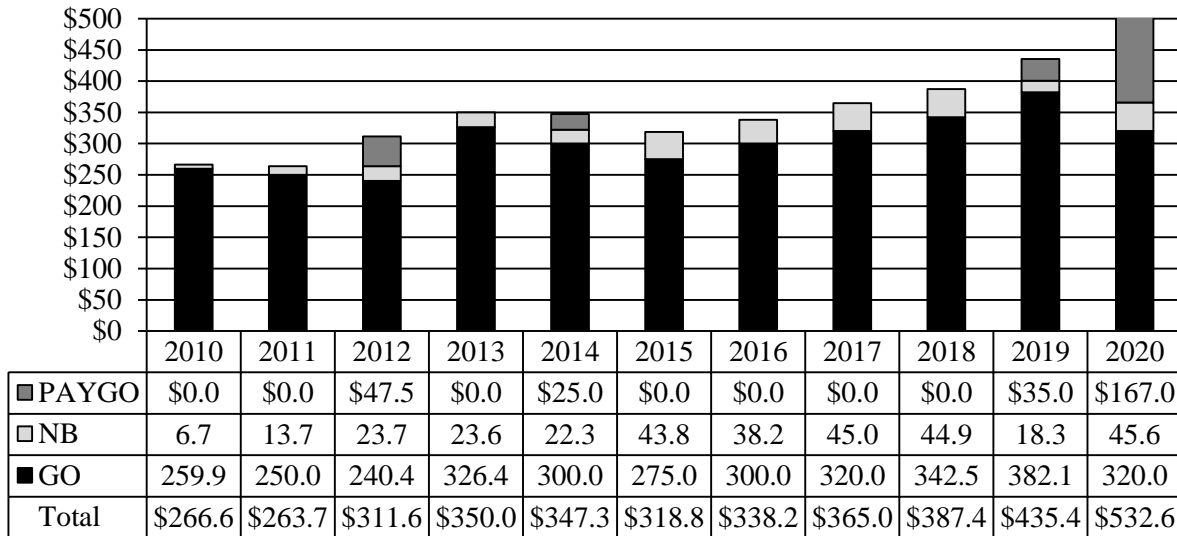
As introduced, the Governor's fiscal 2020 capital budget included \$280.0 million in GO bond funding for the general Public School Construction program and \$40.0 million in mandated funding for the Supplemental Capital Grant Program for local school systems with Enrollment Growth or Relocatable Classrooms (EGRC), for a total of \$320.0 million. The General Assembly subsequently decreased the GO bond funding for the general Public School Construction program by \$28.2 million and increased the appropriation for EGRC by an equivalent amount, to a total of \$68.2 million. While Title 5, Subtitle 3 of the Education Article establishes a funding formula for the counties eligible for EGRC, the additional \$28.2 million is allocated outside of the statutory formula with specific allocations to the participating jurisdictions set forth in the MCCBL of 2019. The \$68.2 million authorized for eligible counties under the EGRC program is allocated as follows: \$7.9 million to Anne Arundel County; \$10.9 million to Baltimore County; \$5.4 million to Howard County; \$25.9 million to Montgomery County; and \$18.1 million to Prince George's County.

The Governor's proposed fiscal 2020 operating budget as introduced included \$65.0 million in PAYGO funding paid from the Education Trust Fund lock box. This included \$45.0 million for the Governor's proposed Building Opportunity Fund under **Senate Bill 159/ House Bill 153 (both failed)**, and \$20.0 million for a Revolving Loan Fund for public school construction costs established by Chapter 14 of 2018. The General Assembly restricted all of this ETF lock box funding for operating initiatives under **Senate Bill 1030**. The General Assembly instead restricted \$90.0 million in PAYGO funding for public school construction from the Revenue Stabilization Account, and \$37.0 million from the DPA of which \$9.3 million is restricted to reimburse counties that forward funded the State's share of eligible public school construction and cannot be reimbursed with GO bonds.

An additional \$45.6 million in unexpended funds from prior years is available for public school construction from the Statewide Contingency Fund as of May 1, 2019.

As shown in **Exhibit 2.8**, when accounting for GO bond funding from the general Public School Construction Program, restricted PAYGO funds, and recycled contingency funds, \$532.6 million is available for public school construction in fiscal 2020.

Exhibit 2.8
State Funding for Public School Construction
Fiscal 2010-2020
(\$ in Millions)



EGRC: Enrollment Growth or Relocatable Classrooms

GO: general obligation

NB: nonbudgeted

PAYGO: pay-as-you-go

Note: Fiscal 2019 PAYGO allocation includes \$25.0 million in bond premiums. Fiscal 2020 PAYGO funding includes \$90.0 million in the Revenue Stabilization Account and \$37.0 million in the Dedicated Purpose Account that is contingent upon release by the Governor. Amounts do not include funding for the 21st Century Schools Program for public school construction in Baltimore City. Nonbudgeted funds include: \$39.3 million available from the Statewide Contingency Fund, \$3.6 million of available prior year authorized EGRC funds, and \$3.7 million of available unexpended funds from auxiliary programs (*i.e.*, air conditioning initiative, energy efficiency initiative, other supplemental authorizations).

Source: Public School Construction Program *Capital Improvement Programs*, Fiscal 2010-2020; Department of Legislative Services

Aging Schools

The capital budget provides \$6.1 million in GO bonds for the Aging Schools Program allocated as grants to county boards of education as specified in § 5-206 of the Education Article. Additionally, the capital budget bill includes language that extends the termination date of unencumbered Aging Schools funds as authorized in the 2012 session, making them available through fiscal 2021.

Healthy School Facility Fund

Chapter 561 of 2018 established the Healthy School Facility Fund within the Interagency Committee on School Construction to provide grants to public schools to improve the health of school facilities, largely in response to January 2018 school closures for cold weather in Baltimore City. The operating budget provides the required \$30.0 million in PAYGO funds. However, as introduced, the appropriation included language that specified that \$2.6 million was to only be used for projects at public charter schools. The General Assembly struck this language, since public charter schools located in facilities that are owned by a local school system or a public-private partnership lease-leaseback arrangement are eligible to receive public school construction funding.

School Safety Improvements

The capital budget includes \$10.0 million in PAYGO general funds for public school safety improvements. Additionally, the operating budget includes \$3.5 million in PAYGO general funds for safety improvements in nonpublic schools to which the General Assembly added language specifying which nonpublic schools are eligible to receive funds and in which amounts.

James E. “Ed” DeGrange Nonpublic Aging Schools Program

The James E. “Ed” DeGrange Nonpublic Aging Schools (DeGrange) Program provides funds to nonpublic schools for improvements, repairs, school security improvements, and deferred maintenance in nonpublic school buildings. The General Assembly increased the GO bond appropriation for the DeGrange Program by \$0.5 million, providing a total of \$4.0 million in fiscal 2020. Additionally, the General Assembly added language to the DeGrange Program to (1) allow nonpublic schools serving students with disabilities through the Nonpublic Placement Program to receive funds; (2) require that funds be spent within three years after which they become available for the public school construction program; and (3) specify that approximately \$1.0 million in funding be provided to specific nonpublic schools.

Fiscal 2020 Transfer Tax Repayment

Chapter 10 requires the repayment of \$242.2 million in past redirected transfer tax funds by fiscal 2029 of which \$189.6 million would support capital programs. As introduced, the fiscal 2020 budget provided \$46.4 million for the repayment plan, including \$43.9 million in the DPA and another \$2.5 million directly in the Maryland Agricultural and Resource-Based Industry Development Corporation (MARBIDCO) budget under the Maryland Department of Agriculture. The budget as passed appropriates the \$2.5 million to MARBIDCO and fully funds the \$43.9 million of repayment from the DPA. However, as shown in **Exhibit 2.9**, the General Assembly adopted a modified allocation that, in addition to programming more funds for the Department of Natural Resources critical maintenance and natural resources development projects, uses \$10.9 million to support capital projects that would otherwise require the use of GO bonds. This includes \$5.0 million for the Rural Legacy Program, \$1.0 million for Historic

St. Mary's Commission facilities renewal, and \$3.9 million for the Jefferson Patterson Park and Museum – Patterson Center Renovations project within the Natural Resources Development Fund appropriation. In addition, \$999,000 is repurposed from the Maryland Agricultural Land Preservation Foundation in order to fund Southern Maryland Agricultural Land Preservation.

Exhibit 2.9
Transfer Tax Repayment – Dedicated Purpose Account
Fiscal 2020

	<u>Allowance</u>	<u>Legislative Appropriation</u>	<u>Difference</u>	<u>GO Bond Relief</u>
DNR – Forest and Park Service	\$5,499,612	\$3,999,576	-\$1,500,036	\$0
DNR – Engineering and Construction	190,888	190,888	0	0
DNR – Land Acquisition and Planning				
Program Open Space – State Share	11,445,838	0	-11,445,838	0
Program Open Space – Local Share	8,535,752	8,535,752	0	0
Rural Legacy Program	1,893,048	6,893,048	5,000,000	5,000,000
Natural Resources Development Fund	3,000,000	3,625,036	625,036	0
Historic St. Mary's City Commission Facilities Renewal	0	1,000,000	1,000,000	1,000,000
Jefferson Patterson Park and Museum – Patterson Center Renovations	0	3,875,000	3,875,000	3,875,000
Critical Maintenance Program	6,840,520	9,286,358	2,445,838	0
MDA – Agricultural Land Preservation				
Maryland Agricultural Land Preservation Foundation	6,455,292	5,456,292	-999,000	0
Southern Maryland Agricultural Land Preservation	0	999,000	999,000	999,000
Total	\$43,860,950	\$43,860,950	\$0	\$10,874,000

DNR: Department of Natural Resources

GO: general obligation

MDA: Maryland Department of Agriculture

Note: The Natural Resources Development Fund funding is \$8,500,036 of which \$1,000,000 is allocated to Historic St. Mary's Commission and \$3,875,000 to Jefferson Patterson Park and Museum for the Patterson Center Renovations project, which are shown as separate line items for the purposes of this exhibit. The Maryland Agricultural Land Preservation Foundation funding is \$6,455,292 of which \$999,000 is allocated to Southern Maryland Agricultural Land Preservation, which is shown as a separate line item for the purposes of this exhibit.

Source: Department of Legislative Services

Transfer Tax Funded Programs

Exhibit 2.10 shows the fiscal 2020 allocation of funding for capital programs funded with transfer tax revenue. Program funding is distinguished between the distribution of fiscal 2020 estimated transfer tax revenue through the formula and the allocation of general funds in the DPA for the transfer tax repayment outlined above. In addition, Exhibit 2.10 reflects special funds derived from the county participation component of the Maryland Agricultural Land Preservation Foundation funding and federal funds budgeted for the State Share of POS and the Natural Resources Development Fund.

Exhibit 2.10
Transfer Tax Funded Programs
Fiscal 2020 Legislative Appropriation
(\$ in Thousands)

	<u>Transfer Tax Regular Special Funds</u>	<u>Transfer Tax Repayment General Funds</u>	<u>Other Special Funds</u>	<u>Federal</u>	<u>Total</u>
Department of Natural Resources					
Program Open Space					
State ¹	\$43,221	\$0	\$0	\$3,000	\$46,221
Local	48,032	8,536	0	0	56,567
Capital Development ²	20,441	17,786	0	1,350	39,577
Rural Legacy Program	18,852	6,893	0	0	25,745
Heritage Conservation Fund	3,907	0	0	0	3,907
Department of Agriculture					
Agricultural Land Preservation ³	36,516	6,455	8,500	0	51,471
Total	\$170,968	\$39,670	\$8,500	\$4,350	\$223,489

¹The Baltimore City Direct Grant of \$6.0 million comes out of the \$43.2 million in transfer tax special funds for Program Open Space (POS) – State. The Baltimore City Direct Grant allocation for fiscal 2020 is as follows: \$4,735,000 for projects that meet park purposes; \$500,000 for Ambrose Kennedy Park; \$250,000 for Garrett Park; \$150,000 for the creation of a park for the Rachel Wilson Memorial for Fallen Firefighters; \$250,000 for Cylburn Arboretum; \$50,000 for Warwick Park; \$50,000 for Bond Street Park; and \$15,000 for Johnston Square Greenspace. The \$3.0 million in federal funds reflected for POS – State could also be used by POS – Local.

²The Capital Development funding is allocated among the Natural Resources Development Fund, Critical Maintenance Program, and Ocean City Beach Maintenance. The Natural Resources Development Fund funding is \$15,281,533 in transfer tax special funds, \$8,500,036 in general funds, and \$1,350,000 in federal funds. Of the \$8,500,036 in general funds, \$1,000,000 is allocated to the Historic St. Mary's City Commission and \$3,875,000 to Jefferson Patterson Park and Museum for the Patterson Center Renovations project. The Critical Maintenance Program allocation is \$4,159,480 in transfer tax special funds and \$9,286,358 in general funds. The Ocean City Beach Maintenance allocation is \$1,000,000 in transfer tax special funds.

³The Agricultural Land Preservation funding reflects \$6,455,292 in general fund transfer tax repayment of which \$999,000 is allocated for Southern Maryland Agricultural Land Preservation and \$8,500,000 in county participation special funds.

Source: Department of Legislative Services

Chapter 3. Impact of Legislation on State Revenues and Expenditures

- Legislation Affecting State Revenues
- Totals by Fund Type/Summary of Quantifiable Revenue Effects
- Legislation Affecting State Expenditures
- Quantifiable Expenditures by Agency
- Totals by Fund Type/Summary of Quantifiable Expenditure Effects
- Quantifiable Regular Positions Needed by Agency
- Quantifiable Contractual Positions Needed by Agency

Legislation Affecting State Revenues

	<u>Fund</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>Comments</u>
SB 22	Insurance Regulation – Third Party Administrators – Life Insurance (Ch. 100)						
	SF	increase	increase	\$0	increase	\$0	Minimal fee revenues.
SB 26	State Department of Assessments and Taxation – Expedited Document Processing (Ch. 266)						
	SF	indeterminate	indeterminate	indeterminate	indeterminate	indeterminate	Fee revenues.
SB 28	Health Insurance – Coverage Requirements for Behavioral Health Disorders – Short-Term Limited Duration Insurance (Ch. 101)						
	SF	increase	\$0	\$0	\$0	\$0	Minimal fee revenues.
SB 53	State Finance and Procurement – Energy Performance Contracts (Ch. 134)						
	REIM	(\$650,000)	(\$650,000)	(\$650,000)	(\$650,000)	(\$650,000)	Reimbursable fund expenditures decrease by same amount.
SB 59	State Department of Assessments and Taxation – Notices and Orders – E-Mail (Ch. 267)						
	SF	decrease	decrease	decrease	decrease	decrease	Reimbursement revenues. SF expenditures decrease by same amount.
SB 69	Appraisal Management Companies – Annual Fee and Reports (Ch. 89)						
	SF	increase	increase	increase	increase	increase	Fee revenues. SF expenditures increase by same amount.
SB 103/HB 181	Criminal Law – Electronic Harassment and Bullying (Grace’s Law 2.0) (Ch. 26/Ch. 27)						
	GF	increase	increase	increase	increase	increase	Minimal fine revenues.
SB 141/HB 424	Washington County – Disposition of Marriage Ceremony Fee (Ch. 122/Ch. 121)						
	GF	(\$2,880)	(\$3,840)	(\$3,840)	(\$3,840)	(\$3,840)	
SB 218/HB 338	Human Services – Food Supplements (Summer SNAP for Children Act) (Ch. 636/Ch. 635)						
	FF	increase	increase	increase	\$0	\$0	Potential grant revenues. FF expenditures increase by same amount.
	SF	\$0	increase	increase	increase	increase	Local matching revenues. SF expenditures increase by same amount.
SB 232/HB 240	Hate Crimes – Threats (Ch. 29/Ch. 28)						
	GF	increase	increase	increase	increase	increase	Minimal fine revenues.

Legislation Affecting State Revenues

	<u>Fund</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>Comments</u>
SB 239/HB 258	Health Insurance – Individual Market Stabilization – Provider Fee (Ch. 598/Ch. 597)						
	FF	\$19,800,000	\$40,600,000	\$42,700,000	\$45,000,000	\$23,000,000	FF expenditures increase by same amount.
	SF	\$105,000,000	\$140,200,000	\$147,900,000	\$156,000,000	\$34,000,000	
SB 253	Major Information Technology Development Project Fund – Money Received by Baltimore City Community College – Exemption (Ch. 751)						
	SF	(\$68,058)	(\$90,744)	(\$90,744)	(\$90,744)	(\$90,744)	
SB 265	Income Tax Subtraction Modification – Mortgage Forgiveness Debt Relief – Extension (Ch. 303)						
	GF	(\$200,000)	(\$200,000)	(\$200,000)	(\$200,000)	(\$200,000)	
SB 280/HB 166	Labor and Employment – Payment of Wages – Minimum Wage (Fight for Fifteen) (Ch. 11/Ch. 10)						
	FF	\$0	\$80,464,000	\$165,373,859	\$253,338,136	\$343,058,599	Potential provider reimbursements in addition to amount shown. FF expenditures increase by similar amount.
	GF	increase	increase	increase	increase	increase	Minimal income and sales tax and penalty revenues.
SB 283	Sales and Use Tax – Cleaning of Commercial or Industrial Buildings – Community Property Exemption (Ch. 293)						
	GF	decrease	decrease	decrease	decrease	decrease	Potential significant sales tax revenues.
SB 296/HB 432	Property Tax – Exemptions – Nonprofit Charitable Museums (Ch. 434/Ch. 433)						
	SF	(\$34,823)	(\$34,823)	(\$34,823)	(\$34,823)	(\$34,823)	
SB 317	Estates and Trusts – Share of Intestate Estate Inherited by Surviving Spouse (Ch. 262)						
	GF	decrease	decrease	decrease	decrease	decrease	Minimal estate tax revenues.
SB 319	Maryland Transit Administration – State Employees – Free Ridership (Transit Benefit for State Employees) (Ch. 420)						
	SF	decrease	decrease	decrease	decrease	decrease	Potential significant fare revenues.
SB 327/HB 274	Justice Reinvestment Act – Diminution Credits – Sentencing (Ch. 604/Ch. 603)						
	SF	\$0	increase	increase	increase	increase	Potential significant reinvestment revenues.

Legislation Affecting State Revenues

	<u>Fund</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>Comments</u>
SB 339/HB 397	Public Safety – 9-1-1 Emergency Telephone System (Carl Henn’s Law) (Ch. 302/Ch. 301)						
	SF	\$53,800,000	\$53,800,000	\$53,800,000	\$53,800,000	\$53,800,000	SF expenditures increase by same amount.
SB 340/HB 543	Maryland Technology Development Corporation – Investments and Operations (Ch. 488/Ch. 487)						
	SF	indeterminate	indeterminate	indeterminate	indeterminate	indeterminate	Investment revenues.
SB 344/HB 20	State Agricultural Land Transfer Tax – Alteration of Nonagricultural Use Reduction and Exemptions (Ch. 567/Ch. 566)						
	SF	indeterminate	indeterminate	indeterminate	indeterminate	indeterminate	Transfer tax revenues.
SB 361/HB 349	Natural Resources – Special Charter Boat License – Alteration (Ch. 260/Ch. 259)						
	SF	decrease	decrease	decrease	decrease	decrease	Potential fee revenues.
SB 391/HB 336	Civilian Federal Employees – Unemployment Insurance Benefits and Federal Government Shutdown Employee Assistance Loan Fund (Federal Shutdown Paycheck Protection Act) (Ch. 2/Ch. 1)						
	SF	increase	increase	increase	increase	increase	Federal Government Shutdown Employee Assistance Loan Fund. Potential revenues from fund transfer. Catastrophic Event Account. Potential revenues from fund transfer.
	SF	increase	increase	increase	increase	increase	
SB 394/HB 259	Criminal Procedure – Expungement – Boating Offenses (Ch. 600/Ch. 599)						
	GF	increase	increase	increase	increase	increase	Minimal fee revenues.
SB 396/HB 633	Higher Education – Legal Representation Fund for Title IX Proceedings – Established (Ch. 675/Ch. 674)						
	SF	\$0	\$250,000	\$250,000	\$250,000	\$250,000	SF expenditures likely increase by similar amount.
SB 406/HB 520	Prenatal and Infant Care Coordination – Grant Funding and Task Force (Ch. 662/Ch. 661)						
	SF	\$0	\$50,000	\$50,000	\$50,000	\$50,000	SF expenditures increase by same amount.
SB 426	Medical Cannabis – Regulation of Dispensaries, Growers, and Processors (Ch. 501)						
	SF	increase	increase	increase	increase	increase	Minimal fee revenues.

Legislation Affecting State Revenues

	<u>Fund</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>Comments</u>
SB 432/HB 1315	Higher Education – Cyber Warrior Diversity Program – Revisions (Ch. 454/Ch. 455)						
	GF	decrease	decrease	decrease	decrease	decrease	Grant revenues are redirected to non-State entity.
SB 460	Pedestrian Safety Fund Act of 2019 (Ch. 519)						
	GF	decrease	decrease	decrease	decrease	decrease	Minimal fine revenues.
	SF	increase	increase	increase	increase	increase	Minimal fine revenues. SF expenditures increase by same amount.
SB 464	School Bus Monitoring Cameras – Civil Penalty – Sunset Repeal (Ch. 429)						
	GF	increase	increase	increase	increase	increase	Fine revenues.
SB 467	Forestry – Mel Noland Fellowship Program – Establishment (Ch. 223)						
	SF	\$0	\$50,000	\$50,000	\$50,000	\$50,000	SF expenditures increase by same amount.
SB 471/HB 652	Agriculture – Use of Antimicrobial Drugs – Limitations and Reporting Requirements (Ch. 679/Ch. 678)						
	GF	increase	increase	increase	increase	increase	Potential penalty revenues.
SB 477/HB 387	Income Tax – Subtraction Modification – Maryland Transportation Authority Police (Ch. 68/Ch. 67)						
	GF	(\$60,000)	(\$60,000)	(\$60,000)	(\$60,000)	(\$60,000)	
SB 483/HB 84	Maryland Farms and Families Fund – Purpose, Use, Funding, and Grant Qualifications – Alterations (Ch. 575/Ch. 574)						
	SF	\$0	increase	increase	increase	increase	Grant revenues. SF expenditures increase by same amount.
SB 484	Tax Liens – Expiration (Ch. 225)						
	GF	decrease	decrease	decrease	decrease	decrease	Significant tax lien revenues.
SB 513/HB 1081	State Board of Public Accountancy – Firm Permits – Attest Services (Ch. 330/Ch. 329)						
	SF	(\$12,800)	(\$17,000)	(\$17,000)	(\$17,000)	(\$17,000)	

Legislation Affecting State Revenues

	<u>Fund</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>Comments</u>
SB 516	Clean Energy Jobs (Ch. 757)						
	SF	\$0	\$200,000	\$500,000	\$500,000	\$1,000,000	Department of Commerce. SF expenditures increase by same amount.
	SF	\$0	increase	increase	increase	increase	Maryland Energy Administration. Offshore wind project deposits. SF expenditures increase by same amount.
	SF	\$0	\$228,571	\$571,429	\$571,429	\$1,142,857	Department of Labor, Licensing, and Regulation. SF expenditures increase by same amount.
	SF	\$3,800,000	increase	increase	increase	increase	Public Service Commission assessment revenues. SF expenditures increase by same amount.
SB 517	Public Utilities – Electricity and Natural Gas Suppliers – Information (Ch. 305)						
	SF	\$100,000	\$50,000	\$50,000	\$50,000	\$50,000	SF expenditures increase by same amount.
SB 524/HB 605	Maryland Medical Assistance Program – Telemedicine – Psychiatric Nurse Practitioners and Psychiatrists (Ch. 480/Ch. 479)						
	FF	increase	increase	increase	\$0	\$0	Potential Medicaid matching revenues. FF expenditures increase by same amount.
SB 533/ HB 884	Sales and Use Tax – Short-Term Rentals (Ch. 758/Ch. 704)						
	GF	increase	increase	increase	increase	increase	Potential significant sales tax revenues.
SB 546	Agriculture – Nutrient Management – Monitoring and Enforcement (Ch. 760)						
	GF	increase	increase	increase	increase	increase	Penalty revenues.
	SF	increase	increase	increase	increase	increase	Fee revenues.
SB 569/HB 1268	Public Safety – Rape Kit Testing Grant Fund – Established (Ch. 509/Ch. 508)						
	SF	\$3,500,000	\$3,500,000	\$3,500,000	\$3,500,000	\$3,500,000	SF expenditures increase by same amount.

Legislation Affecting State Revenues

	<u>Fund</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>Comments</u>
SB 581	Economic, Housing, and Community Development – Opportunity Zone Incentives (Ch. 211)						
	GF	(\$400,000)	(\$425,864)	(\$461,444)	(\$1,472,983)	(\$2,486,689)	
	SF	\$0	(\$409,100)	(\$996,200)	(\$1,212,900)	(\$1,476,700)	Annuity Bond Fund.
	SF	\$0	\$0	\$0	\$384,000	\$397,000	Maryland Historical Trust. SF expenditures increase by same amount.
SB 585/HB 1100	State Board of Waterworks and Waste Systems Operators – Fee Setting, Sunset Extension, and Program Evaluation (Ch. 720/Ch. 719)						
	GF	increase	increase	increase	increase	increase	Minimal fee revenues.
SB 596	Alcoholic Beverages – Mead – Definition and Tax Rate (Ch. 762)						
	GF	indeterminate	indeterminate	indeterminate	indeterminate	indeterminate	Alcoholic beverage sales tax revenues.
	SF	decrease	decrease	decrease	decrease	decrease	Minimal alcoholic beverage sales tax revenues.
SB 598	Maryland Medical Assistance Program – Coverage – Hepatitis C Drugs (Ch. 451)						
	FF	\$2,722,125	\$3,231,816	\$2,920,656	\$2,639,456	\$2,385,329	FF expenditures increase by same amount.
SB 607	Homeowner’s Insurance – Discrimination in Underwriting and Rating – Status as Surviving Spouse (Ch. 331)						
	SF	increase	\$0	\$0	\$0	\$0	Minimal fee revenues.
SB 631/HB 599	Health Insurance – Coverage for Mental Health Benefits and Substance Use Disorder Benefits – Treatment Criteria (Ch. 357/Ch. 358)						
	SF	increase	\$0	\$0	\$0	\$0	Minimal fee revenues.
SB 646/HB 604	Workers’ Compensation – Medical Presumptions for Diseases and Cancer – Eligibility (Firefighter Jesse McCullough’s Cancer Protection Law) (Ch. 216/Ch. 215)						
	NB	increase	increase	increase	increase	increase	Potential significant insurance premium revenues. NB expenditures likely increase by similar amount.
SB 671/HB 1114	State Board of Well Drillers – Fee Setting, Sunset Extension, and Program Evaluation (Ch. 723/Ch. 722)						
	GF	increase	increase	increase	increase	increase	Minimal fee revenues.
SB 678	State Government – Notarial Acts and Notaries Public (Ch. 407)						
	GF	\$0	increase	increase	increase	increase	Potential fee revenues.

Legislation Affecting State Revenues

	<u>Fund</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>Comments</u>
SB 690/HB 871	Criminal Law – Human Trafficking and Prostitution Offenses (Ch. 22/Ch. 21)						
	GF	increase	increase	increase	increase	increase	Minimal fine revenues.
SB 699	Maryland Medical Assistance Program – Home- and Community-Based Waiver Services – Prohibition on Denial (Ch. 414)						
	FF	increase	increase	increase	increase	increase	Potential significant Medicaid matching revenues. FF expenditures increase by same amount.
SB 712/HB 671	Household Goods Movers Registration (Ch. 685/Ch. 684)						
	GF	increase	increase	increase	increase	increase	Fee revenues.
SB 736/HB 1027	Criminal Law – Child Pornography (Ch. 326/Ch. 325)						
	GF	increase	increase	increase	increase	increase	Minimal fine revenues.
SB 777	Property Tax – Exemption for Dwelling House Owned by Disabled Active Duty Service Member (Ch. 520)						
	SF	decrease	decrease	decrease	decrease	decrease	Minimal property tax revenues.
SB 780	Transfer Tax – Transfers by Governmental Entities (Ch. 290)						
	GF	decrease	decrease	decrease	decrease	decrease	Court commission fee revenues decrease beginning in FY 2019. Transfer tax revenues decrease beginning in FY 2019.
	SF	decrease	decrease	decrease	decrease	decrease	
SB 793	Community Safety and Strengthening Act (Ch. 25)						
	SF	\$0	\$5,000,000	\$5,000,000	\$10,000,000	\$10,000,000	SF expenditures increase by same amount.
SB 801/HB 1010	Brewery Modernization Act of 2019 (Ch. 318/Ch. 317)						
	GF	increase	increase	increase	increase	increase	Minimal alcoholic beverage sales tax revenues.
SB 802/HB 814	Maryland Easy Enrollment Health Insurance Program (Ch. 424/Ch. 423)						
	FF	increase	increase	increase	increase	increase	Potential significant Medicaid matching revenues. FF expenditures increase by same amount.

Legislation Affecting State Revenues

	<u>Fund</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>Comments</u>
SB 842	Criminal Law – Gaming – Civil Offense (Ch. 495)						
	GF	increase	increase	increase	increase	increase	Minimal fine revenues.
SB 870	Income Tax – Child and Dependent Care Tax Credit – Alterations (Ch. 432)						
	GF	(\$10,900,000)	(\$11,281,000)	(\$11,609,000)	(\$11,934,000)	(\$12,263,000)	
SB 904/HB 1272	Maryland Department of Health – Family Planning Program – Funding (Ch. 734/Ch. 733)						
	FF	(\$3,208,608)	decrease	decrease	decrease	decrease	Potential significant grant revenues. FF expenditures decrease by same amount.
SB 945	Sales and Use Tax – Taxable Services – Telephone Answering Service (Ch. 292)						
	GF	decrease	decrease	decrease	decrease	decrease	Potential sales tax revenues beginning in FY 2019.
SB 1011	Prince George’s County – Public School Construction – Prince George’s County Public-Private Partnership Fund (Ch. 387)						
	SF	increase	increase	increase	increase	increase	Potential significant revenues for school construction. SF expenditures likely increase by similar amount.
SB 1030	The Blueprint for Maryland’s Future (Ch. 771)						
	SF	increase	increase	increase	increase	increase	Potential significant revenues for education.
SB 1031	Environment – Maryland Oil Disaster Containment, Clean-Up and Contingency Fund and Oil Contaminated Site Environmental Cleanup Fund – Funding, Reallocation, and Reimbursements (Ch. 772)						
	SF	\$2,193,750	\$2,925,000	\$731,250	\$0	\$0	Anticipated in FY 2020 budget.
SB 1038/HB 1401	Vehicle Laws – Overweight Vehicles – Heavy Weight Port Corridor Permit (Ch. 255/Ch. 254)						
	SF	increase	increase	increase	increase	increase	Minimal fee revenues.
HB 20/SB 344	See entry for SB 344.						
HB 59	Financial Institutions – Commissioner of Financial Regulation – Debt Settlement Services (Ch. 90)						
	SF	(\$8,400)	(\$2,800)	(\$2,800)	(\$2,800)	(\$2,800)	

Legislation Affecting State Revenues

	<u>Fund</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>Comments</u>
HB 61	Financial Institutions – Commissioner of Financial Regulation – Mortgage Lenders, Loan Servicers, and Loan Originators (Ch. 92)						
	SF	decrease	(\$4,000)	(\$4,000)	(\$4,000)	(\$4,000)	Minimal fee revenues.
HB 84/SB 483	See entry for SB 483.						
HB 105	Maryland Transportation Authority Facilities – Video Tolls – Collection (Ch. 141)						
	GF	\$17,000	\$17,000	\$17,000	\$17,000	\$17,000	GF revenues also increase by \$1,417 in FY 2019.
	NB	\$18,470,000	increase	increase	increase	increase	Potential significant toll revenues. NB revenues decrease by \$110,833 in FY 2019.
	SF	(\$226,000)	(\$226,000)	(\$226,000)	(\$226,000)	(\$226,000)	SF expenditures decrease by same amount. SF revenues also decrease by \$18,833 in FY 2019.
HB 116	Public Health – Correctional Services – Opioid Use Disorder Examinations and Treatment (Ch. 532)						
	FF	\$0	increase	increase	increase	increase	Potential grant revenues beginning in FY 2021.
HB 127	Health Insurance – Health Benefit Plans – Special Enrollment Period for Pregnancy (Ch. 355)						
	SF	increase	\$0	\$0	\$0	\$0	Minimal fee revenues.
HB 162	Medical Professional Liability Insurance Policies – Mandated Deductible Levels – Limitation (Ch. 113)						
	SF	decrease	decrease	decrease	decrease	decrease	Minimal fee revenues.
HB 166/SB 280	See entry for SB 280.						
HB 170	Jane E. Lawton Conservation Loan Program – Eligible Borrowers (Ch. 135)						
	SF	increase	increase	increase	increase	increase	Potential loan repayment and fee revenues.
HB 173	Economic Development – Job Creation Tax Credit – Sunset Extension (Ch. 84)						
	GF	(\$3,259,000)	(\$3,259,000)	\$0	\$0	\$0	
	SF	(\$525,000)	(\$525,000)	\$0	\$0	\$0	Transportation Trust Fund.
	SF	(\$216,000)	(\$216,000)	\$0	\$0	\$0	Higher Education Investment Fund.

Legislation Affecting State Revenues

	<u>Fund</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>Comments</u>
HB 175	Maryland Research and Development Tax Credit – Sunset Extension (Ch. 85)						
	GF	\$0	\$0	(\$5,681,000)	(\$1,775,000)	(\$1,420,000)	
	SF	\$0	\$0	(\$977,000)	(\$305,000)	(\$244,000)	Transportation Trust Fund.
	SF	\$0	\$0	(\$402,000)	(\$126,000)	(\$100,000)	Higher Education Investment Fund.
HB 180	Motor Vehicle Administration – Licenses and Identification Cards – Electronic Credentials (Ch. 142)						
	SF	increase	increase	increase	increase	increase	Minimal fee revenues.
HB 181/SB 103	See entry for SB 103.						
HB 187	Prince George’s County – Speed Monitoring Systems – Maryland Route 210 (Indian Head Highway) PG 305-19 (Ch. 586)						
	GF	increase	increase	increase	increase	\$0	Minimal fine revenues.
	SF	increase	increase	increase	increase	\$0	Potential significant fine revenues beginning in FY 2019. SF expenditures increase by same amount.
HB 190	Environment – Failing On-Site Sewage Disposal System – Definition (Ch. 342)						
	GF	decrease	decrease	decrease	decrease	decrease	Minimal income tax revenues.
HB 240/SB 232	See entry for SB 232.						
HB 258/SB 239	See entry for SB 239.						
HB 259/SB 394	See entry for SB 394.						
HB 274/SB 327	See entry for SB 327.						
HB 336/SB 391	See entry for SB 391.						
HB 338/SB 218	See entry for SB 218.						
HB 349/SB 361	See entry for SB 361.						
HB 387/SB 477	See entry for SB 477.						
HB 397/SB 339	See entry for SB 339.						

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Effect of the 2019 Legislative Program on the Financial Condition of the State

Legislation Affecting State Revenues

	<u>Fund</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>Comments</u>
HB 671/SB 712	See entry for SB 712.						
HB 707	Drunk and Drugged Driving Offenses – Penalties (Ch. 20)						
	GF	increase	increase	increase	increase	increase	Minimal fine revenues.
HB 751	Health Insurance – Prior Authorization – Requirements (Ch. 549)						
	SF	increase	\$0	\$0	\$0	\$0	Minimal fee revenues.
HB 754	Health Insurance and Pharmacy Benefits Managers – Cost Pricing and Reimbursement (Ch. 400)						
	GF	increase	increase	increase	increase	increase	Potential fine revenues.
	SF	increase	\$0	\$0	\$0	\$0	Minimal fee revenues.
HB 759	Pharmacy Benefits Managers – Pharmacy Choice (Ch. 550)						
	FF	increase	increase	increase	increase	increase	Potential Medicaid matching revenues. FF expenditures increase by same amount.
	SF	increase	\$0	\$0	\$0	\$0	Minimal fee revenues.
HB 808	Weed Control – Noxious Weeds – Regulations and Penalties (Ch. 278)						
	GF/SF	increase	increase	increase	increase	increase	Potential penalty revenues.
HB 814/SB 802	See entry for SB 802.						
HB 871/SB 690	See entry for SB 690.						
HB 878	Election Law – Campaign Finance Reports – Late Fees and Certificates of Nomination (Ch. 703)						
	SF	indeterminate	indeterminate	indeterminate	indeterminate	indeterminate	Fee revenues.
HB 884/SB 533	See entry for SB 533.						
HB 954	Agriculture – Commercial Compost – Prohibition on Per Ton Inspection Fee (Ch. 178)						
	SF	(\$1,650)	(\$2,310)	(\$2,426)	(\$637)	\$0	
HB 1010/SB 801	See entry for SB 801.						
HB 1027/SB 736	See entry for SB 736.						

Legislation Affecting State Revenues

	<u>Fund</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>Comments</u>
HB 1081/SB 513	See entry for SB 513.						
HB 1100/SB 585	See entry for SB 585.						
HB 1114/SB 671	See entry for SB 671.						
HB 1123	Agriculture – Hemp Research and Production (Ch. 228)						
	SF	increase	increase	increase	increase	increase	Fee revenues.
HB 1169	Business Regulation – Tobacco Products and Electronic Smoking Devices – Revisions (Ch. 396)						
	GF	decrease	decrease	decrease	decrease	decrease	Significant sales/excise tax revenues.
HB 1246	Clean Cars Act of 2019 (Ch. 213)						
	SF	(\$3,600,000)	\$0	\$0	\$0	\$0	Strategic Energy Investment Fund.
	SF	\$600,000	\$0	\$0	\$0	\$0	Transportation Trust Fund.
HB 1266	National Capital Strategic Economic Development Program – Established (Ch. 732)						
	SF	\$60,723	\$7,200,000	\$7,200,000	\$7,200,000	\$7,200,000	SF expenditures increase by same amount.
HB 1268/SB 569	See entry for SB 569.						
HB 1272/SB 904	See entry for SB 904.						
HB 1288	Physicians – Dispensing Permit Exemption – Topical Medication (Ch. 535)						
	SF	increase	increase	increase	increase	increase	Minimal fee revenues.
HB 1301	Taxation of Online Sales – Marketplace Facilitators and Sellers of Other Tobacco Products (Ch. 735)						
	GF	increase	increase	increase	increase	increase	Potential significant sales and tobacco tax revenues.
	GF	increase	(\$9,900,000)	(\$14,500,000)	(\$19,500,000)	(\$24,600,000)	Comptroller. Redirection of revenues to the Blueprint for Maryland's Future Fund.
	SF	increase	\$9,900,000	\$14,500,000	\$19,500,000	\$24,600,000	Redirection of GF revenues.

Legislation Affecting State Revenues

	<u>Fund</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>Comments</u>
HB 1306	Howard County – Howard County Housing Commission – Subsidiary Entities Ho. Co. 26-19 (Ch. 151)						
	SF	decrease	decrease	decrease	decrease	decrease	Minimal property tax revenues.
HB 1315	See entry for SB 432.						
HB 1346	Public Safety – Student Peer Mediation Program Fund – Establishment (Ch. 736)						
	SF	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	SF expenditures increase by same amount.
HB 1348	Public Safety – Markell Hendricks Youth Crime Prevention and Diversion Parole Fund – Establishment (Ch. 738)						
	SF	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	SF expenditures increase by same amount.
HB 1350	Property Tax Assessments – Conservation Property – Alteration of Definition (Ch. 241)						
	SF	decrease	decrease	decrease	decrease	decrease	Property tax revenues.
HB 1352	University System of Maryland – Academic Facilities Bonding Authority (Ch. 148)						
	BOND	\$34,000,000	\$0	\$0	\$0	\$0	Anticipated in FY 2020 budget. Bond expenditures increase by same amount.
HB 1353	Agriculture – Nuisance Insects (Ch. 132)						
	SF	\$200,000	\$197,725	\$198,781	\$199,909	\$201,078	SF expenditures increase by same amount.
HB 1401/SB 1038	See entry for SB 1038.						
HB 1405	Howard County – Transfer Tax – Collection by Director of Finance Ho. Co. 30-19 (Ch. 311)						
	GF	(\$1,500,000)	(\$1,500,000)	(\$1,500,000)	(\$1,500,000)	(\$1,500,000)	

Legislation Affecting State Revenues

	<u>Fund</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>Comments</u>
HB 1407	Budget Reconciliation and Financing Act of 2019 (Ch. 16)						
	FF	\$0	\$0	\$0	\$0	\$0	FF revenues decrease by \$2.9 million in FY 2019. FF expenditures decrease by same amount.
	GF	\$51,000,000	\$0	\$0	\$0	\$0	GF revenues also increase by \$10.8 million in FY 2019.
	SF	(\$51,000,000)	\$0	\$0	\$0	\$0	Rainy Day Fund and Fiscal Stabilization Fund.
	SF	\$15,800,000	\$52,000,000	\$16,200,000	\$16,300,000	\$16,500,000	Education Trust Fund.
	SF	\$15,000,000	\$15,000,000	\$15,000,000	\$15,000,000	\$15,000,000	Medicaid Deficit Assessment. SF expenditures increase by same amount.
	SF	(\$5,000,000)	(\$5,000,000)	(\$5,000,000)	(\$5,000,000)	(\$5,000,000)	Transportation Trust Fund. SF expenditures decrease by same amount.
	SF	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	Department of Information Technology. SF expenditures increase by same amount.
HB 1425	Maryland Stadium Authority – Development of Supplemental Facilities to Benefit Camden Yards (Ch. 221)						
	NB	\$0	\$0	\$0	\$26,877,200	\$1,877,200	NB expenditures increase by similar amount in FY 2023.

Totals by Fund Type/Summary of Quantifiable Revenue Effects

<u>Fund Type</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>
GF	\$34,467,120	(\$26,940,704)	(\$34,326,284)	(\$36,656,823)	(\$42,744,529)
SF	\$144,455,742	\$289,115,519	\$262,840,467	\$281,427,434	\$165,636,868
FF	\$19,313,517	\$124,295,816	\$210,994,515	\$300,977,592	\$368,443,928
BOND	\$34,000,000	\$0	\$0	\$0	\$0
NB	\$18,470,000	\$0	\$0	\$26,877,200	\$1,877,200
REIM	(\$650,000)	(\$650,000)	(\$650,000)	(\$650,000)	(\$650,000)

Legislation Affecting State Expenditures

	<u>Fund</u>	<u>Agency</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>Comments</u>
SB 12	Capital Projects – Inclusion of Public Art (Ch. 83)							
	HE	All or Multiple Agencies	increase	increase	increase	increase	increase	Minimal construction costs.
	SF	Transportation	increase	increase	increase	increase	increase	Minimal construction costs.
SB 17/HB 365	State Grants and Contracts – Reimbursement of Nonprofit Indirect Costs – Application (Ch. 641/Ch. 640)							
	GF/SF/FF	All or Multiple Agencies	increase	increase	increase	increase	increase	Potential significant procurement costs.
SB 26	State Department of Assessments and Taxation – Expedited Document Processing (Ch. 266)							
	SF	Assessments and Tax.	decrease	decrease	decrease	decrease	decrease	Potential operating costs.
SB 53	State Finance and Procurement – Energy Performance Contracts (Ch. 134)							
	GF	General Services	\$650,000	\$650,000	\$650,000	\$650,000	\$650,000	Reimbursable fund revenues decrease by same amount.
	REIM	General Services	(\$650,000)	(\$650,000)	(\$650,000)	(\$650,000)	(\$650,000)	
	SF	Energy	(\$650,000)	(\$650,000)	(\$650,000)	(\$650,000)	(\$650,000)	
SB 59	State Department of Assessments and Taxation – Notices and Orders – E-Mail (Ch. 267)							
	GF	Assessments and Tax.	decrease	decrease	decrease	decrease	decrease	Potential notification costs.
	SF	Assessments and Tax.	decrease	decrease	decrease	decrease	decrease	Potential notification costs. SF revenues decrease by same amount.
SB 69	Appraisal Management Companies – Annual Fee and Reports (Ch. 89)							
	SF	Labor, Lic., and Reg.	increase	increase	increase	increase	increase	Fee transfers to federal government. SF revenues increase by same amount.

Legislation Affecting State Expenditures

	<u>Fund</u>	<u>Agency</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>Comments</u>
SB 103/HB 181	Criminal Law – Electronic Harassment and Bullying (Grace’s Law 2.0) (Ch. 26/Ch. 27)							
	GF	Public Safety and Correctional Services	increase	increase	increase	increase	increase	Minimal incarceration costs.
SB 116/HB 82	Transportation – Complete Streets – Access to Healthy Food and Necessities (Ch. 573/Ch. 572)							
	SF	Transportation	\$362,488	\$1,143,435	\$1,148,269	\$1,153,267	\$1,158,436	
SB 138	Stalking – Violation of Conditions of Release (Ch. 49)							
	GF	Public Safety and Correctional Services	increase	increase	increase	increase	increase	Minimal incarceration costs.
SB 156/HB 129	Mandated Appropriation – City of Annapolis – Services (Ch. 3/Ch. 4)							
	GF	General Services	\$750,000	\$750,000	\$767,250	\$784,897	\$802,949	Mandated appropriation beginning in FY 2021.
SB 177/HB 178	Maryland Stadium Authority – Ocean City Convention Facility – Renovation (Ch. 218/Ch. 217)							
	GF	Stadium Authority	\$50,000	\$50,000	\$1,800,000	\$1,800,000	\$1,800,000	
SB 180	Education – Robotics Grant Program – Alterations (Ch. 428)							
	GF	Education	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	Existing mandated appropriation is increased beginning in FY 2021.
SB 181/HB 248	Education – Child Care Subsidies – Mandatory Funding Level (Ch. 596/Ch. 595)							
	FF	Education	\$0	\$9,381,959	\$0	\$0	\$0	Existing mandated appropriation is increased in FY 2021.
	GF	Education	\$0	\$0	increase	increase	increase	Potential significant program costs reflect accelerated FF spending.

Legislation Affecting State Expenditures

	<u>Fund</u>	<u>Agency</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>Comments</u>
SB 184	State Board of Elections – Open Meetings – Video Streaming and Recording (State Board of Elections Transparency Act) (Ch. 486)							
	GF	State Board of Elections	\$8,819	\$6,825	\$6,825	\$6,825	\$6,825	
SB 196/HB 421	Vehicle Laws – Licenses, Identification Cards, and Moped Operator’s Permits – Indication of Applicant’s Sex (Ch. 649/Ch. 648)							
	GF	Judiciary	\$157,832	\$0	\$0	\$0	\$0	
	SF	Transportation	\$220,500	\$0	\$0	\$0	\$0	
SB 198/HB 493	Crimes – Solicitation and Conspiracy to Commit Murder Resulting in Death (Stacey’s Law) (Ch. 247/Ch. 246)							
	GF	Public Safety and Correctional Services	\$0	\$0	\$0	increase	increase	Minimal incarceration costs.
SB 205	Judgeships – Circuit Court and District Court (Ch. 749)							
	GF	Judiciary	\$2,242,771	\$2,765,716	\$2,855,212	\$2,893,352	\$2,932,812	Included in FY 2020 budget.
SB 218/HB 338	Human Services – Food Supplements (Summer SNAP for Children Act) (Ch. 636/Ch. 635)							
	FF	Human Services	increase	increase	increase	\$0	\$0	Potential grant expenditures. FF revenues increase by same amount.
	GF	Human Services	\$750,000	\$200,000	\$200,000	\$200,000	\$200,000	Mandated appropriation beginning in FY 2021.
	SF	Human Services	\$0	increase	increase	increase	increase	Local matching fund expenditures. SF revenues increase by same amount.
SB 228	Criminal Procedure – Pretrial Release – Sex Offenders (Ch. 389)							
	GF	Judiciary	\$91,954	\$0	\$0	\$0	\$0	
SB 232/HB 240	Hate Crimes – Threats (Ch. 29/Ch. 28)							
	GF	Public Safety and Correctional Services	increase	increase	increase	increase	increase	Minimal incarceration costs.
SB 234/HB 272	Natural Resources – State and Local Forest Conservation Funds (Ch. 602/Ch. 601)							
	GF	Natural Resources	\$64,061	\$78,867	\$81,496	\$84,288	\$87,177	

Legislation Affecting State Expenditures

	<u>Fund</u>	<u>Agency</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>Comments</u>
SB 239/HB 258	Health Insurance – Individual Market Stabilization – Provider Fee (Ch. 598/Ch. 597)							
	FF	Health	\$19,800,000	\$40,600,000	\$42,700,000	\$45,000,000	\$23,000,000	FF revenues increase by same amount.
	GF	Health	\$9,700,000	\$20,000,000	\$21,000,000	\$22,100,000	\$11,400,000	
SB 253	Major Information Technology Development Project Fund – Money Received by Baltimore City Community College – Exemption (Ch. 751)							
	HE	Balt. City Comm. Coll.	(\$68,058)	(\$90,744)	(\$90,744)	(\$90,744)	(\$90,744)	
SB 260	Community Colleges – Maryland Community College Promise Scholarships – Revisions (Ch. 752)							
	GF	Higher Ed. Comm.	\$180,000	\$0	\$0	\$0	\$0	\$125,000 included in FY 2020 budget; some costs shown are likely incurred in FY 2019.
SB 269/HB 428	Comprehensive Flood Management Grant Program – Awards for Flood Damage and Mandatory Funding (Ch. 652/Ch. 651)							
	GF	Environment	\$0	\$3,119,200	\$3,102,796	\$2,106,250	\$0	Mandated appropriations in FY 2021 through 2023.
SB 279/HB 251	Department of Aging – Grants for Aging-in-Place Programs (Nonprofits for our Aging Neighbors Act – “NANA”) (Ch. 309/Ch. 308)							
	GF	Aging	\$45,132	\$40,497	\$41,832	\$43,287	\$44,792	Potential significant grant expenditures (in addition to amount shown).
SB 280/HB 166	Labor and Employment – Payment of Wages – Minimum Wage (Fight for Fifteen) (Ch. 11/Ch. 10)							
	FF	Health	\$42,291	\$80,631,557	\$165,681,331	\$253,759,486	\$343,597,576	FF revenues increase by similar amount.
	GF	Labor, Lic., and Reg.	\$405,841	\$327,112	\$335,481	\$344,432	\$353,692	
	GF	Health	\$0	\$98,364,683	\$187,682,539	\$277,537,245	\$369,173,366	Mandated appropriations in FY 2021 through 2026.
	HE	Univ. Sys. of Maryland	\$2,270,768	\$9,104,662	\$18,998,881	\$29,428,898	\$39,562,189	
	SF	Transportation	\$0	\$0	\$0	\$13,307	\$156,099	
	GF	All or Multiple Agencies	\$98,688	\$368,738	\$936,798	\$1,872,064	\$3,188,739	

Legislation Affecting State Expenditures

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	<u>Fund</u>	<u>Agency</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>Comments</u>
SB 283	Sales and Use Tax – Cleaning of Commercial or Industrial Buildings – Community Property Exemption (Ch. 293)							
	GF	Comptroller	\$81,300	\$0	\$0	\$0	\$0	
SB 285/HB 109	Environment – Expanded Polystyrene Food Service Products – Prohibitions (Ch. 580/Ch. 579)							
	GF	Environment	\$150,000	\$0	\$0	\$0	\$0	
SB 286	Department of Legislative Services – Publication of Municipal Charter Amendments and Local Laws of Charter and Code Counties (Ch. 263)							
	GF	Legislative Services	decrease	decrease	decrease	decrease	decrease	Minimal printing costs.
SB 301/HB 145	Hospitals – Patient’s Bill of Rights (Ch. 286/Ch. 285)							
	GF	Health	\$43,912	\$52,196	\$53,929	\$55,795	\$57,727	
SB 327/HB 274	Justice Reinvestment Act – Diminution Credits – Sentencing (Ch. 604/Ch. 603)							
	GF	Public Safety and Correctional Services	decrease	decrease	decrease	decrease	decrease	Potential significant incarceration costs.
SB 331/HB 34	Business Regulation – Trader’s Licenses – License Fees (Ch. 570/Ch. 569)							
	GF	Judiciary	\$56,742	\$0	\$0	\$0	\$0	
SB 339/HB 397	Public Safety – 9-1-1 Emergency Telephone System (Carl Henn’s Law) (Ch. 302/Ch. 301)							
	GF/SF/FF	All or Multiple Agencies	increase	increase	increase	increase	increase	Potential significant communication costs.
	SF	Public Safety and Correctional Services	\$53,800,000	\$53,800,000	\$53,800,000	\$53,800,000	\$53,800,000	SF revenues increase by same amount.
SB 340/HB 543	Maryland Technology Development Corporation – Investments and Operations (Ch. 488/Ch. 487)							
	SF	TEDCO	indeterminate	indeterminate	indeterminate	indeterminate	indeterminate	Investment expenditures.

Effect of the 2019 Legislative Program on the Financial Condition of the State

Legislation Affecting State Expenditures

	<u>Fund</u>	<u>Agency</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>Comments</u>
SB 391/HB 336	Civilian Federal Employees – Unemployment Insurance Benefits and Federal Government Shutdown Employee Assistance Loan Fund (Federal Shutdown Paycheck Protection Act) (Ch. 2/Ch. 1)							
	GF	Labor, Lic., and Reg.	\$200,970	\$187,198	\$93,467	\$96,667	\$99,977	GF expenditures also increase by \$111,534 in FY 2019.
	GF	Treasurer	increase	increase	increase	increase	increase	Potential fund transfer to replenish the Catastrophic Event Account.
	SF	Labor, Lic., and Reg.	increase	increase	increase	increase	increase	Potential loan program expenditures.
	SF	Treasurer	increase	increase	increase	increase	increase	Potential fund transfer to the Federal Government Shutdown Employee Assistance Loan Fund.
SB 396/HB 633	Higher Education – Legal Representation Fund for Title IX Proceedings – Established (Ch. 675/Ch. 674)							
	SF	Higher Ed. Comm.	\$0	\$250,000	\$250,000	\$250,000	\$250,000	Mandated appropriation beginning in FY 2021. SF revenues likely increase by similar amount.
SB 406/HB 520	Prenatal and Infant Care Coordination – Grant Funding and Task Force (Ch. 662/Ch. 661)							
	GF	Health	\$27,403	\$50,000	\$50,000	\$50,000	\$50,000	Existing mandated appropriation is increased beginning in FY 2021.
	SF	Health	\$0	\$50,000	\$50,000	\$50,000	\$50,000	SF revenues increase by same amount.
SB 422/HB 390	State Department of Education – Employment Categories and Practices (Ch. 646/Ch. 645)							
	GF	Education	\$154,921	\$146,209	\$151,905	\$157,909	\$164,086	

Legislation Affecting State Expenditures

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	<u>Fund</u>	<u>Agency</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>Comments</u>
SB 425/HB 1189	Home Energy Assistance – Critical Medical Needs Program (Ch. 283/Ch. 282)							
	SF	Human Services	\$86,850	\$103,110	\$106,511	\$110,175	\$113,967	
SB 426	Medical Cannabis – Regulation of Dispensaries, Growers, and Processors (Ch. 501)							
	SF	Health	increase	increase	increase	increase	increase	Minimal administrative costs.
SB 432/HB 1315	Higher Education – Cyber Warrior Diversity Program – Revisions (Ch. 454/Ch. 455)							
	HE	All/Multiple	decrease	decrease	decrease	decrease	decrease	Program costs reflect redirection of funds to non-State entity.
SB 433/HB 680	State Procurement – State Funded Construction Projects – Payment of Employee Health Care Expenses (Ch. 687/Ch. 686)							
	GF	BPW	\$17,548	\$15,863	\$16,392	\$1,355	\$0	
	GF	General Services	\$248,132	\$233,404	\$241,182	\$249,448	\$257,999	
	SF	Transportation	\$250,447	\$235,702	\$243,558	\$251,904	\$260,538	
SB 449/HB 286	Election Law – Registration and Voting at Precinct Polling Places (Ch. 755/Ch. 609))							
	GF	State Board of Elections	\$44,000	\$44,000	\$44,000	\$44,000	\$44,000	
SB 460	Pedestrian Safety Fund Act of 2019 (Ch. 519)							
	GF	Judiciary	\$74,450	\$0	\$0	\$0	\$0	
	SF	Transportation	increase	increase	increase	increase	increase	Minimal program costs. SF revenues increase by same amount.
SB 467	Forestry – Mel Noland Fellowship Program – Establishment (Ch. 223)							
	GF	Natural Resources	\$0	\$50,000	\$50,000	\$50,000	\$50,000	Mandated appropriation beginning in FY 2021.
	SF	Natural Resources	\$0	\$50,000	\$50,000	\$50,000	\$50,000	SF revenues increase by same amount.
SB 471/HB 652	Agriculture – Use of Antimicrobial Drugs – Limitations and Reporting Requirements (Ch. 679/Ch. 678)							
	GF	Agriculture	\$216,433	\$200,166	\$113,138	\$116,359	\$119,691	

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Legislation Affecting State Expenditures

	<u>Fund</u>	<u>Agency</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>Comments</u>
SB 483/HB 84	Maryland Farms and Families Fund – Purpose, Use, Funding, and Grant Qualifications – Alterations (Ch. 575/Ch. 574)							
	GF	Agriculture	\$0	increase	increase	increase	increase	Capitalization of special fund. Mandated appropriation of \$100,000 beginning in FY 2021.
	SF	Agriculture	\$0	increase	increase	increase	increase	Grant expenditures. SF revenues increase by same amount.
SB 505/HB 703	Environmental Violations – Reporting Requirements (Ch. 518/Ch. 517)							
	GF	Judiciary	\$52,788	\$0	\$0	\$0	\$0	
	GF	Environment	\$55,098	\$46,008	\$40,283	\$41,674	\$43,114	
SB 509	Property Tax – In Rem Foreclosure and Sale – Vacant and Abandoned Property (Ch. 276)							
	GF	Judiciary	\$32,740	\$0	\$0	\$0	\$0	
SB 515	Community Colleges – Workforce Readiness Grant Program – Established (Ch. 457)							
	GF	Balt. City Comm. Coll.	\$0	\$0	\$250,000	\$0	\$250,000	Reflects maximum potential impact.
	GF	Higher Ed. Comm.	\$0	\$0	\$5,250,000	\$0	\$5,250,000	Reflects maximum potential impact.

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	<u>Fund</u>	<u>Agency</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>Comments</u>
SB 516	Clean Energy Jobs (Ch. 757)							
	GF	Natural Resources	\$2,434,313	\$2,313,013	\$2,323,891	\$2,335,212	\$1,896,918	
	GF	All or Multiple Agencies	\$659,398	\$990,743	\$1,348,149	\$1,654,181	\$1,961,760	
	FF	All or Multiple Agencies	\$219,799	\$330,248	\$449,383	\$551,394	\$653,920	
	SF	All or Multiple Agencies	\$219,799	\$330,248	\$449,383	\$551,394	\$653,920	
	SF	Commerce	\$0	\$200,000	\$500,000	\$500,000	\$1,000,000	SF revenues increase by same amount.
	SF	Labor, Lic., and Reg.	\$0	\$228,571	\$571,429	\$571,429	\$1,142,857	SF revenues increase by same amount.
	SF	Energy	\$0	increase	increase	increase	increase	Offshore wind project deposits. SF revenues increase by same amount.
	SF	PSC	\$3,800,000	increase	increase	increase	increase	Potential implementation costs. SF revenues increase by same amount.
SB 517	Public Utilities – Electricity and Natural Gas Suppliers – Information (Ch. 305)							
	SF	PSC	\$100,000	\$50,000	\$50,000	\$50,000	\$50,000	SF revenues increase by same amount.
SB 521	Veteran Suicide Prevention – Comprehensive Action Plan (Ch. 35)							
	GF	Health	\$0	\$0	increase	increase	increase	Implementation costs.
SB 524/HB 605	Maryland Medical Assistance Program – Telemedicine – Psychiatric Nurse Practitioners and Psychiatrists (Ch. 480/Ch. 479)							
	FF	Health	increase	increase	increase	\$0	\$0	Potential Medicaid expenditures. FF revenues increase by same amount.
	GF	Health	increase	increase	increase	\$0	\$0	Potential Medicaid expenditures.

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Legislation Affecting State Expenditures

	<u>Fund</u>	<u>Agency</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>Comments</u>
SB 529/HB 87	State Board of Education – Membership – Teacher and Parent Members (Ch. 577/Ch. 576)							
	GF	Education	\$7,360	\$0	\$7,360	\$0	\$0	
SB 533/HB 884	Sales and Use Tax – Short-Term Rentals (Ch. 758/Ch. 704)							
	GF	Comptroller	\$81,300	\$0	\$0	\$0	\$0	
SB 546	Agriculture – Nutrient Management – Monitoring and Enforcement (Ch. 760)							
	GF	Natural Resources	\$40,000	\$25,000	\$25,000	\$25,000	\$25,000	
	SF	Environment	\$50,622	\$61,085	\$63,089	\$65,236	\$67,458	
SB 561	Criminal Law – Crime of Violence Against Pregnant Person – Enhanced Penalty (Laura and Reid’s Law) (Ch. 388)							
	GF	Public Safety and Correctional Services	increase	increase	increase	increase	increase	Minimal incarceration costs.
SB 569/HB 1268	Public Safety – Rape Kit Testing Grant Fund – Established (Ch. 509/Ch. 508)							
	GF	Governor’s Office of Crime Control and Prevention	\$3,500,000	\$3,500,000	\$3,500,000	\$3,500,000	\$3,500,000	Potential funding restricted in FY 2020 budget.
	SF	Governor’s Office of Crime Control and Prevention	\$3,500,000	\$3,500,000	\$3,500,000	\$3,500,000	\$3,500,000	SF revenues increase by same amount.
SB 581	Economic, Housing, and Community Development – Opportunity Zone Incentives (Ch. 211)							
	GF	Commerce	\$109,905	\$10,104,796	\$20,108,306	\$20,112,011	\$20,115,842	Existing mandated appropriations are extended beginning in FY 2021.
	GF	Housing and Community Development	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	
	GF	Planning	\$0	\$0	\$0	\$9,000,000	\$9,000,000	
	GF	Assessments and Tax.	\$0	increase	increase	increase	increase	Tax credit reimbursements.
	SF	Planning	\$0	\$0	\$0	\$384,000	\$397,000	SF revenues increase by same amount.

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	<u>Fund</u>	<u>Agency</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>Comments</u>
SB 598	Maryland Medical Assistance Program – Coverage – Hepatitis C Drugs (Ch. 451)							
	FF	Health	\$2,722,125	\$3,231,816	\$2,920,656	\$2,639,456	\$2,385,329	FF revenues increase by same amount.
	GF	Health	\$1,281,000	\$1,591,790	\$1,438,532	\$1,300,030	\$1,174,863	Potential funding restricted in FY 2020 budget.
SB 600	Health – Sickle Cell Disease – Steering Committee and Services (Ch. 452)							
	GF	Health	\$90,475	\$585,827	\$588,597	\$591,536	\$594,577	
SB 622	Governor’s Office of Crime Control and Prevention – Crime Firearms – Study (Ch. 335)							
	GF	DSP	\$61,171	\$29,160	\$0	\$0	\$0	
SB 643	Criminal Procedure – Forfeiture Proceeds – Appropriation Percentage and Reporting (Ch. 235)							
	GF	Health	increase	increase	increase	increase	increase	Minimal drug treatment and education program costs.
SB 646/HB 604	Workers’ Compensation – Medical Presumptions for Diseases and Cancer – Eligibility (Firefighter Jesse McCullough’s Cancer Protection Law) (Ch. 216/Ch. 215)							
	GF/SF/FF	All or Multiple Agencies	increase	increase	increase	increase	increase	Minimal workers’ compensation costs.
	NB	IWIF	increase	increase	increase	increase	increase	Potential significant insurance claim payments. NB revenues likely increase by similar amount.
SB 657	Pilot Program – Alleged Rape, Sexual Offense, or Child Sexual Abuse – HIV Postexposure Prophylaxis (Ch. 431)							
	SF	Governor’s Office of Crime Control and Prevention	\$730,433	\$853,876	\$857,366	\$240,319	\$0	

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Legislation Affecting State Expenditures

	<u>Fund</u>	<u>Agency</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>Comments</u>
SB 662/HB 1366	Maryland Association of Environmental and Outdoor Education Grant (Maryland Green Schools Act of 2019) (Ch. 740/Ch. 739)							
	GF	Education	\$0	\$278,750	\$268,300	\$272,100	\$276,400	Mandated appropriations in FY 2021 through 2026.
SB 677/HB 1384	Deaf or Hard of Hearing Individuals – Support for Parents (Ch. 742/Ch. 741)							
	GF	Education	\$58,984	\$59,003	\$60,719	\$62,566	\$64,478	Mandated appropriations of \$5,000 in FY 2021 and \$300 annually thereafter.
SB 678	State Government – Notarial Acts and Notaries Public (Ch. 407)							
	GF	SOS	\$0	\$52,921	\$63,971	\$66,169	\$68,441	
SB 689/HB 734	Criminal Law – Labor Trafficking (Anti-Exploitation Act of 2019) (Ch. 24/Ch. 23)							
	GF	Public Safety and Correctional Services	increase	increase	increase	increase	increase	Minimal incarceration costs.
SB 690/HB 871	Criminal Law – Human Trafficking and Prostitution Offenses (Ch. 22/Ch. 21)							
	GF	Public Safety and Correctional Services	increase	increase	increase	increase	increase	Minimal incarceration costs.
SB 699	Maryland Medical Assistance Program – Home- and Community-Based Waiver Services – Prohibition on Denial (Ch. 414)							
	FF	Health	increase	increase	increase	increase	increase	Potential significant Medicaid expenditures. FF revenues increase by same amount.
	GF	Health	increase	increase	increase	increase	increase	Potential significant Medicaid expenditures.
SB 707	Motor Vehicles – Temporary In-Transit Registration (Ch. 287)							
	SF	Transportation	\$0	\$54,000	\$0	\$0	\$0	
SB 712/HB 671	Household Goods Movers Registration (Ch. 685/Ch. 684)							
	GF	Labor, Lic., and Reg.	\$230,048	\$261,156	\$269,700	\$278,831	\$288,279	

Legislation Affecting State Expenditures

	<u>Fund</u>	<u>Agency</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>Comments</u>	
SB 719/HB 533	University System of Maryland – Board of Regents – Transparency and Oversight (Ch. 345/Ch. 346)								
	GF	Univ. Sys. of Maryland	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000		
SB 727	Health – Professional and Volunteer Firefighter Innovative Cancer Screening Technologies Program (Ch. 219)								
	GF	Health	\$175,460	\$170,604	\$172,952	\$175,455	\$178,043	Mandated appropriation beginning in FY 2021.	
SB 729	Technical Study on Changes in Forest Cover and Tree Canopy in Maryland (Ch. 405)								
	GF	Natural Resources	\$390,000	\$0	\$0	\$0	\$0		
SB 734	Education – Students With Reading Difficulties – Screenings and Interventions (Ch. 512)								
	GF	Education	\$67,204	\$83,027	\$85,797	\$88,736	\$91,777		
SB 736/HB 1027	Criminal Law – Child Pornography (Ch. 326/Ch. 325)								
	GF	Public Safety and Correctional Services	increase	increase	increase	increase	increase	Minimal incarceration costs.	
SB 741	Secretary of Planning – Adaptive Reuse of Historic Properties – Study (Ch. 334)								
	GF	Planning	\$75,000	\$0	\$0	\$0	\$0		
SB 793	Community Safety and Strengthening Act (Ch. 25)								
	GF– PAYGO/BOND	Housing and Community Development		\$0	\$5,000,000	\$5,000,000	\$10,000,000	\$10,000,000	GF impact is mitigated if bond expenditures are used instead. Existing mandated appropriation is increased in FY 2021 and made permanent. Mandated appropriations in FY 2021 through 2024. Mandated appropriation beginning in FY 2021. SF revenues increase by same amount.
	GF	Human Services	\$0	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000		
	GF	Labor, Lic., and Reg.	\$46,433	\$750,000	\$750,000	\$750,000	\$750,000		
	SF	Housing and Community Development	\$0	\$5,000,000	\$5,000,000	\$10,000,000	\$10,000,000		

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	<u>Fund</u>	<u>Agency</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>Comments</u>
SB 802/HB 814	Maryland Easy Enrollment Health Insurance Program (Ch. 424/Ch. 423)							
	GF	Comptroller	\$295,000	\$45,000	\$45,000	\$45,000	\$45,000	
	GF	Health	increase	increase	increase	increase	increase	Potential significant Medicaid expenditures.
	FF	Health	increase	increase	increase	increase	increase	Potential significant Medicaid expenditures. FF revenues increase by same amount.
	SF	MHBE	\$1,178,240	\$1,524,190	\$1,543,277	\$1,563,011	\$1,583,418	Included in FY 2020 budget.
SB 810/HB 672	Housing – Local Housing Grant Program for Homeless Veterans and Survivors of Domestic Violence (Ch. 249/Ch. 248)							
	GF	Housing and Community Development	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	
SB 842	Criminal Law – Gaming – Civil Offense (Ch. 495)							
	GF	Public Safety and Correctional Services	decrease	decrease	decrease	decrease	decrease	Minimal incarceration costs.
SB 847/HB 625	Baltimore Police Department – Commission to Restore Trust in Policing – Alterations (Ch. 459/Ch. 460)							
	GF	Legislative Services	increase	increase	\$0	\$0	\$0	Contractual costs.
SB 853/HB 433	Maryland Police Training and Standards Commission – Police Officer Certification – Eligibility (Freedom to Serve Act) (Ch. 490/Ch. 489)							
	GF	Public Safety and Correctional Services	\$30,000	\$0	\$0	\$0	\$0	
SB 856/HB 606	Juvenile Justice Reform Council (Ch. 252/ Ch. 253)							
	GF	Legislative Services	increase	increase	\$0	\$0	\$0	Potential contractual costs.
SB 896/HB 657	Arts Education in Maryland Schools Alliance Grant (Ch. 681/Ch. 680)							
	GF	Education	\$100,000	\$100,000	\$100,000	\$100,000	\$0	Mandated appropriations in FY 2021 through 2023.

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	<u>Fund</u>	<u>Agency</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>Comments</u>
SB 897	University of Maryland Joint Steering Council – Renaming, Duties, and Funding (Ch. 765)							
	GF	Univ. Sys. of Maryland	\$0	\$2,400,000	\$4,800,000	\$7,200,000	\$9,600,000	Mandated appropriations beginning in FY 2021.
SB 901/HB 607	Maryland Trauma Fund – State Primary Adult Resource Center – Reimbursement of On-Call and Standby Costs (Ch. 394/Ch. 395)							
	SF	Health	increase	increase	increase	increase	increase	Potential significant reimbursement costs.
SB 904/HB 1272	Maryland Department of Health – Family Planning Program – Funding (Ch. 734/Ch. 733)							
	FF	Health	(\$3,208,608)	decrease	decrease	decrease	decrease	Potential significant grant expenditures. FF revenues decrease by same amount.
SB 911/HB 1116	Gender Diversity in the Boardroom – Annual Report (Ch. 514/Ch. 513)							
	GF	Comptroller	\$25,000	\$0	\$0	\$0	\$0	
SB 922	Public Health – Milk – Labeling (Ch. 530)							
	GF	Health	increase	increase	increase	increase	increase	Potential staffing costs.
SB 945	Sales and Use Tax – Taxable Services – Telephone Answering Service (Ch. 292)							
	GF	Comptroller	\$0	\$0	\$0	\$0	\$0	GF expenditures increase by \$81,300 in FY 2019.

Effect of the 2019 Legislative Program on the Financial Condition of the State

Legislation Affecting State Expenditures

	<u>Fund</u>	<u>Agency</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>Comments</u>
SB 946	State Prescription Drug Benefits – Retiree Benefits – Revisions (Ch. 767)							
	FF	All or Multiple Agencies	\$0	decrease	\$7,400,000	\$7,900,000	\$8,400,000	Potential significant retiree benefit savings in FY 2021.
	GF	All or Multiple Agencies	\$0	decrease	\$22,200,000	\$23,700,000	\$25,200,000	Potential significant retiree benefit savings in FY 2021.
	GF	Budget and Management	\$60,000	\$2,150,000	\$3,500,000	\$3,500,000	\$3,500,000	
	SF	All or Multiple Agencies	\$0	decrease	\$7,400,000	\$7,900,000	\$8,400,000	Potential significant retiree benefit savings in FY 2021.
SB 1010	Maryland Health Care Commission – Assessment of Services at the University of Maryland Shore Medical Center in Chestertown (Ch. 406)							
	SF	Health	\$50,000	\$0	\$0	\$0	\$0	
SB 1011	Prince George’s County – Public School Construction – Prince George’s County Public-Private Partnership Fund (Ch. 387)							
	GF	School Construction	increase	increase	increase	increase	increase	Potential significant staffing costs and other expenditures to support school construction.
	SF	School Construction	increase	increase	increase	increase	increase	Potential significant school construction costs. SF revenues likely increase by similar amount.
SB 1014/HB 1192	Assembly Areas – State-Funded Construction or Renovation – Assisted Listening System Requirement (Ch. 337/Ch. 336)							
	GF	General Services	\$43,319	\$38,697	\$39,971	\$41,362	\$42,802	

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Effect of the 2019 Legislative Program on the Financial Condition of the State

Legislation Affecting State Expenditures

	<u>Fund</u>	<u>Agency</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>Comments</u>
HB 105	Maryland Transportation Authority Facilities – Video Tolls – Collection (Ch. 141)							
	SF	Budget and Management	(\$226,000)	(\$226,000)	(\$226,000)	(\$226,000)	(\$226,000)	SF revenues decrease by same amount. SF expenditures also decrease by \$18,833 in FY 2019.
HB 109/SB 285	See entry for SB 285.							
HB 116	Public Health – Correctional Services – Opioid Use Disorder Examinations and Treatment (Ch. 532)							
	GF	Public Safety and Correctional Services	\$1,432,246	\$2,229,978	\$2,302,278	\$2,378,147	\$2,456,617	
	GF	Governor’s Office of Crime Control and Prevention	\$57,818	\$70,604	\$72,952	\$75,455	\$78,043	
	GF	None (Grant to Counties)	\$500,000	\$2,125,000	\$2,500,000	\$4,125,000	\$5,750,000	
HB 118	Higher Education – Senatorial and Delegate Scholarships – In-State Tuition (Ch. 581)							
	GF	Higher Ed. Comm.	\$50,000	\$0	\$0	\$0	\$0	
HB 127	Health Insurance – Health Benefit Plans – Special Enrollment Period for Pregnancy (Ch. 355)							
	SF	MHBE	\$40,000	\$0	\$0	\$0	\$0	Included in FY 2020 budget.
HB 129/SB 156	See entry for SB 156.							
HB 145/SB 301	See entry for SB 301.							
HB 166/SB 280	See entry for SB 280.							
HB 170	Jane E. Lawton Conservation Loan Program – Eligible Borrowers (Ch. 135)							
	SF	Energy	increase	increase	increase	increase	increase	Potential loan expenditures.

Legislation Affecting State Expenditures

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	<u>Fund</u>	<u>Agency</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>Comments</u>
HB 172	Election Law – Voter Registration Deadlines (Ch. 153)							
	GF	State Board of Elections	decrease	decrease	decrease	decrease	decrease	Minimal personnel and other voting costs.
HB 173	Economic Development – Job Creation Tax Credit – Sunset Extension (Ch. 84)							
	SF	Transportation	(\$71,000)	(\$71,000)	\$0	\$0	\$0	
HB 175	Maryland Research and Development Tax Credit – Sunset Extension (Ch. 85)							
	SF	Transportation	\$0	\$0	(\$132,000)	(\$41,000)	(\$33,000)	
HB 178/SB 177	See entry for SB 177.							
HB 181/SB 103	See entry for SB 103.							
HB 187	Prince George’s County – Speed Monitoring Systems – Maryland Route 210 (Indian Head Highway) PG 305-19 (Ch. 586)							
	SF	Public Safety and Correctional Services	increase	increase	increase	increase	\$0	Potential significant grant expenditures beginning in FY 2019. SF revenues increase by same amount.
HB 190	Environment – Failing On-Site Sewage Disposal System – Definition (Ch. 342)							
	GF	Environment	\$312,008	\$267,766	\$276,213	\$285,242	\$294,586	
HB 237	Election Law – Early Voting Centers – Establishment (Ch. 539)							
	GF	State Board of Elections	increase	increase	increase	increase	increase	Potential voting equipment costs.
HB 240/SB 232	See entry for SB 232.							
HB 248/SB 181	See entry for SB 181.							
HB 251/SB 279	See entry for SB 279.							
HB 258/SB 239	See entry for SB 239.							

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Legislation Affecting State Expenditures

	<u>Fund</u>	<u>Agency</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>Comments</u>
HB 272/SB 234	See entry for SB 234.							
HB 274/SB 327	See entry for SB 327.							
HB 286/SB 449	See entry for SB 449.							
HB 307	Maryland Lynching Truth and Reconciliation Commission (Ch. 41)							
	HE	Univ. Sys. of Maryland	\$100,623	\$89,910	\$46,473	\$0	\$0	
HB 316	Public Health – Vaccination Reporting Requirements – ImmuNet (Ch. 502)							
	GF	Health	\$144,475	\$163,583	\$168,753	\$174,323	\$180,084	
HB 332	Maryland Department of Health – Community Dental Clinics Grant Program (Ch. 540)							
	GF–	Health	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	
	PAYGO							
HB 336/SB 391	See entry for SB 391.							
HB 338/SB 218	See entry for SB 218.							
HB 365/SB 17	See entry for SB 17.							
HB 370	Department of Labor, Licensing, and Regulation – Police Force – Repeal (Ch. 94)							
	FF	General Services	\$1,554,596	\$1,411,385	\$1,456,947	\$1,504,692	\$1,554,078	
	FF	Labor, Lic., and Reg.	(\$1,473,317)	(\$1,344,207)	(\$1,387,517)	(\$1,432,933)	(\$1,479,911)	
	GF	General Services	\$357,168	\$325,868	\$336,368	\$347,378	\$358,766	
	GF	Labor, Lic., and Reg.	(\$357,168)	(\$325,868)	(\$336,368)	(\$347,378)	(\$358,766)	
	SF	General Services	\$401,814	\$366,602	\$378,414	\$390,800	\$403,612	
	SF	Labor, Lic., and Reg.	(\$401,814)	(\$366,602)	(\$378,414)	(\$390,800)	(\$403,612)	
HB 390/SB 422	See entry for SB 422.							
HB 397/SB 339	See entry for SB 339.							
HB 417	Water Pollution Control – Notification of Sewer Overflows and Treatment Plant Bypasses – Alteration (Ch. 310)							
	GF	Environment	\$20,949	\$10,059	\$0	\$0	\$0	

Legislation Affecting State Expenditures

	<u>Fund</u>	<u>Agency</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>Comments</u>
HB 421/SB 196	See entry for SB 196.							
HB 428/SB 269	See entry for SB 269.							
HB 433/SB 853	See entry for SB 853.							
HB 440	Pathways in Technology Early College High (P-TECH) Expansion Act of 2019 (Ch. 384)							
	GF	Education	\$274,722	\$129,234	\$598,624	\$1,062,752	\$1,641,319	\$200,000 included in FY 2020 budget. Potential community college expenditures correspond with enrollment.
	HE	Balt. City Comm. Coll.	increase	increase	increase	increase	increase	
HB 454	Sales and Use Tax – List of Tangible Personal Property and Services – Publication (Ch. 257)							
	GF	Comptroller	\$60,000	\$0	\$0	\$0	\$0	
HB 461	Maryland Higher Education Commission – Private Nonprofit Institutions of Higher Education – Regulation (Private Nonprofit Institution of Higher Education Protection Act of 2019) (Ch. 515)							
	GF	Higher Ed. Comm.	\$36,525	\$42,419	\$43,820	\$45,342	\$46,918	
HB 482	Income Tax Credits – Endowments of Maryland Historically Black Colleges and Universities and Film Production Activity – Establishment and Alterations (Ch. 544)							
	GF	Comptroller	\$123,978	\$64,170	\$66,299	\$68,575	\$70,930	
HB 486	Education – Personnel Matters – Child Sexual Abuse and Sexual Misconduct Prevention (Ch. 55)							
	GF	Education	\$95,848	\$120,945	\$124,971	\$129,208	\$133,589	
HB 493/SB 198	See entry for SB 198.							
HB 520/SB 406	See entry for SB 406.							
HB 533/SB 719	See entry for SB 719.							
HB 543/SB 340	See entry for SB 340.							

Legislation Affecting State Expenditures

	<u>Fund</u>	<u>Agency</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>Comments</u>
HB 560	Transportation – State Highway Administration – Traffic Calming Devices (Ch. 439)							
	SF	Transportation	\$50,000	\$0	\$0	\$0	\$0	
HB 595	Workers' Compensation – Medical Presumptions (Ch. 214)							
	GF/SF/FF	All or Multiple Agencies	increase	increase	increase	increase	increase	Minimal workers' compensation costs.
	NB	IWIF	increase	increase	increase	increase	increase	Potential significant insurance claim payments. NB revenues likely increase by similar amount.
HB 604/SB 646	See entry for SB 646.							
HB 605/SB 524	See entry for SB 524.							
HB 606/SB 856	See entry for SB 856.							
HB 607/SB 901	See entry for SB 901.							
HB 625/SB 847	See entry for SB 847.							
HB 633/SB 396	See entry for SB 396.							
HB 641	Criminal Law – Sexual Contact With an Animal – Aggravated Cruelty to Animals (Ch. 72)							
	GF	Public Safety and Correctional Services	increase	increase	increase	increase	increase	Minimal incarceration costs.
	GF	Judiciary	\$5,850	\$0	\$0	\$0	\$0	
HB 652/SB 471	See entry for SB 471.							
HB 657/SB 896	See entry for SB 896.							
HB 671/SB 712	See entry for SB 712.							
HB 672/SB 810	See entry for SB 810.							

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	<u>Fund</u>	<u>Agency</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>Comments</u>
HB 679	Workplace Harassment – Prohibitions, Liability, Enforcement, and Prevention Training (Ch. 222)							
	GF	Comm. on Civil Rights	\$54,439	\$66,149	\$68,262	\$70,518	\$72,855	
HB 680/SB 433	See entry for SB 433.							
HB 703/SB 505	See entry for SB 505.							
HB 704	Maryland Longitudinal Data System – Student Data and Governing Board (Ch. 688)							
	GF	Education	\$63,835	\$78,567	\$81,186	\$83,968	\$86,846	
HB 707	Drunk and Drugged Driving Offenses – Penalties (Ch. 20)							
	GF	Public Safety and Correctional Services	increase	increase	increase	increase	increase	Minimal incarceration costs.
HB 725	Public Schools – Student Discipline – Restorative Approaches (Ch. 691)							
	GF	Education	\$59,480	\$72,803	\$75,226	\$77,805	\$80,474	
HB 734/SB 689	See entry for SB 689.							
HB 759	Pharmacy Benefits Managers – Pharmacy Choice (Ch. 550)							
	FF	Health	increase	increase	increase	increase	increase	Potential Medicaid expenditures. FF revenues increase by same amount.
	GF	Health	increase	increase	increase	increase	increase	Potential Medicaid expenditures.
HB 768	Health – Prescription Drug Affordability Board (Ch. 692)							
	GF	New Agency	\$750,000	\$704,584	\$727,855	\$752,284	\$777,552	Potential funding restricted in FY 2020 budget.
	GF	Attorney General	\$81,945	\$77,057	\$79,550	\$82,202	\$84,946	
HB 777	Commercial Law – Credit Card Processors – Merchant Processing Agreements (Ch. 296)							
	SF	Labor, Lic., and Reg.	\$76,846	\$95,805	\$98,927	\$102,228	\$105,644	

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Legislation Affecting State Expenditures

	<u>Fund</u>	<u>Agency</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>Comments</u>
HB 801	Maryland Stadium Authority – Baltimore Convention Facility – Renovation (Ch. 695)							
	GF	Stadium Authority	\$0	\$0	\$2,600,000	\$2,600,000	\$2,600,000	Mandated appropriations in FY 2022 through 2039.
HB 808	Weed Control – Noxious Weeds – Regulations and Penalties (Ch. 278)							
	GF	Natural Resources	increase	increase	increase	increase	increase	Minimal compliance costs.
	GF	Agriculture	\$426,923	\$368,089	\$375,169	\$382,709	\$390,515	\$150,000 included in FY 2020 budget.
	NB	Transportation	increase	increase	increase	increase	increase	Potential significant compliance costs.
	SF	Transportation	increase	increase	increase	increase	increase	Potential significant compliance costs.
HB 814/SB 802	See entry for SB 802.							
HB 824	Financial Aid – Guaranteed Access Grants – Verification and Administration by Institutions of Higher Education (Ch. 485)							
	GF	Higher Ed. Comm.	\$0	\$45,000	\$0	\$0	\$0	
HB 830	County Public Campaign Financing – Administration (Ch. 376)							
	GF	State Board of Elections	\$0	(\$100,000)	(\$100,000)	(\$100,000)	(\$100,000)	
HB 838	Food Supplement Program – Restaurant Meals Program (Ch. 475)							
	GF	Human Services	\$83,813	\$74,449	\$76,928	\$79,565	\$82,293	
HB 861	State Retirement and Pension System – Service Credit for Unused Sick Leave (Ch. 347)							
	GF/SF/FF	All or Multiple Agencies	\$0	increase	increase	increase	increase	Potential significant pension costs.
HB 871/SB 690	See entry for SB 690.							
HB 884/SB 533	See entry for SB 533.							

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	<u>Fund</u>	<u>Agency</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>Comments</u>
HB 923	Task Force to Study Transportation Access (Ch. 705)							
	SF	Transportation	\$300,000	\$300,000	\$300,000	\$0	\$0	
HB 924	State Board of Physicians – Registered Cardiovascular Invasive Specialists (Ch. 445)							
	SF	Health	\$0	\$0	\$0	\$37,500	\$12,500	
HB 1027/SB 736	See entry for SB 736.							
HB 1052	Alcohol and Tobacco Commission (Ch. 12)							
	GF	Comptroller	\$0	(\$3,221,368)	(\$3,285,795)	(\$3,351,511)	(\$3,418,541)	Potential staffing costs may minimally offset amount shown.
	GF	New Agency	\$4,000,000	\$3,921,254	\$3,967,145	\$4,054,735	\$4,144,401	Potential significant transition costs in FY 2020 (in addition to amount shown).
HB 1098	Health Insurance – Maryland Health Benefit Exchange – Small Business Tax Credit Subsidy (Ch. 401)							
	SF	MHBE	increase	increase	increase	increase	increase	One-time implementation costs of \$75,000.
HB 1116/SB 911	See entry for SB 911.							
HB 1123	Agriculture – Hemp Research and Production (Ch. 228)							
	GF/SF	Agriculture	\$434,398	\$289,743	\$298,612	\$308,151	\$318,026	GF impact is mitigated as SF fee revenues support program costs.
HB 1124	State Government – Regulations Impacting Small Businesses (Ch. 212)							
	GF	Budget and Management	\$30,000	\$0	\$30,000	\$0	\$30,000	

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	<u>Fund</u>	<u>Agency</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>Comments</u>
HB 1160	Public Health – Breathe Easy East Baltimore Pilot Program (Ch. 724)							
	GF	Health	\$0	\$100,000	increase	increase	increase	Mandated appropriation in FY 2021. Program costs may continue through FY 2025.
HB 1167	Labor and Employment – Apprenticeship Career Training Pilot Program for Formerly Incarcerated Individuals – Establishment (Ch. 726)							
	GF	Labor, Lic., and Reg.	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	Mandated appropriations in FY 2021 through 2023.
HB 1169	Business Regulation – Tobacco Products and Electronic Smoking Devices – Revisions (Ch. 396)							
	GF	Health	\$30,390	\$0	\$0	\$0	\$0	
HB 1189/SB 425	See entry for SB 425.							
HB 1192/SB 1014	See entry for SB 1014.							
HB 1206	Maryland Longitudinal Data System Center – Data Matching (Ch. 729)							
	GF	Comptroller	\$150,000	\$30,000	\$30,000	\$30,000	\$30,000	
	GF	Education	\$50,000	\$160,400	\$115,000	\$0	\$0	Mandated appropriations in FY 2021 and 2022.
HB 1209	Property Tax – Collection of Unpaid Taxes and Tax Sales (Ch. 730)							
	GF	Assessments and Tax.	\$212,301	\$375,850	\$387,686	\$400,297	\$413,343	
HB 1233	Environment – Reduction of Lead Risk in Housing – Elevated Blood Lead Levels and Environmental Investigations (Maryland Healthy Children Act) (Ch. 341)							
	GF/SF	Environment	\$762,567	\$1,046,453	\$1,093,080	\$1,108,903	\$1,163,184	GF impact may be mitigated depending on SF availability.
HB 1246	Clean Cars Act of 2019 (Ch. 213)							
	SF	Transportation	\$54,300	\$0	\$0	\$0	\$0	

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	<u>Fund</u>	<u>Agency</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>Comments</u>
HB 1253	Drinking Water Outlets in School Buildings – Lead Testing and Reporting Requirements and Grant Programs (Ch. 557)							
	GF	Environment	\$1,749,240	\$1,696,284	\$1,702,625	\$1,709,404	\$1,716,421	
	GF	School Construction	\$50,000	\$0	\$0	\$0	\$0	
HB 1266	National Capital Strategic Economic Development Program – Established (Ch. 732)							
	GF	Housing and Community Development	\$60,723	\$200,000	\$200,000	\$200,000	\$200,000	Mandated appropriations in FY 2021 through 2025.
	GF– PAYGO	Housing and Community Development	\$0	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000	Mandated appropriations in FY 2021 through 2025.
	SF	Housing and Community Development	\$60,723	\$7,200,000	\$7,200,000	\$7,200,000	\$7,200,000	SF revenues increase by same amount.
HB 1268/SB 569.	See entry for SB 569.							
HB 1272/SB 904	See entry for SB 904.							
HB 1301	Taxation of Online Sales – Marketplace Facilitators and Sellers of Other Tobacco Products (Ch. 735)							
	GF	Comptroller	\$81,300	\$0	\$0	\$0	\$0	
HB 1315/SB 432	See entry for SB 432.							
HB 1346	Public Safety – Student Peer Mediation Program Fund – Establishment (Ch. 736)							
	GF	Governor’s Office of Crime Control and Prevention	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	Mandated appropriation beginning in FY 2021.
	SF	Governor’s Office of Crime Control and Prevention	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	SF revenues increase by same amount.

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	<u>Fund</u>	<u>Agency</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>Comments</u>
HB 1348	Public Safety – Markell Hendricks Youth Crime Prevention and Diversion Parole Fund – Establishment (Ch. 738)							
	GF	Governor’s Office of Crime Control and Prevention	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	Mandated appropriation beginning in FY 2021.
	SF	Governor’s Office of Crime Control and Prevention	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	SF revenues increase by same amount.
HB 1352	University System of Maryland – Academic Facilities Bonding Authority (Ch. 148)							
	BOND	Univ. Sys. of Maryland	\$34,000,000	\$0	\$0	\$0	\$0	Anticipated in FY 2020 budget. Bond revenues increase by same amount.
	HE	Univ. Sys. of Maryland	\$0	\$2,992,000	\$2,992,000	\$2,992,000	\$2,992,000	
HB 1353	Agriculture – Nuisance Insects (Ch. 132)							
	GF	Agriculture	\$200,000	\$197,725	\$198,781	\$199,909	\$201,078	Included in FY 2020 budget.
	SF	Agriculture	\$200,000	\$197,725	\$198,781	\$199,909	\$201,078	Included in FY 2020 budget. SF revenues increase by same amount.
HB 1366/SB 662	See entry for SB 662.							
HB 1384/SB 677	See entry for SB 677.							
HB 1401/SB 1038	See entry for SB 1038.							
HB 1404	Economic Development – Baltimore Symphony Orchestra – Funding and Workgroup (The John C. Merrill Act) (Ch. 743)							
	GF	Commerce	\$1,600,000	\$1,600,000	\$0	\$0	\$0	Potential funding restricted in FY 2020 budget. Mandated appropriation in FY 2021.

Legislation Affecting State Expenditures

	<u>Fund</u>	<u>Agency</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>Comments</u>
HB 1407	Budget Reconciliation and Financing Act of 2019 (Ch. 16)							
	FF	Health	\$0	\$0	\$0	\$0	\$0	FF expenditures decrease by \$2.9 million in FY 2019. FF revenues decrease by same amount.
	GF	Juvenile Services	\$0	\$0	\$0	\$0	\$0	GF expenditures decrease by \$0.5 million in FY 2019.
	GF	Information Technology	(\$5,000,000)	(\$5,000,000)	(\$5,000,000)	(\$5,000,000)	(\$5,000,000)	Included in FY 2020 budget.
	GF	Public Safety and Correctional Services	\$0	\$0	\$0	\$0	\$0	GF expenditures decrease by \$7.5 million in FY 2019.
	GF	Health	(\$25,000,000)	(\$15,000,000)	(\$15,000,000)	(\$15,000,000)	(\$15,000,000)	Included in FY 2020 budget. GF expenditures also decrease by \$28.9 million in FY 2019.
	GF	Education	(\$4,000,000)	(\$4,000,000)	(\$4,000,000)	\$0	\$0	GF expenditures also decrease by \$2.0 million in FY 2019.
	GF	Uninsured Employers' Fund	(\$2,000,000)	\$0	\$0	\$0	\$0	Included in FY 2020 budget.
	GF/SF/FF	All or Multiple Agencies	\$0	increase	increase	increase	\$0	Potential salary expenditures for cost-of-living adjustments.
	SF	Information Technology	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	SF revenues increase by same amount.
	SF	Health	\$25,000,000	\$15,000,000	\$15,000,000	\$15,000,000	\$15,000,000	SF revenues increase by same amount.
	SF	Transportation	(\$5,000,000)	(\$5,000,000)	(\$5,000,000)	(\$5,000,000)	(\$5,000,000)	SF revenues decrease by same amount.

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	<u>Fund</u>	<u>Agency</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>Comments</u>
HB 1407	Budget Reconciliation and Financing Act of 2019 (Ch. 16) (Continued)							
	SF	Education	\$15,800,000	\$16,000,000	\$16,200,000	\$16,300,000	\$16,500,000	SF revenues increase by same amount. Potential significant increase in SF expenditures for education beginning in FY 2021 (in addition to amounts shown).
	SF	Uninsured Employers' Fund	increase	increase	increase	increase	increase	Potential compensation claim payments.
HB 1411	CASH Campaign of Maryland Grant (Ch. 745)							
	GF	Comptroller	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	Potential funding restricted in FY 2020 budget. Mandated appropriation beginning in FY 2021.
HB 1425	Maryland Stadium Authority – Development of Supplemental Facilities to Benefit Camden Yards (Ch. 221)							
	NB	Stadium Authority	\$1,000,000	\$1,000,000	\$0	\$25,000,000	\$0	NB revenues increase by similar amount in FY 2023.
HB 1427	Sea Level Rise Inundation and Coastal Flooding – Construction, Adaptation, and Mitigation (Ch. 442)							
	Multiple	All or Multiple Agencies	decrease	decrease	decrease	decrease	decrease	Potential significant compliance/construction costs.

Quantifiable Expenditures by Agency

<u>Agency</u>	<u>Fund</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>
Aging	GF	\$45,132	\$40,497	\$41,832	\$43,287	\$44,792
Agriculture	GF	\$1,277,754	\$1,055,723	\$985,700	\$1,007,128	\$1,029,310
	SF	\$200,000	\$197,725	\$198,781	\$199,909	\$201,078
All or Multiple Agencies	GF	\$758,086	\$1,359,481	\$24,484,947	\$27,226,245	\$30,350,499
	SF	\$219,799	\$330,248	\$7,849,383	\$8,451,394	\$9,053,920
	FF	\$219,799	\$330,248	\$7,849,383	\$8,451,394	\$9,053,920
Assessments & Taxation	GF	\$212,301	\$375,850	\$387,686	\$400,297	\$413,343
Attorney General's Office	GF	\$81,945	\$77,057	\$79,550	\$82,202	\$84,946
Baltimore City Community College	GF	\$0	\$0	\$250,000	\$0	\$250,000
	HE	(\$68,058)	(\$90,744)	(\$90,744)	(\$90,744)	(\$90,744)
Budget & Management	GF	\$90,000	\$2,150,000	\$3,530,000	\$3,500,000	\$3,530,000
	SF	(\$226,000)	(\$226,000)	(\$226,000)	(\$226,000)	(\$226,000)
Commission on Civil Rights	GF	\$54,439	\$66,149	\$68,262	\$70,518	\$72,855
Comptroller	GF	\$1,097,878	(\$2,882,198)	(\$2,944,496)	(\$3,007,936)	(\$3,072,611)

Quantifiable Expenditures by Agency (Continued)

<u>Agency</u>	<u>Fund</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>
Department of Commerce						
	GF	\$1,709,905	\$11,704,796	\$20,108,306	\$20,112,011	\$20,115,842
	SF	\$0	\$200,000	\$500,000	\$500,000	\$1,000,000
Department of Information Technology						
	GF	(\$5,000,000)	(\$5,000,000)	(\$5,000,000)	(\$5,000,000)	(\$5,000,000)
	SF	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000
Education						
	GF	\$1,032,354	\$1,328,938	\$1,769,088	\$2,135,044	\$2,638,969
	SF	\$266,816,911	\$367,455,800	\$382,350,000	\$16,450,000	\$16,650,000
	FF	\$0	\$9,381,959	\$0	\$0	\$0
Election Board						
	GF	\$52,819	(\$49,175)	(\$49,175)	(\$49,175)	(\$49,175)
Energy Administration						
	SF	(\$650,000)	(\$650,000)	(\$650,000)	(\$650,000)	(\$650,000)
Environment						
	GF	\$3,049,862	\$6,185,770	\$6,214,997	\$5,251,473	\$3,217,305
	SF	\$233,435	\$304,835	\$124,027	\$65,236	\$67,458
General Services						
	GF	\$2,048,619	\$1,997,969	\$2,034,771	\$2,073,085	\$2,112,516
	SF	\$401,814	\$366,602	\$378,414	\$390,800	\$403,612
	FF	\$1,554,596	\$1,411,385	\$1,456,947	\$1,504,692	\$1,554,078
	REIM	(\$650,000)	(\$650,000)	(\$650,000)	(\$650,000)	(\$650,000)
Governor's Office of Crime, Control, and Prevention						
	GF	\$3,657,818	\$3,670,604	\$3,672,952	\$3,675,455	\$3,678,043
	SF	\$4,330,433	\$4,453,876	\$4,457,366	\$3,840,319	\$3,600,000

Quantifiable Expenditures by Agency (Continued)

<u>Agency</u>	<u>Fund</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>
Health						
	GF	(\$12,183,326)	\$107,343,706	\$197,429,009	\$288,267,294	\$369,101,088
	SF	\$25,457,490	\$15,359,614	\$15,380,803	\$15,429,636	\$15,416,361
	FF	\$19,355,808	\$124,463,373	\$211,301,987	\$301,398,942	\$368,982,905
Higher Education Commission						
	GF	\$266,525	\$87,419	\$5,293,820	\$45,342	\$5,296,918
	SF	\$0	\$250,000	\$250,000	\$250,000	\$250,000
Housing & Community Development						
	GF	\$6,060,723	\$18,200,000	\$18,200,000	\$23,200,000	\$23,200,000
	SF	\$60,723	\$12,200,000	\$12,200,000	\$17,200,000	\$17,200,000
Human Services						
	GF	\$833,813	\$4,774,449	\$4,776,928	\$4,779,565	\$4,782,293
	SF	\$86,850	\$103,110	\$106,511	\$110,175	\$113,967
Judiciary						
	GF	\$2,715,127	\$2,765,716	\$2,855,212	\$2,893,352	\$2,932,812
Labor, Licensing, & Regulation¹ (Maryland Department of Labor)						
	GF	\$626,124	\$1,299,598	\$1,212,280	\$1,222,552	\$1,233,182
	SF	(\$324,968)	(\$42,226)	\$291,942	\$282,857	\$844,889
	FF	(\$1,473,317)	(\$1,344,207)	(\$1,387,517)	(\$1,432,933)	(\$1,479,911)
MHBE						
	SF	\$1,218,240	\$1,524,190	\$1,543,277	\$1,563,011	\$1,583,418
Natural Resources						
	GF	\$2,928,374	\$2,466,880	\$2,480,387	\$2,494,500	\$2,059,095
	SF	\$0	\$50,000	\$50,000	\$50,000	\$50,000

Quantifiable Expenditures by Agency (Continued)

<u>Agency</u>	<u>Fund</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>
New Agencies²						
	GF	\$5,439,137	\$5,393,000	\$5,487,560	\$5,626,285	\$5,768,842
None (Grant to Counties)						
	GF	\$500,000	\$2,125,000	\$2,500,000	\$4,125,000	\$5,750,000
Planning						
	GF	\$75,000	\$0	\$0	\$9,000,000	\$9,000,000
	SF	\$0	\$0	\$0	\$384,000	\$397,000
Public Safety & Correctional Services						
	GF	\$1,462,246	\$2,229,978	\$2,302,278	\$2,378,147	\$2,456,617
	SF	\$53,800,000	\$53,800,000	\$53,800,000	\$53,800,000	\$53,800,000
Public Service Commission						
	SF	\$3,900,000	\$50,000	\$50,000	\$50,000	\$50,000
Public Works, Board of						
	GF	\$17,548	\$15,863	\$16,392	\$1,355	\$0
School Construction						
	GF	\$50,000	\$0	\$0	\$0	\$0
Secretary of State						
	GF	\$0	\$52,921	\$63,971	\$66,169	\$68,441
Stadium Authority						
	GF	\$50,000	\$50,000	\$4,400,000	\$4,400,000	\$4,400,000
	NB	\$1,000,000	\$1,000,000	\$0	\$25,000,000	\$0
State Police						
	GF	\$61,171	\$29,160	\$0	\$0	\$0

Quantifiable Expenditures by Agency (Continued)

<u>Agency</u>	<u>Fund</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>
Transportation						
	SF	(\$3,703,265)	(\$3,337,863)	(\$3,440,173)	(\$3,622,522)	(\$3,457,927)
Uninsured Employers' Fund						
	GF	(\$2,000,000)	\$0	\$0	\$0	\$0
University System of Maryland						
	GF	\$12,000	\$2,412,000	\$4,812,000	\$7,212,000	\$9,612,000
	HE	\$2,371,391	\$12,186,572	\$22,037,354	\$32,420,898	\$42,554,189
	BOND	\$34,000,000	\$0	\$0	\$0	\$0

¹ House Bill 60 (Chapter 91) renames the Department of Labor, Licensing, and Regulation to be the Maryland Department of Labor.

² New State agencies were created by Senate Bill 1030, House Bill 768, and House Bill 1052.

Totals by Fund Type/Summary of Quantifiable Expenditure Effects

<u>Fund Type</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>
GF	\$17,083,374	\$171,327,151	\$307,464,257	\$413,231,195	\$505,077,922
SF	\$356,821,462	\$457,389,911	\$480,214,331	\$119,518,815	\$121,347,776
FF	\$19,656,886	\$134,242,758	\$219,220,800	\$309,922,095	\$378,110,992
BOND	\$34,000,000	\$0	\$0	\$0	\$0
HE	\$2,303,333	\$12,095,828	\$21,946,610	\$32,330,154	\$42,463,445
NB	\$1,000,000	\$1,000,000	\$0	\$25,000,000	\$0
REIM	(\$650,000)	(\$650,000)	(\$650,000)	(\$650,000)	(\$650,000)

Quantifiable Regular Positions Needed by Agency

<u>Agency</u>	<u>Fund</u>	<u>Beginning in FY 2020</u>	<u>Beginning in FY 2021</u>
Aging	GF	0.5	0
Agriculture	GF	4.5	0
	GF/SF	4.7	0
Assessments & Taxation	GF	5.0	0
Attorney General's Office	GF	0.5	0
Commission on Civil Rights	GF	1.0	0
Comptroller	GF	1.0	(27.0)
Department of Commerce	GF	1.0	0
Education	GF	8.5	0
Election Board	GF	0	(2.0)
Environment	GF	8.0	(0.5)
	SF	1.0	0
	GF/SF	13.0	2.0
General Services	GF	3.5	0
	GF/SF/FF	13	0
Governor's Office of Crime, Control, and Prevention	GF	1.0	0
	SF	0.5	0
Health	GF	7.5	0
	SF	4.0	(0.5)

Quantifiable Regular Positions Needed by Agency (Continued)

<u>Agency</u>	<u>Fund</u>	<u>Beginning in FY 2020</u>	<u>Beginning in FY 2021</u>
Higher Education Commission	GF	0.5	0
Housing & Community Development	SF	1.0	0
Human Services	GF	1.0	0
	SF	2.0	0
Judiciary	GF	15.0	0
Labor, Licensing, & Regulation ¹ (Maryland Department of Labor)	GF	8.5	0
	SF	1.0	0
	GF/SF/FF	(13.0)	0
Natural Resources	GF	1.5	0
New Agencies ²	GF	11.0	35.0
Public Safety & Correctional Services	GF	15.0	0
	SF	1.0	0
Secretary of State	GF	0	1.0
Transportation	SF	3.0	0
Total		125.7³	8.0

¹In addition, one position associated with Senate Bill 391/House Bill 336 is assumed to begin in FY 2019.

²Reflects new agencies created by Senate Bill 1030, House Bill 768, and House Bill 1052.

³The positions reflect only those that the Department of Legislative Services could reliably quantify. Although other bills may necessitate additional staff once implemented, an accurate assessment of the positions required could not be quantified beforehand, as discussed in the relevant fiscal and policy note.

Quantifiable Contractual Positions Needed by Agency

<u>Agency</u>	<u>Fund</u>	<u>Beginning in FY 2020</u>	<u>Beginning in FY 2021</u>
Agriculture	GF	2.0	0
Environment	GF	0.5	1.5
General Services	GF/SF/FF	19.5	0
Governor's Office of Crime, Control, and Prevention	SF	2.0	0
Health	GF	1.0	(1.0)
Judiciary	GF	12.0	0
Labor, Licensing, & Regulation ¹ (Maryland Department of Labor)	GF/SF/FF	(18.0)	0
	GF	0.5	0
Natural Resources	GF	3.0	0
Public Works, Board of	GF	0.5	0
State Police	GF	3.0	(3.0)
Transportation	SF	2.0	0
University System of Maryland	HE	1.0	0
Total		29.0²	(2.5)

¹In addition, two contractual positions associated with Senate Bill 391/House Bill 336 are assumed to begin in FY 2019.

²The positions reflect only those that the Department of Legislative Services could reliably quantify. Although other bills may necessitate additional staff once implemented, an accurate assessment of the positions required could not be quantified beforehand, as discussed in the relevant fiscal and policy note.

Chapter 4. Local Government

- State Aid to Local Governments
- Summary of State Mandates
- Legislation Affecting Local Government Revenues
- Legislation Affecting Local Government Expenditures

State Aid to Local Governments

Overview

State aid to local governments will total \$8.2 billion in fiscal 2020, representing a \$527.9 million, or 6.9%, increase over fiscal 2019. Direct aid will increase by \$490.4 million, and State funding for retirement payments will increase by \$37.6 million. As in prior years, local school systems will receive the largest increase in State funding. **Exhibit 4.1** compares State aid by governmental entity in fiscal 2019 and 2020.

Exhibit 4.1
State Aid to Local Governments
(\$ in Millions)

	<u>FY 2019</u>	<u>FY 2020</u>	<u>Difference</u>	<u>% Difference</u>
Public Schools	\$5,801.6	\$6,236.0	\$434.4	7.5%
Libraries	60.3	62.3	2.0	3.3%
Community Colleges	278.3	286.1	7.7	2.8%
Local Health	52.7	55.4	2.7	5.1%
County/Municipal	669.4	712.9	43.5	6.5%
Subtotal – Direct Aid	\$6,862.3	\$7,352.7	\$490.4	7.1%
Retirement Payments	\$797.6	\$835.2	\$37.6	4.7%
Total	\$7,659.9	\$8,187.8	\$527.9	6.9%

Source: Department of Legislative Services

Enhancements

Exhibit 4.2 shows the local impact in fiscal 2020 of discretionary enhancements to State aid, resulting in a gain for local governments of \$269.7 million. As noted, disbursement of \$263.1 million of the enhanced funding authorized by the General Assembly is at the discretion of the Governor.

Exhibit 4.2
Discretionary Enhancements to State Aid Programs
Fiscal 2020
(\$ in Millions)

Kirwan Commission – The Blueprint for Maryland’s Future	
Teacher Salary Incentives ¹	\$75.0
Special Education ¹	65.5
Concentration of Poverty Grants ¹	54.5
Supplemental Prekindergarten Grants ¹	31.7
Transitional Supplemental Instruction ¹	23.0
Mental Health Service Coordinators ¹	2.0
Total Enhancements	\$251.6
Public Safety Initiatives	
Baltimore City Police Department – Technology Improvements ¹	\$7.0
Baltimore City Safe Streets Program	3.6
Rape Kit Testing Grant Fund ¹	3.5
Police Recruitment and Retention	3.0
Pretrial Services ¹	0.8
State’s Attorney’s Offices ¹	0.3
Total Enhancements	\$18.1
Total Local Impact	\$269.7

¹ Reflects funding by the General Assembly in the fiscal 2020 budget; however, funding is at the discretion of the Governor. In May 2019, the Governor released fiscal 2020 funds for the Blueprint for Maryland’s Future.

Education Enhancements

Senate Bill 1030 (Chapter 771), The Blueprint for Maryland’s Future, enhances State aid to local school systems by \$251.6 million in fiscal 2020, consistent with recommendations of the Commission on Innovation and Excellence in Education (Kirwan Commission). This includes \$75.0 million in incentive grants for increased teacher salaries, \$54.5 million directed to schools serving a student population of 80% or more who are from low-income families, \$23.0 million for transitional supplemental instruction for struggling learners in kindergarten through grade 3, and \$2.0 million to provide each local school system with \$83,300 to fund the mental health services coordinator that must be appointed, pursuant to the Maryland Safe to Learn Act (Chapter 30) of 2018. Fiscal 2020 State aid increases under **Chapter 771** also include the equivalent of a \$65.5 million enhancement to special education formula funding and \$31.7 million resulting from an expansion of eligibility within the existing prekindergarten supplemental grant program. While provisions in the annual State operating budget, **House Bill 100 (Chapter 565)**, and in the Budget

Reconciliation and Financing Act (BRFA), **House Bill 1407 (Chapter 16)**, restrict and direct sufficient amounts to cover the \$251.6 million increase, funding of these fiscal 2020 enhancements is at the discretion of the Governor. In May 2019, the Governor released fiscal 2020 funds for the Blueprint for Maryland's Future.

Chapter 771 also mandates a total of approximately \$294 million in State aid for fiscal 2021, including funding for each of the programs mentioned above, and funding to extend declining enrollment grants that had been set to expire in fiscal 2020 into fiscal 2021. Further, it is assumed that the great majority of the \$58.0 million in fiscal 2021 that must be appropriated to The Blueprint for Maryland's Future Fund, as well as the great majority of between \$370 million and \$500 million made available for fiscal 2022, will be expended by the State in the form of aid to local school systems.

Public Safety Enhancements

The fiscal 2020 budget includes several public safety enhancements, including \$7.0 million for the Baltimore City Police Department for technology improvements and \$3.6 million for Baltimore City Safe Streets. An additional \$3.0 million is included for police recruitment and retention as well as \$750,000 for the Pretrial Services Grant Fund established by Chapter 771 of 2018 and \$125,000 in additional funding for each of the Baltimore City and Prince George's County State's Attorney's Offices. Also, **Senate Bill 569 (Chapter 509)** and **House Bill 1268 (Chapter 508)** establish a Rape Kit Testing Grant Fund to provide law enforcement agencies with funding for the testing of sexual assault evidence collection kits by forensic laboratories, of which \$3.5 million is included in the fiscal 2020 budget.

Changes by Program

Direct State aid for Baltimore City and all counties in Maryland increases in fiscal 2020, and State aid for retirement increases for all but one county (Kent County decreases by 0.2%). **Exhibit 4.3** summarizes the distribution of direct aid by governmental unit and shows the estimated State retirement payments for local government employees. **Exhibit 4.4** shows total State aid in fiscal 2019 and 2020 by program. A more detailed discussion of the changes in State aid in fiscal 2020 follows the exhibits.

Exhibit 4.3
State Aid to Local Governments
Fiscal 2020 Legislative Appropriation
(\$ in Thousands)

County	County – Municipal	Community Colleges	<i>Direct State Aid</i>				Retirement	Total	Change Over FY 2019	Percent Change
			Public Schools	Libraries	Health	Subtotal				
Allegany	\$15,482	\$6,597	\$88,795	\$840	\$1,877	\$113,593	\$8,750	\$122,342	\$5,987	5.1%
Anne Arundel	46,696	31,814	397,618	2,432	4,487	483,046	70,459	553,505	34,982	6.7%
Baltimore City	297,068	0	910,222	9,501	8,593	1,225,385	64,659	1,290,044	75,588	6.2%
Baltimore	26,930	45,552	725,374	6,407	5,668	809,930	101,607	911,537	55,792	6.5%
Calvert	5,809	2,812	91,123	515	767	101,026	14,621	115,648	10,166	9.6%
Caroline	6,200	1,791	64,518	334	892	73,735	5,094	78,829	9,445	13.6%
Carroll	6,814	9,169	139,691	1,069	1,933	158,676	22,056	180,732	9,374	5.5%
Cecil	9,820	6,833	112,190	867	1,317	131,026	14,380	145,407	5,848	4.2%
Charles	4,694	9,386	199,508	1,163	1,718	216,469	23,494	239,963	16,945	7.6%
Dorchester	5,005	1,204	50,221	309	878	57,617	4,138	61,754	6,758	12.3%
Frederick	10,487	12,369	267,250	1,563	2,391	294,062	35,876	329,938	23,429	7.6%
Garrett	4,952	4,127	25,098	169	846	35,191	3,549	38,740	3,414	9.7%
Harford	8,399	12,670	226,681	1,749	2,639	252,137	32,037	284,174	17,939	6.7%
Howard	8,724	21,801	282,071	1,028	1,971	315,595	65,027	380,622	30,558	8.7%
Kent	1,406	556	10,474	105	742	13,282	1,871	15,153	598	4.1%
Montgomery	33,195	52,480	765,236	3,388	4,148	858,448	177,104	1,035,552	62,908	6.5%
Prince George's	110,235	33,924	1,219,722	7,628	6,666	1,378,175	122,819	1,500,994	92,541	6.6%
Queen Anne's	2,332	2,182	38,442	192	695	43,843	6,538	50,381	3,085	6.5%
St. Mary's	3,431	3,320	114,788	807	1,193	123,539	14,405	137,943	8,646	6.7%
Somerset	7,394	911	36,242	314	702	45,562	3,048	48,610	4,426	10.0%
Talbot	2,955	1,827	15,631	119	642	21,173	3,833	25,007	1,701	7.3%
Washington	8,405	10,045	195,182	1,417	2,121	217,171	18,908	236,079	18,226	8.4%
Wicomico	16,419	5,909	162,100	1,132	1,535	187,095	13,401	200,496	16,389	8.9%
Worcester	8,040	2,412	21,084	165	961	32,662	7,512	40,173	2,299	6.1%
Unallocated	61,985	6,375	76,760	19,097	0	164,217	0	164,217	10,870	7.1%
Total	\$712,877	\$286,066	\$6,236,020	\$62,308	\$55,385	\$7,352,654	\$835,188	\$8,187,842	\$527,914	6.9%

Note: County/Municipal includes the municipal share of police aid, highway user revenue, and fire aid.

Exhibit 4.3 (Cont.)
State Aid to Local Governments
Fiscal 2019 Working Appropriation
(\$ in Thousands)

County	<i>Direct State Aid</i>						Retirement	Total
	County – Municipal	Community Colleges	Public Schools	Libraries	Health	Subtotal		
Allegany	\$15,036	\$6,782	\$83,488	\$817	\$1,745	\$107,868	\$8,487	\$116,355
Anne Arundel	45,906	31,277	366,675	2,350	4,309	450,518	68,006	518,524
Baltimore City	276,967	0	855,278	9,378	8,367	1,149,989	64,468	1,214,457
Baltimore	26,496	44,110	676,755	6,210	5,519	759,090	96,656	855,746
Calvert	5,595	2,849	82,055	482	711	91,692	13,790	105,482
Caroline	4,833	1,689	56,826	317	831	64,495	4,889	69,384
Carroll	6,216	9,164	132,403	1,032	1,799	150,614	20,744	171,358
Cecil	9,007	6,813	107,892	840	1,215	125,766	13,792	139,558
Charles	4,421	9,259	183,779	1,107	1,597	200,163	22,856	223,018
Dorchester	4,757	1,307	43,902	296	808	51,070	3,926	54,996
Frederick	9,386	11,393	248,855	1,493	2,246	273,374	33,135	306,509
Garrett	4,777	4,030	22,095	163	776	31,841	3,484	35,326
Harford	7,886	12,577	211,482	1,672	2,477	236,094	30,142	266,236
Howard	8,498	20,832	257,184	983	1,848	289,345	60,719	350,064
Kent	1,305	554	10,056	103	663	12,680	1,875	14,555
Montgomery	31,272	51,668	712,289	3,236	4,039	802,504	170,140	972,644
Prince George's	105,887	31,882	1,140,518	7,477	6,478	1,292,242	116,211	1,408,452
Queen Anne's	2,186	2,167	35,823	175	640	40,991	6,305	47,296
St. Mary's	3,297	3,155	107,250	772	1,131	115,606	13,690	129,297
Somerset	7,055	841	32,536	303	637	41,372	2,813	44,184
Talbot	2,695	1,859	14,293	116	601	19,564	3,742	23,306
Washington	7,797	9,564	179,260	1,361	1,965	199,946	17,906	217,853
Wicomico	15,242	5,663	147,947	1,091	1,422	171,365	12,742	184,107
Worcester	7,595	2,446	19,683	159	876	30,759	7,115	37,874
Unallocated	55,256	6,439	73,272	18,380	0	153,346	0	153,346
Total	\$669,367	\$278,322	\$5,801,594	\$60,313	\$52,699	\$6,862,295	\$797,633	\$7,659,928

Note: County/Municipal includes the municipal share of police aid, highway user revenue, and fire aid.

Exhibit 4.3 (Cont.)
State Aid to Local Governments
Dollar Difference Between Fiscal 2020 Legislative Appropriation and Fiscal 2019 Working Appropriation
(\$ in Thousands)

County	<i>Direct State Aid</i>						Retirement	Total
	County – Municipal	Community Colleges	Public Schools	Libraries	Health	Subtotal		
Allegany	\$446	-\$185	\$5,307	\$23	\$133	\$5,725	\$262	\$5,987
Anne Arundel	789	536	30,943	82	178	32,528	2,453	34,982
Baltimore City	20,102	0	54,945	123	227	75,396	191	75,588
Baltimore	434	1,441	48,619	197	150	50,841	4,951	55,792
Calvert	214	-36	9,067	34	56	9,334	832	10,166
Caroline	1,367	102	7,692	17	61	9,240	206	9,445
Carroll	599	6	7,288	36	134	8,062	1,312	9,374
Cecil	813	19	4,298	27	102	5,260	588	5,848
Charles	274	127	15,728	56	121	16,306	638	16,945
Dorchester	249	-103	6,319	12	70	6,547	211	6,758
Frederick	1,100	976	18,395	70	145	20,688	2,741	23,429
Garrett	175	96	3,003	5	70	3,350	64	3,414
Harford	512	93	15,200	77	162	16,043	1,895	17,939
Howard	226	970	24,886	44	124	26,250	4,308	30,558
Kent	101	2	418	2	79	602	-4	598
Montgomery	1,922	812	52,947	152	109	55,943	6,965	62,908
Prince George's	4,348	2,042	79,204	151	188	85,933	6,608	92,541
Queen Anne's	146	15	2,619	16	56	2,852	233	3,085
St. Mary's	133	164	7,538	34	62	7,932	714	8,646
Somerset	339	70	3,706	11	64	4,190	235	4,426
Talbot	260	-33	1,339	3	40	1,609	91	1,701
Washington	608	481	15,922	56	156	17,224	1,002	18,226
Wicomico	1,177	246	14,153	41	113	15,729	660	16,389
Worcester	445	-34	1,401	6	85	1,903	396	2,299
Unallocated	6,729	-63	3,488	717	0	10,870	0	10,870
Total	\$43,510	\$7,744	\$434,425	\$1,995	\$2,686	\$490,359	\$37,554	\$527,914

Note: County/Municipal includes the municipal share of police aid, highway user revenue, and fire aid.

Exhibit 4.3 (Cont.)
State Aid to Local Governments
Percent Change: Fiscal 2020 Legislative Appropriation over Fiscal 2019 Working Appropriation

County	Direct State Aid						Retirement	Total
	County – Municipal	Community Colleges	Public Schools	Libraries	Health	Subtotal		
Allegany	3.0%	-2.7%	6.4%	2.9%	7.6%	5.3%	3.1%	5.1%
Anne Arundel	1.7%	1.7%	8.4%	3.5%	4.1%	7.2%	3.6%	6.7%
Baltimore City	7.3%	n/a	6.4%	1.3%	2.7%	6.6%	0.3%	6.2%
Baltimore	1.6%	3.3%	7.2%	3.2%	2.7%	6.7%	5.1%	6.5%
Calvert	3.8%	-1.3%	11.1%	7.0%	7.9%	10.2%	6.0%	9.6%
Caroline	28.3%	6.0%	13.5%	5.4%	7.3%	14.3%	4.2%	13.6%
Carroll	9.6%	0.1%	5.5%	3.5%	7.4%	5.4%	6.3%	5.5%
Cecil	9.0%	0.3%	4.0%	3.2%	8.4%	4.2%	4.3%	4.2%
Charles	6.2%	1.4%	8.6%	5.1%	7.6%	8.1%	2.8%	7.6%
Dorchester	5.2%	-7.9%	14.4%	4.2%	8.7%	12.8%	5.4%	12.3%
Frederick	11.7%	8.6%	7.4%	4.7%	6.5%	7.6%	8.3%	7.6%
Garrett	3.7%	2.4%	13.6%	3.3%	9.1%	10.5%	1.8%	9.7%
Harford	6.5%	0.7%	7.2%	4.6%	6.5%	6.8%	6.3%	6.7%
Howard	2.7%	4.7%	9.7%	4.5%	6.7%	9.1%	7.1%	8.7%
Kent	7.8%	0.3%	4.2%	2.3%	11.9%	4.7%	-0.2%	4.1%
Montgomery	6.1%	1.6%	7.4%	4.7%	2.7%	7.0%	4.1%	6.5%
Prince George's	4.1%	6.4%	6.9%	2.0%	2.9%	6.6%	5.7%	6.6%
Queen Anne's	6.7%	0.7%	7.3%	9.4%	8.7%	7.0%	3.7%	6.5%
St. Mary's	4.0%	5.2%	7.0%	4.4%	5.5%	6.9%	5.2%	6.7%
Somerset	4.8%	8.3%	11.4%	3.7%	10.1%	10.1%	8.4%	10.0%
Talbot	9.6%	-1.8%	9.4%	2.7%	6.7%	8.2%	2.4%	7.3%
Washington	7.8%	5.0%	8.9%	4.1%	7.9%	8.6%	5.6%	8.4%
Wicomico	7.7%	4.3%	9.6%	3.7%	7.9%	9.2%	5.2%	8.9%
Worcester	5.9%	-1.4%	7.1%	3.7%	9.7%	6.2%	5.6%	6.1%
Unallocated	12.2%	-1.0%	4.8%	3.9%	n/a	7.1%	n/a	7.1%
Total	6.5%	2.8%	7.5%	3.3%	5.1%	7.1%	4.7%	6.9%

Note: County/Municipal includes the municipal share of police aid, highway user revenue, and fire aid.

Exhibit 4.4
Total State Aid to Local Governments

<u>Program</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>Difference</u>
Foundation Aid	\$3,056,189,470	\$3,140,366,550	\$84,177,080
Supplemental Program	46,620,083	46,620,083	0
Geographic Cost of Education Index	141,573,510	145,450,405	3,876,895
Net Taxable Income Education Grant	62,523,818	65,300,825	2,777,007
Tax Increment Financing Education Grants	535,131	3,250,573	2,715,442
Foundation – Special Grants	12,955,565	12,237,088	-718,477
Declining Enrollment Education Grants	18,663,687	18,889,783	226,096
Compensatory Education	1,308,336,290	1,330,428,825	22,092,535
Student Transportation – Regular	256,452,211	275,737,654	19,285,443
Student Transportation – Special Education	26,133,000	27,307,000	1,174,000
Special Education – Formula	290,812,794	303,250,297	12,437,503
Special Education – Nonpublic Placements	123,500,002	121,470,000	-2,030,002
Special Education – Infants and Toddlers	10,389,104	10,389,104	0
Limited English Proficiency Grants	288,041,382	311,079,529	23,038,147
Guaranteed Tax Base	48,169,682	43,684,957	-4,484,725
Prekindergarten Expansion Program	11,644,000	26,644,000	15,000,000
Prekindergarten Supplemental Grants	16,039,177	21,131,425	5,092,248
School Safety Grants	13,100,000	10,600,000	-2,500,000
Kirwan – Concentration of Poverty	0	54,494,427	54,494,427
Kirwan – Mental Health Coordinators	0	1,999,992	1,999,992
Kirwan – Prekindergarten	0	31,677,733	31,677,733
Kirwan – Special Education	0	65,468,588	65,468,588
Kirwan – Teacher Salary Incentives	0	75,000,001	75,000,001
Kirwan – Transitional Supplemental Instruction	0	23,000,000	23,000,000
Food Service	11,236,664	12,996,664	1,760,000
SEED School	10,450,207	10,715,642	265,435
Judy Hoyer Centers	10,575,000	10,575,000	0
Teacher Development	4,520,000	4,520,000	0
Next Generation Scholars	4,700,000	5,000,000	300,000
Public School Opportunities	3,000,000	3,000,000	0
Heroin and Opioid Education	3,000,000	0	-3,000,000
Out-of-county Foster Placements	2,000,000	1,900,000	-100,000
Head Start	1,800,000	3,000,000	1,200,000
Other Education Aid	18,633,599	18,833,599	200,000
Total Primary and Secondary Education	\$5,801,594,376	\$6,236,019,744	\$434,425,368

<u>Program</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>Difference</u>
Library Formula	\$41,932,865	\$43,211,040	\$1,278,175
Library Network	18,380,048	19,096,631	716,583
Total Libraries	\$60,312,913	\$62,307,671	\$1,994,758
Community College Formula	\$240,447,310	\$249,720,042	\$9,272,732
Optional Retirement	17,328,001	17,328,000	-1
Grants for ESOL Programs	5,548,721	5,223,910	-324,811
Small College Grants	5,959,101	6,118,140	159,039
Other Community College Aid	9,038,674	7,675,430	-1,363,244
Total Community Colleges	\$278,321,807	\$286,065,522	\$7,743,715
Highway User Revenue	\$178,132,608	\$255,931,515	\$77,798,907
County Transportation Grants	35,451,141	0	-35,451,141
Municipal Transportation Grants	22,480,289	0	-22,480,289
Elderly and Disabled Transportation Aid	4,305,908	4,305,908	0
Paratransit Grants	1,726,068	1,508,450	-217,618
Total Transportation	\$242,096,014	\$261,745,873	\$19,649,859
Police Aid	\$74,457,216	\$74,848,737	\$391,521
Fire and Rescue Aid	15,000,000	15,000,000	0
9-1-1 Grants	14,400,000	14,400,000	0
Baltimore City Direct Police Grant	9,180,112	9,180,112	0
Baltimore City Safe Streets	0	3,600,000	3,600,000
Baltimore City Technology Improvements	0	7,000,000	7,000,000
Safe Streets Program	4,589,746	0	-4,589,746
State's Attorney Grants	3,228,840	3,478,840	250,000
Violent Crime Grants	2,292,489	2,292,489	0
Vehicle Theft Prevention	1,886,020	1,886,020	0
Drug Enforcement Grants	1,214,610	1,214,610	0
Maryland Criminal Intelligence Network	1,200,000	5,789,746	4,589,746
Police Recruitment and Retention	0	3,000,000	3,000,000
Rape Kit Testing Grant Fund	0	3,500,000	3,500,000
Other Public Safety Aid	6,436,509	6,186,509	-250,000
Total Public Safety	\$133,885,542	\$151,377,063	\$17,491,521
Wastewater Treatment – Nutrient Removal	\$7,000,000	\$7,000,000	0
Critical Area Grants	252,700	175,500	-77,200
Total Recreation/Environment	\$7,252,700	\$7,175,500	-\$77,200
Local Health Formula	\$52,699,002	\$55,384,679	\$2,685,677

<u>Program</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>Difference</u>
Disparity Grant	\$140,804,172	\$146,172,853	\$5,368,681
Gaming Impact Grants	\$92,904,093	\$93,688,776	784,683
Teachers Retirement Supplemental Grants	27,658,661	27,658,661	0
Adult Education	8,011,986	8,011,986	0
Statewide Voting Systems	5,471,244	2,998,036	-2,473,208
Revenue Equity Program	3,303,370	3,543,430	240,060
Payments in Lieu of Taxes (PILOT)	2,195,492	1,664,051	-531,441
PILOT – Park Service	2,291,673	2,300,000	8,327
PILOT – Forest Service	146,208	144,708	-1,500
Instant Bingo	2,581,588	2,631,588	50,000
Behavioral Health Crisis Response	0	3,000,000	3,000,000
Senior Citizens Activities Center	764,238	764,238	0
Total Other Direct Aid	\$145,328,553	\$146,405,474	\$1,076,921
Total Direct Aid	\$6,862,295,079	\$7,352,654,379	\$490,359,300
Retirement – Teachers	\$732,920,781	\$767,888,790	\$34,968,009
Retirement – Libraries	20,645,412	21,666,091	1,020,679
Retirement – Community Colleges	44,067,171	45,632,754	1,565,583
Total Payments-in-behalf	\$797,633,364	\$835,187,635	\$37,554,271
Total State Aid	\$7,659,928,443	\$8,187,842,014	\$527,913,571

ESOL: English for Speakers of Other Languages

SEED: School of Education Evaluation and Development

Primary and Secondary Education

Foundation Program: The foundation formula ensures a minimum funding level per pupil and requires local governments to provide a local match. The formula is calculated based on a per pupil amount and student enrollment. Less wealthy school systems, as measured by the assessable base and net taxable income (NTI), receive more aid per pupil than wealthier school systems. The increase is attributable to a statewide enrollment growth of 0.3% and a 2.5% inflationary increase in the per pupil foundation amount, from \$7,065 to \$7,244. The 2.5% increase in the per pupil foundation amount is equivalent to the increase in the Consumer Price Index (CPI) for all urban consumers (commonly known as CPI-U) for the Washington-Arlington-Alexandria DC-VA-MD-WV (Washington statistical area). Statute provides that the inflationary adjustment is the lesser of CPI-U or the Implicit Price Deflator for State and local government up to 5.0%. State aid under the

foundation program will total \$3.1 billion in fiscal 2020, an \$84.2 million, or 2.8%, increase from the prior year.

In addition, \$46.6 million in supplemental grants will be provided to nine local school systems in fiscal 2020. The supplemental grants were first established during the 2007 special session to guarantee increases of at least 1% in State education aid for all local school systems during two years, fiscal 2009 and 2010, that inflationary increases for the per pupil foundation amount were eliminated. The fiscal 2020 budget also includes a total of \$12.2 million in discretionary foundation funding. Most (\$11.5 million) of this additional funding benefits Baltimore City, while Cecil County also receives \$761,200.

Geographic Cost of Education Index (GCEI): GCEI is a mandated formula that accounts for the differences in the costs of educational resources among local school systems. Thirteen local school systems are eligible for GCEI funds in fiscal 2020, receiving a total increase of \$3.9 million, or 2.7% over the prior year. Fiscal 2020 funding totals \$145.5 million.

NTI Grants: Pursuant to Chapter 4 of 2013, State education aid formulas that include a local wealth component must be calculated twice, once using an NTI amount for each county based on tax returns filed by September 1 and once using an NTI amount based on tax returns filed by November 1. Each local school system then receives the higher State aid amount resulting from the two calculations. Fiscal 2020 funding of NTI grants totals \$65.3 million, a \$2.8 million, or 4.4%, increase compared to fiscal 2019.

Tax Increment Financing Grants: Chapter 258 of 2016 authorized grants in fiscal 2018 and 2019 for counties that establish a tax increment financing development district after May 1, 2016, and qualify for State disparity grant funding. If the amount of State education aid for the county calculated as reduced by the tax increment is greater than the amount of State aid calculated without excluding the tax increment, the difference is provided as a grant to the local school system. Chapter 387 of 2018 extended the grant for fiscal 2020 and beyond. Grants totaling \$3.3 million in fiscal 2020 benefit Baltimore City and Prince George's County. However, due to concerns about the valuation of tax increment districts in Prince George's County, the operating budget, **Chapter 565**, restricts \$3.0 million until the State Department of Assessments and Taxation (SDAT), the Department of Budget and Management, and the Maryland State Department of Education submit a report to the budget committees regarding the accuracy of the grant calculations.

Declining Enrollment Grants: Chapters 6 and 607 of 2017 created grants in fiscal 2018 through 2020 for local school systems with declining enrollment. A local school system is eligible for an enrollment-based supplemental grant if the county's most recent prior three-year average full-time equivalent (FTE) enrollment is greater than the FTE enrollment in the previous school year. Ten local school systems qualify for this grant in fiscal 2020, totaling \$18.9 million. The majority of this funding (\$15.5 million) is for Baltimore City. **Chapter 771** extends this program into fiscal 2021.

Guaranteed Tax Base: The Bridge to Excellence in Public Schools Act included an add-on grant for jurisdictions with less than 80% of statewide per pupil wealth that contributed more than the minimum required local share under the foundation program in the prior year. The grant is based on local support for education relative to local wealth. The grant cannot exceed 20% of the per pupil foundation amount. Eight local school systems will qualify for grants totaling \$43.7 million in fiscal 2020, a decrease of \$4.5 million from the prior year.

Compensatory Education Program: The compensatory education formula provides additional funding based on the number of students eligible for free and reduced-price meals (FRPM). The formula is calculated using the number of eligible students and 97% of the per pupil foundation amount. The State share of the formula cost is 50%. Funds are distributed to each local school system based on eligible enrollment in the school system and local wealth with the State paying no less than 40% of formula funding for each local school system. State aid under the compensatory education program will total \$1.3 billion in fiscal 2020. The \$22.1 million increase in fiscal 2020 is based primarily on increases in the base per pupil amount. Currently, 42% of students statewide qualify for compensatory education funding.

Concentration of Poverty School Grant Program: This program, established by **Chapter 771**, provides grants to public schools in which at least 80% of the students were eligible for FRPM. For both fiscal 2020 and 2021, the State must distribute a grant to each local school system equal to \$248,833 for each eligible school; that same amount must be distributed by the local school system to each eligible school. However, if the local school system has at least 40 eligible schools, the local school system may distribute the funds in accordance with a plan developed in consultation with eligible schools that ensures that each eligible school receives the required positions and services. Statewide grant totals are estimated at \$54.5 million in fiscal 2020 and \$58.9 million in fiscal 2021.

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 special education formula is calculated based on 74% of the annual per pupil foundation amount and the number of special education students from the prior fiscal year. The State share of program cost is 50% statewide with a floor of 40% for each local school system. The student enrollment count used for the program totals 109,711. State formula funding for public special education programs will total \$303.3 million in fiscal 2020, a \$12.4 million, or 4.3%, increase over the prior year. **Chapter 771** provides an additional \$65.5 million for public school special education in fiscal 2020. Funding for nonpublic placements totals \$121.5 million in fiscal 2020, a \$2.0 million, or 1.6%, decrease. The costs for these students, who are placed in nonpublic day or residential facilities, are shared by the local school system and the State. The local school system contributes an amount equal to the local share of the basic cost of educating a child without disabilities plus two times the total basic cost. Any costs above this are split 70% State/30% local.

Infants and Toddlers Program: This program involves a statewide community-based interagency system of comprehensive early intervention services for eligible children until the beginning of the school year following a child's fourth birthday. State funding for infants and toddlers programs will total \$10.4 million in fiscal 2020, the same annual amount that has been provided since fiscal 2009.

Limited English Proficiency: The State provides grants based on non- and limited-English proficient (LEP) students using a definition consistent with federal guidelines. This formula provides additional funds based on the number of students for whom English is a second language. The formula is calculated based on eligible enrollment and 99% of the per pupil foundation amount. Like the compensatory formula, the State pays 50% of the formula costs statewide with a floor of 40% for each local school system. Fiscal 2020 funding totals \$311.1 million. The \$23.0 million increase represents an 8% increase over the fiscal 2019 level and is based on 4,465 more LEP students.

Prekindergarten Funding: Under Chapter 361 of 2018, beginning in fiscal 2020, mandatory annual State funding increases to \$26.6 million, resulting in a \$15.0 million increase over the prior year. Also, per Chapters 6 and 607, Baltimore City as well as Garrett, Kent, and Somerset counties receive prekindergarten supplemental grants totaling \$21.1 million in fiscal 2020. This amounts to an increase of \$5.1 million over fiscal 2019, in accordance with the phase-in of these grants through fiscal 2020. **Chapter 771** expands eligibility for the program in fiscal 2020, resulting in an additional \$31.7 million benefitting 18 additional school systems. Under this legislation, the program is also extended through fiscal 2021.

Judy Hoyer and Ulysses Currie Head Start Programs: These programs provide financial support for the establishment of centers that provide full-day, comprehensive, early education programs and family support services that will assist in preparing children to enter school ready to learn. The programs also provide funding to support early childhood educators and statewide implementation of an early childhood assessment system. Chapters 555 and 556 of 2018 require an annual State funding level of \$3.0 million for Head Start, which was named the Ulysses Currie Head Start Program by the legislation. The fiscal 2020 budget includes \$10.6 million for Judy Hoyer programs and \$3.0 million for the Ulysses Currie Head Start program.

Teacher Development and Salary Incentives: State aid for teacher development totals \$4.5 million in fiscal 2020, level with fiscal 2019 funding. Funds for Quality Teacher Incentives are used to recruit and retain quality teachers by providing stipends to teachers achieving National Board Certification.

Chapter 740 of 2016 established the Teacher Induction, Retention, and Advancement Pilot Program for first-year teachers. The pilot program, in effect through fiscal 2022, is to afford first-year teachers and experienced mentor teachers selected by their local school systems more time on specified professional development activities. Any costs incurred must be borne 80% by the State (up to \$5.0 million annually). However, the BRFA of 2017, 2018, and 2019 each substantially decreased funding for the program, including a \$4.0 million reduction for fiscal 2020. The fiscal 2020 budget includes \$96,000 for the Governor's Teacher Excellence Award Program,

which distributes awards to teachers for outstanding performance and also includes \$600,000 for national certification fees.

Chapter 771 provides \$75.0 million in incentive grants for increased teacher salaries. In each of fiscal 2020 and 2021, the State must provide a grant to a local school system if the local board provides a negotiated and funded average salary increase for teachers of at least 3.0% in fiscal 2020. However, funding is dependent on local boards providing the required documentation.

Innovative Programs: Funding for Innovative Programs totals \$26.8 million in fiscal 2020, a decrease of \$2.5 million from the prior year. This decrease is due to the combined impact of the elimination of \$3.0 million in one-time grants for addressing heroin/opioid addiction, a \$300,000 increase for the Next Generation Scholars of Maryland Program that assists students in school systems in which at least 50% of the students are from low-income families, and a \$200,000 increase for the Pathways in Technology Early College High School program. Fiscal 2020 funding totaling \$26.8 million includes full funding (\$9.0 million) for three programs established under Chapter 361: the Learning in Extended Academic Programs grant program; the Maryland Early Literacy Initiative; and the Career and Technology Education Innovation grant program.

School-based Health Centers: The fiscal 2020 budget includes \$2.6 million for school-based health centers that provide primary medical care as well as social, mental health, and health education services for students and their families. This amount reflects virtually level funding since fiscal 2012.

Healthy Families/Home Visits Program: The Healthy Families Program aims to promote positive parenting to enhance child health and development and to prevent child abuse and neglect through home visits prenatally through early childhood. Fiscal 2020 funding remains level at \$4.6 million.

Student Transportation: The State provides grants to assist local school systems with the cost of transporting students to and from school. The grants consist of three components: regular student ridership funds; special education student ridership funds; and additional enrollment funds. The fiscal 2020 budget includes \$275.7 million for regular transportation services and \$27.3 million for special transportation services. This represents a \$20.5 million, or 7.2%, increase from the prior year, due largely to a 7% increase in the inflation factor used in the funding formula.

School Safety Grants: The fiscal 2020 budget includes \$10.6 million in State funding for public school safety grants, a reduction of \$2.5 million due to the elimination of funding for one-time mandatory school safety evaluations in fiscal 2019.

Food and Nutrition Services: In addition to federal funds, the State provides matching funds to support food and nutrition programs for low-income children. The programs provide free and reduced-price breakfasts, lunches, and snacks to public or private nonprofit school students. All public schools in the State are required to provide subsidized or free nutrition programs for eligible students. Chapter 560 of 2018 makes the State responsible for the student share of the

costs of (1) reduced-price breakfasts provided under the federal School Breakfast Program and (2) reduced-price lunches provided under the National School Lunch Program by fiscal 2023 and phases in this responsibility beginning in fiscal 2020. Qualifying public and nonpublic schools are eligible for reimbursement. Chapter 562 of 2018 requires minimum annual funding of \$7.6 million for Maryland Meals for Achievement, resulting in a \$650,000 increase in State aid beginning in fiscal 2020. The fiscal 2020 budget includes \$13.0 million for food and nutrition services, an increase of \$1.8 million.

Teachers' Retirement Payments: State retirement costs for public school teachers and other professional public school personnel will total an estimated \$767.9 million in fiscal 2020, an increase of \$35.0 million (4.8%) over fiscal 2019 State funding.

Local Libraries

Library Aid Program: The State provides assistance to public libraries through a formula that determines the State and local shares of a minimum per capita library program. Overall, the State provides 40% of the minimum program, and the counties provide 60%. The State/local share of the minimum program varies by county depending on local wealth. Fiscal 2020 funding totals \$40.2 million, a \$1.3 million increase compared to fiscal 2019. In addition, per Chapters 714 and 715 of 2016, Baltimore City will receive \$3.0 million to support expanded operations throughout the library system.

State Library Network: The State provides funds to libraries designated as resource centers, including the State Library Resource Center in Baltimore City, and to regional resource centers, including the Eastern Resource Center in Salisbury, the Southern Resource Center in Charlotte Hall, and the Western Resource Center in Hagerstown. Participating regional resource centers must receive a minimum amount of funding for each resident of the area served to be used for operating and capital expenses. Fiscal 2020 State library network funding totals \$19.1 million, an increase of \$716,600 over fiscal 2019.

Retirement Payments: The State pays 100% of the retirement costs for local library employees. Fiscal 2020 funding totals \$21.7 million, an increase of \$1.0 million compared to fiscal 2019.

Community Colleges

Senator John A. Cade Formula Funding: The Cade funding formula aid is based on a percentage (23% in fiscal 2020) of the current year's State aid to selected four-year public higher education institutions and the total number of FTE students at the community colleges. The total is then distributed to each college based on the previous year's direct grant, enrollment, and a small-size factor. Fiscal 2020 funding totals \$249.7 million, an increase of \$9.3 million over fiscal 2019 funding.

Special Programs: State funding in fiscal 2020 will total \$6.1 million for small college grants and \$600,000 for Allegany/Garrett counties unrestricted grants. Chapter 330 of 2017

increased unrestricted grants to small colleges by approximately \$1.7 million annually, beginning in fiscal 2019. Funding for statewide and regional programs will total \$6.4 million. The English as a Second Language Program will receive \$5.2 million, a slight decline compared to the prior year. The fiscal 2020 budget also provides \$700,000 in special grants benefiting Prince George's County (\$500,000) and Washington County (\$200,000).

Retirement Payments: Fiscal 2020 funding totals \$45.6 million, an increase of \$1.6 million compared to fiscal 2019. However, State funding for the optional retirement program totaling \$17.3 million will remain level in fiscal 2020.

Local Health Departments

The State provides funds to support the delivery of public health services, including child health, communicable disease prevention, maternal health, family planning, environmental health, and administration of the departments. The funding formula is adjusted annually for inflation and statewide population growth for the second preceding fiscal year. The annual adjustment is generally allocated to each county based on its percentage share of State funds distributed in the previous fiscal year. The need to address a substantial change in community health needs as determined by the Secretary of Health may also affect allocations of the annual adjustment. The fiscal 2020 budget includes \$55.4 million for local health grants that includes \$2.6 million for a cost-of-living adjustment that was granted to State employees in fiscal 2019 and approximately \$1.0 million for contractual health insurance costs in some counties.

County and Municipal Governments

Approximately 8.7% of State aid is allocated to county and municipal governments to finance general government, transportation, public safety, and recreation projects. County and municipal governments will receive \$712.9 million in fiscal 2020, an increase of \$43.5 million over fiscal 2019 funding. The major State aid programs assisting county and municipal governments include transportation aid, disparity grants, adult education, teacher retirement supplemental grants, police aid, and gaming impact aid.

Highway User Revenue: The State has shared various transportation revenues with the counties and municipalities through the local highway user revenue program. Allocations to counties and municipalities from the Gasoline and Motor Vehicle Revenue Account (GMVRA) have been based on the percentage of road miles and vehicle registrations within each local jurisdiction.

Chapters 330 and 331 of 2018 require 100% of the funds in the GMVRA of the Transportation Trust Fund (TTF) to be retained by the TTF beginning in fiscal 2020. Beginning in that same year, instead of directly sharing GMVRA revenue with local governments, the Maryland Department of Transportation must provide capital transportation grants to local governments based on the amount of revenue allocated to the GMVRA. For fiscal 2020 through 2024, capital grants equivalent to 13.5% of the revenue allocated to the GMVRA must be provided to local governments as follows: Baltimore City (8.3%); counties (3.2%); and municipalities (2.0%).

Beginning in fiscal 2025, capital grants equivalent to 9.6% of the revenue allocated to the GMVRA must be provided to local governments as follows: Baltimore City (7.7%); counties (1.5%); and municipalities (0.4%); this is equivalent to the previous GMVRA distribution to localities.

The fiscal 2020 allocation is based on projected TTF revenue from motor fuel taxes, motor vehicle titling taxes, motor vehicle registration fees, and corporate income taxes. Based on this formula, the fiscal 2020 budget includes a total of \$255.9 million for local highway funding, which is a \$19.9 million increase from fiscal 2019. Baltimore City will receive \$157.4 million, county governments will receive \$60.7 million, and municipal governments will receive \$37.9 million.

Elderly/Disabled Transportation Grants: State funding for elderly/disabled transportation grants will total \$4.3 million in fiscal 2020, which is the same as fiscal 2019. State funding for paratransit grants will total \$1.5 million, which is a decrease of \$217,600 from fiscal 2019.

Police Aid Formula: 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 a higher population density receive greater per capita grants. Municipalities receive additional grants based on the number of sworn officers. The Maryland State Police recovers 30% of the State crime laboratory costs relating to evidence-testing services from each county's formula allocation. Funding for fiscal 2020 totals \$74.8 million, an increase of 0.5% over fiscal 2019.

Fire, Rescue, and Ambulance Service: The State provides formula grants through the Senator William H. Amoss Fire, Rescue, and Ambulance Fund to the counties, Baltimore City, and qualifying municipalities for local and volunteer fire, rescue, and ambulance services. The program supports the purchase of fire and rescue equipment and capital building improvements and is funded through the Maryland Emergency Medical System Operations Fund. Fiscal 2020 funding totals \$15.0 million, which is the same as the fiscal 2019 amount.

9-1-1 Emergency Systems Grants: The State imposes a \$0.25 fee per month on telephone subscribers that is deposited into a trust fund that provides reimbursements to counties for improvements and enhancements to their 9-1-1 systems. Counties may only use the trust fund money to supplement their spending, not to supplant it. State funding to local 9-1-1 emergency systems will total \$14.4 million in fiscal 2020, which is level with fiscal 2019 funding.

Targeted Public Safety Grants: State funding for targeted public safety grants will total \$45.2 million in fiscal 2020, representing a \$17.1 million increase from the prior year. Funding for fiscal 2020 includes \$22.6 million in targeted grants for Baltimore City and \$4.9 million in targeted grants for Prince George's County. This funding also includes \$17.8 million for several statewide initiatives (*i.e.*, Safe Streets Program, Internet Crimes Against Children Task Force, S.T.O.P. gun violence grants, community program fund, day reporting centers, domestic violence grants, law enforcement and correctional officers training grants, sex offender and compliance enforcement, and body armor grants). New initiatives for fiscal 2020 will provide \$7.0 million for technology improvements within the Baltimore City Police Department, \$3.6 million for support for

Baltimore City Safe Streets, \$3.5 million for a rape kit testing grant fund, and \$3.0 million for police recruitment and retention.

Vehicle Theft Prevention: This program provides grants to law enforcement agencies, prosecutors' offices, local governments, and community organizations for vehicle theft prevention, deterrence, and educational programs. Funds are used to enhance the prosecution and adjudication of vehicle theft crimes. Funding for the program is provided through the Vehicle Theft Prevention Fund and from inspection fees collected for salvaged vehicle verification. State funding for this program will total \$1.9 million in fiscal 2020, the same amount as in fiscal 2019.

Wastewater Treatment – Nutrient Removal Program: The Maryland Department of the Environment provides grants to local governments to assist with operation and maintenance costs associated with enhanced nutrient removal at wastewater treatment facilities. The fiscal 2020 budget includes \$7.0 million in funding, which is the same as the fiscal 2019 amount.

Disparity Grants: The disparity grant program provides noncategorical State aid to low-wealth jurisdictions for county government purposes. The program reflects the State's policy to improve fiscal equity among jurisdictions by making less affluent jurisdictions less dependent on their own tax base to fund public services. Specifically, disparity grants address the differences in the abilities of counties to raise revenues from the local income tax, which for most counties is one of the larger revenue sources.

Based on the statutory formula, Baltimore City and nine counties (Allegany, Caroline, Cecil, Dorchester, Garrett, Prince George's, Somerset, Washington, and Wicomico) qualify for disparity grants. The fiscal 2020 budget includes \$146.2 million for disparity grants, a \$5.4 million increase from the prior year.

Gaming Impact Grants: From the proceeds generated by video lottery terminals at video lottery facilities in the State, generally 5.5% is distributed to local governments in which a video lottery facility is operating. Of this amount, 18% is distributed for 20 years (starting in fiscal 2012 and ending in fiscal 2032) to Baltimore City through the Pimlico Community Development Authority and to Prince George's County for the community surrounding Rosecroft (\$1.0 million annually). Beginning with fiscal 2015, \$500,000 of the 18% dedication is distributed to communities within three miles of Laurel Race Course, resulting in \$89,300 for Howard County, an additional \$357,100 for Anne Arundel County, and \$53,600 for the City of Laurel. In addition, 5% of table game revenues are distributed to local jurisdictions where a video lottery facility is located. Gaming impact grants total \$93.7 million in fiscal 2020, an increase of \$784,700, or 0.8%, over fiscal 2019 levels.

Teacher Retirement Supplemental Grants: The BRFA of 2012 established this grant program, beginning in fiscal 2013. Grants totaling \$27.7 million are distributed annually to nine counties (including Baltimore City) to help offset the impact of sharing teachers' retirement costs with the counties.

Revenue Equity Program: Chapter 692 of 2017 established a State Forest, State Park, and Wildlife Management Area Revenue Equity Program to make annual payments, beginning in fiscal 2019, to counties that have a certain amount of State forests, State parks, and wildlife management areas that are exempt from property tax. The annual payment to each county is equal to the county's property tax rate multiplied by the assessed value, as determined by SDAT, of the State forests, State parks, and wildlife management areas in the county that are exempt from property tax. The payments replace payment in lieu of taxes (PILOT) payments in the affected counties. The fiscal 2020 budget includes total payments of \$3.5 million to Allegany, Garrett, and Somerset counties, which is an increase of \$240,100 over the fiscal 2019 amount.

Forest Service and Maryland Park Service – PILOT: Each county in which any State forest or park is located annually receives 15% of the net revenues derived from the forest or park located in that county, including concession operations. If the forest or park reserve comprises 10% or more of its total land area, the county annually receives 25% of the net revenues derived from the reserve. The original intent of the county payments was to offset the loss in property taxes to counties in which the State owned a significant amount of acreage. In fiscal 2019, Forest Service payments to local governments totaled \$146,200, and Maryland Park Service payments to local governments totaled \$2.3 million. In fiscal 2020, Forest Service payments to local governments total \$144,700, and Maryland Park Service payments to local governments total \$2.3 million.

Senior Citizen Activities Center Operating Fund: The Senior Citizen Activities Center Operating Fund is a nonlapsing fund that consists of appropriations from the State budget. The fund supplements any other funding for senior citizen activities centers in the State budget; it may not be used to replace existing funding. Funding is distributed to counties based on a competitive grant process, with at least 50% of the funds distributed based on need for senior citizen activities centers in counties determined by the Maryland Department of Aging (MDOA) to meet criteria related to economic distress. The fiscal 2020 budget includes \$764,200 for the program, which is the same amount that was included for fiscal 2019.

Adult Education: The State provides funding for adult education services, including classes on basic skills in reading, writing, and math, or learning to speak and understand the English language. Grants also assist adults to prepare to earn a high school diploma through GED tests or the National External Diploma Program. The fiscal 2020 budget includes \$8.0 million for adult education programs in fiscal 2020, level with fiscal 2019 funding.

Behavioral Health Crisis Response: Chapters 209 and 210 of 2018 established the Behavioral Health Crisis Response Grant Program in the Maryland Department of Health (MDH) to provide funds to local jurisdictions to establish and expand community behavioral health crisis response systems. The fiscal 2020 budget includes \$3.0 million for the fund.

Summary of State Mandates	
Benefits	2
Elections	2
Environment	3
Finances and Taxes	2
Law Enforcement	2
M-NCPPC	1
Public Facilities	1
Public Health	2
Public Schools	4
Public Works	1
Total	20

Mandate is defined as a directive in a bill 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 sections, legislation that imposes a State mandate is marked accordingly.

Legislation Affecting Local Government Revenues

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
Legislation Affecting All/Multiple Local Jurisdictions			
SB 11	Distressed Counties – References and Definitions (Ch. 82)	Potential reallocation of \$250,000 in State funding beginning in FY 2021.	No
SB 103/HB 181	Criminal Law – Electronic Harassment and Bullying (Grace’s Law 2.0) (Ch. 26/Ch. 27)	Minimal fine revenues.	No
SB 116/HB 82	Transportation – Complete Streets – Access to Healthy Food and Necessities (Ch. 573/Ch. 572)	Potential grant revenues beginning in FY 2021.	No
SB 122	Property Tax Credits – Real Property Used for Robotics Programs (Ch. 404)	Potential decrease in property tax revenues.	No
SB 164/HB 155	Maryland Department of Health – Capital and Grant Programs – State Grants (Ch. 386/Ch. 385)	Potential grant revenues.	No
SB 180	Education – Robotics Grant Program – Alterations (Ch. 428)	Minimal grant revenues.	No
SB 232/HB 240	Hate Crimes – Threats (Ch. 29/Ch. 28)	Minimal fine revenues.	No
SB 265	Income Tax Subtraction Modification – Mortgage Forgiveness Debt Relief – Extension (Ch. 303)	Income tax revenues decrease by approximately \$137,000 annually.	No
SB 269/HB 428	Comprehensive Flood Management Grant Program – Awards for Flood Damage and Mandatory Funding (Ch. 652/Ch. 651)	Potential significant grant revenues in FY 2021 through 2023.	No
SB 279/HB 251	Department of Aging – Grants for Aging-in-Place Programs (Nonprofits for our Aging Neighbors Act – “NANA”) (Ch. 309/Ch. 308)	Potential grant revenues.	No
SB 284/HB 1090	9-1-1 Specialists – Compensation and Benefits (Ch. 300/Ch. 299)	Potential decrease in property tax revenues.	No

Legislation Affecting Local Government Revenues

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
SB 292/HB 477	Property Tax Credit – Public Safety Officer – Definition (Ch. 239/Ch. 240)	Potential decrease in property tax revenues.	No
SB 339/HB 397	Public Safety – 9-1-1 Emergency Telephone System (Carl Henn’s Law) (Ch. 302/Ch. 301)	Significant 9-1-1 fee revenues.	No
SB 344/HB 20	State Agricultural Land Transfer Tax – Alteration of Nonagricultural Use Reduction and Exemptions (Ch. 567/Ch. 566)	Potential increase or decrease in agricultural land transfer tax revenues.	No
SB 370	Environment – Recycling – Office Buildings (Ch. 500)	Potential decrease in revenues from the sale of recyclable materials. Potential fine revenues.	No
SB 406/HB 520	Prenatal and Infant Care Coordination – Grant Funding and Task Force (Ch. 662/Ch. 661)	Minimal grant revenues beginning in FY 2021.	No
SB 464	School Bus Monitoring Cameras – Civil Penalty – Sunset Repeal (Ch. 429)	Fine revenues.	No
SB 466/HB 285	Hotel Rental Tax – Limitation of Municipal Authority to Tax Small Hotels – Repeal (Ch. 608/Ch. 607)	Potential hotel rental tax revenues for municipalities in Montgomery and Somerset counties.	No
SB 477/HB 387	Income Tax – Subtraction Modification – Maryland Transportation Authority Police (Ch. 68/Ch. 67)	Income tax revenues decrease by \$38,000 annually.	No
SB 478	Property Tax – Vehicles Valued as Stock in Business and Notification on Annexation (Ch. 250)	Potential decrease in municipal property tax revenues.	No
SB 484	Tax Liens – Expiration (Ch. 225)	Potential significant decrease in tax lien revenues for Baltimore City. Tax lien revenues may decrease minimally in other jurisdictions.	Yes
SB 515	Community Colleges – Workforce Readiness Grant Program – Established (Ch. 457)	Potential donation revenues for community colleges; matching fund revenues may increase by up to \$5.5 million in FY 2022 and 2024.	No

Legislation Affecting Local Government Revenues

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
SB 516	Clean Energy Jobs (Ch. 757)	Solar installation tax and fee revenues.	No
SB 569/HB 1268	Public Safety – Rape Kit Testing Grant Fund – Established (Ch. 509/Ch. 508)	Potential grant revenues.	No
SB 581	Economic, Housing, and Community Development – Opportunity Zone Incentives (Ch. 211)	Potential significant decrease in income and property tax revenues.	No
SB 634	Electric Cooperatives – Powers – Conducting or Communications Facilities (Ch. 277)	Potential significant impact on property tax and permit fee revenues.	No
SB 654/HB 1339	Property Tax Credit – Elderly Individuals – Eligibility (Ch. 333/Ch. 332)	Potential decrease in property tax revenues.	No
SB 662/HB 1366	Maryland Association of Environmental and Outdoor Education Grant(Maryland Green Schools Act of 2019) (Ch. 740/Ch. 739)	Grant revenues for school systems increase by a maximum of \$116,600 annually in FY 2021 through 2026.	No
SB 689/HB 734	Criminal Law – Labor Trafficking (Anti-Exploitation Act of 2019) (Ch. 24/Ch. 23)	Minimal fine revenues.	No
SB 690/HB 871	Criminal Law – Human Trafficking and Prostitution Offenses (Ch. 22/Ch. 21)	Minimal fine revenues.	No
SB 727	Health – Professional and Volunteer Firefighter Innovative Cancer Screening Technologies Program (Ch. 219)	Potential grant revenues.	No
SB 736/HB 1027	Criminal Law – Child Pornography (Ch. 326/Ch. 325)	Minimal fine revenues.	No
SB 777	Property Tax – Exemption for Dwelling House Owned by Disabled Active Duty Service Member (Ch. 520)	Property tax revenues decrease.	No

Legislation Affecting Local Government Revenues

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
SB 780	Transfer Tax – Transfers by Governmental Entities (Ch. 290)	Transfer tax revenues decrease in code counties and potentially decrease in charter and commission counties beginning in FY 2019.	No
SB 793	Community Safety and Strengthening Act (Ch. 25)	Baltimore City grant revenues increase by at least \$4.5 million annually in FY 2021 through 2024. Significant grant funding for other jurisdictions beginning in FY 2021.	No
SB 810/HB 672	Housing – Local Housing Grant Program for Homeless Veterans and Survivors of Domestic Violence (Ch. 249/Ch. 248)	Grant revenues increase by \$2.0 million annually.	No
SB 816	Property Tax Credit – Surviving Spouse of Veteran (Ch. 36)	Potential decrease in property tax revenues.	No
SB 842	Criminal Law – Gaming – Civil Offense (Ch. 495)	Minimal decrease in fine revenues.	No
SB 1030	The Blueprint for Maryland’s Future (Ch. 771)	State aid to school systems increases by approximately \$252.0 million in FY 2020, up to \$351.0 million in FY 2021, and likely by at least \$370.0 million in FY 2022.	No
HB 20/SB 344	See entry for SB 344.		No
HB 48	eSports Act (Ch. 338)	Minimal admissions and amusement tax revenues.	No
HB 82/SB 116	See entry for SB 116.		No
HB 155/SB 164	See entry for SB 164.		No
HB 173	Economic Development – Job Creation Tax Credit – Sunset Extension (Ch. 84)	Local highway user revenues decrease by \$71,000 annually in FY 2020 and 2021.	No
HB 175	Maryland Research and Development Tax Credit – Sunset Extension (Ch. 85)	Local highway user revenues decrease by \$132,000 in FY 2022 and by a minimum of \$33,000 in FY 2023 and 2024. Minimal income tax revenues in FY 2022 through 2024.	No
HB 181/SB 103	See entry for SB 103.		No

Legislation Affecting Local Government Revenues

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
HB 190	Environment – Failing On-Site Sewage Disposal System – Definition (Ch. 342)	Permit fee revenues. Potential decrease in income tax revenues.	No
HB 240/SB 232	See entry for SB 232.		No
HB 251/SB 279	See entry for SB 279.		No
HB 285/SB 466	See entry for SB 466.		No
HB 332	Maryland Department of Health – Community Dental Clinics Grant Program (Ch. 540)	Potential grant revenues.	No
HB 352	Property Tax Credits – Maryland-National Capital Park and Planning Commission Park Police Officers and Washington Suburban Sanitary Commission Police Officers MC/PG 108-19 (Ch. 164)	Montgomery County property tax revenues decrease by \$117,500 annually. Prince George’s County property tax revenues decrease by \$147,500 annually.	No
HB 387/SB 477	See entry for SB 477.		No
HB 396	Property Tax – Optional Installment Payment Schedule (Ch. 647)	Potential decrease in interest income may be offset by service charges.	No
HB 397/SB 339	See entry for SB 339.		No
HB 403	Income Tax Credit – Qualified Farms – Food Donation Pilot Program – Expansion and Extension (Ch. 361)	Minimal decrease in local highway user revenues in FY 2021 and 2022.	No
HB 428/SB 269	See entry for SB 269.		No
HB 440	Pathways in Technology Early College High (P-TECH) Expansion Act of 2019 (Ch. 384)	Potential community college and school system revenues.	No
HB 477/SB 292	See entry for SB 292.		No

Legislation Affecting Local Government Revenues

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
HB 482	Income Tax Credits – Endowments of Maryland Historically Black Colleges and Universities and Film Production Activity – Establishment and Alterations (Ch. 544)	Minimal decrease in local highway user revenues through FY 2024.	No
HB 520/SB 406	See entry for SB 406.		No
HB 549	Alcoholic Beverages – Class 1 Distillery License – On-Site Consumption Permit (Ch. 665)	Minimal permit fee revenues.	No
HB 672/SB 810	See entry for SB 810.		No
HB 707	Drunk and Drugged Driving Offenses – Penalties (Ch. 20)	Minimal fine revenues.	No
HB 734/SB 689	See entry for SB 689.		No
HB 808	Weed Control – Noxious Weeds – Regulations and Penalties (Ch. 278)	Potential significant weed control program revenues.	No
HB 827	Child Abuse and Neglect – Sex Trafficking – Services and Investigations (Child Sex Trafficking Screening and Services Act of 2019) (Ch. 559)	Potential grant revenues.	No
HB 871/SB 690	See entry for SB 690.		No
HB 1027/SB 736	See entry for SB 736.		No
HB 1090/SB 284	See entry for SB 284.		No
HB 1169	Business Regulation – Tobacco Products and Electronic Smoking Devices – Revisions (Ch. 396)	Minimal fine revenues in Carroll, Cecil, Garrett, and St. Mary’s counties. Potential decrease in Montgomery County excise tax revenues.	No
HB 1246	Clean Cars Act of 2019 (Ch. 213)	Local highway user revenues increase by \$54,300 in FY 2020.	No

Legislation Affecting Local Government Revenues

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
HB 1253	Drinking Water Outlets in School Buildings – Lead Testing and Reporting Requirements and Grant Programs (Ch. 557)	Potential grant revenues.	No
HB 1266	National Capital Strategic Economic Development Program – Established (Ch. 732)	Potential grant revenues.	No
HB 1268/SB 569	See entry for SB 569.		No
HB 1274	Opioid Restitution Fund (Ch. 537)	Potential significant grant revenues.	No
HB 1339/SB 654	See entry for SB 654.		No
HB 1348	Public Safety – Markell Hendricks Youth Crime Prevention and Diversion Parole Fund – Establishment (Ch. 738)	Minimal grant revenues.	No
HB 1350	Property Tax Assessments – Conservation Property – Alteration of Definition (Ch. 241)	Property tax revenues decrease.	No
HB 1366/SB 662	See entry for SB 662.		No
HB 1407	Budget Reconciliation and Financing Act of 2019 (Ch. 16)	School system revenues increase by up to a total of \$36.0 million in future fiscal years. Local impact grant revenues of \$120,000 annually are reallocated to the Town of Forest Heights; other local government grant revenues decrease correspondingly.	No

Legislation Affecting Local Government Revenues

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
Legislation Affecting Local Governments by Subdivision			
<i>Allegany County</i>			
SB 214/HB 243	Allegany County – Property Tax Credit – Cumberland Economic Development Corporation (Ch. 118/Ch. 117)	Property tax revenues decrease by \$2,100 annually for the county and by \$2,600 annually for the City of Cumberland.	No
SB 667/HB 866	Allegany County – Alcoholic Beverages – Licenses (Ch. 700/Ch. 699)	Minimal license fee revenues.	No
HB 243/SB 214	See entry for SB 214.		No
HB 866/SB 667	See entry for SB 667.		No
<i>Anne Arundel County</i>			
SB 156/HB 129	Mandated Appropriation – City of Annapolis – Services (Ch. 3/Ch. 4)	State payments to the City of Annapolis increase by a minimum of \$750,000 annually, potentially beginning in FY 2020.	No
SB 309/HB 374	Anne Arundel County – Alcoholic Beverages – Racetrack and Racetrack Concessionaire Licenses (Ch. 643/Ch. 642)	License fee revenues increase by a minimum of \$3,100 annually.	No
HB 129/SB 156	See SB 156.		No
HB 374/SB 309	See entry for SB 309.		No
HB 770	Anne Arundel County – Alcoholic Beverages Licenses – Multiple License Interests (Ch. 693)	Potential license fee revenues.	No

Legislation Affecting Local Government Revenues

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
<i>Baltimore City</i>			
SB 96	Baltimore City – Tax Sales of Real Property – Water Liens (Water Taxpayer Protection Act of 2019) (Ch. 320)	Water and sewer fee revenues decrease by a minimum of \$5 million annually.	No
SB 584/HB 637	Baltimore City – Alcoholic Beverages – Licenses (Ch. 677/Ch. 676)	License fee revenues increase by a minimum of \$11,600 annually.	No
SB 792	Baltimore City – Alcoholic Beverages – Related Event Promoter’s Permit (Ch. 764)	Minimal permit fee revenues in FY 2021 through 2023.	No
HB 637/SB 584	See entry for SB 584.		No
HB 801	Maryland Stadium Authority – Baltimore Convention Facility – Renovation (Ch. 695)	Significant bond revenues likely in FY 2020.	No
HB 1160	Public Health – Breathe Easy East Baltimore Pilot Program (Ch. 724)	Grant revenues increase by \$100,000 in FY 2021 and may continue in future years.	No
HB 1390	Baltimore City – Property Tax Credit – Low-Income Employees (Ch. 383)	Property tax revenues decrease by approximately \$3.0 million annually.	No
<i>Baltimore County</i>			
SB 451/HB 449	Baltimore County – Development Impact Fees – Authorization and Use of Funds (Ch. 658/Ch. 657)	Potential development impact fee revenues.	No
HB 449/SB 451	See entry for SB 451.		No
<i>Calvert County</i>			
HB 623	Calvert County – Local Debt Bonding Authority (Ch. 96)	Bond revenue proceeds increase by a maximum of \$10.32 million.	No

Legislation Affecting Local Government Revenues

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
<i>Carroll County</i>			
SB 376	Carroll County – Public Facilities Bonds (Ch. 184)	Bond revenue proceeds increase by a maximum of \$28.5 million.	No
<i>Cecil County</i>			
SB 259/HB 997	Cecil County – Special Taxing Districts – Internet Service (Ch. 710/Ch. 709)	Potential increase in property tax revenues and bond proceeds.	No
HB 997/SB 259	See entry for SB 259.		No
<i>Charles County</i>			
HB 389	Charles County – Alcoholic Beverages – Resort Complex License (Ch. 644)	License fee revenues increase by \$3,500 annually.	No
HB 438	Charles County – Alcoholic Beverages – Golf Course Privilege (Ch. 653)	Minimal license fee revenues.	No
<i>Dorchester County</i>			
SB 111/HB 311	Dorchester County – Alcoholic Beverages – Class A Licenses (Ch. 628/Ch. 627)	Minimal license fee revenues.	No
HB 311/SB 111	See entry for SB 111.		No
<i>Frederick County</i>			
SB 204/HB 293	Frederick County – Alcoholic Beverages – Volunteer Fire Company or Volunteer Ambulance Company License (Ch. 623/Ch. 622)	License fee revenues increase by approximately \$1,500 annually.	No

Legislation Affecting Local Government Revenues

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
SB 273/HB 289	Frederick County – Alcoholic Beverages – Cinema/Theater License (Ch. 615/Ch. 614)	License fee revenues increase by approximately \$3,000 annually.	No
SB 275/HB 287	Frederick County – Alcoholic Beverages – Promoter’s Permit (Ch. 611/Ch. 610)	Minimal impact on permit fee revenues.	No
SB 276/HB 312	Frederick County – Alcoholic Beverages – Multiple Licenses Allowed (Ch. 630/Ch. 629)	Minimal license fee revenues.	No
SB 952/HB 353	Frederick County – Alcoholic Beverages – Theater Licenses – Seating Capacity(Ch. 639/Ch. 638)	Minimal license fee revenues.	No
HB 287/SB 275	See entry for SB 275.		No
HB 289/SB 273	See entry for SB 273.		No
HB 293/SB 204	See entry for SB 204.		No
HB 312/SB 276	See entry for SB 276.		No
HB 353/SB 952	See entry for SB 952.		No
<i>Garrett County</i>			
SB 216/HB 244	Garrett County – Hotel Rental Tax – Rate and Distribution of Revenue (Ch. 594/Ch. 593)	Hotel rental tax revenues may increase by \$800,000 annually.	No
SB 547/HB 723	Garrett County – Alcoholic Beverages – Revisions (Ch. 690/Ch. 689)	Minimal license fee revenues.	No
HB 244/SB 216	See entry for SB 216.		No
HB 723/SB 547	See entry for SB 547.		No

Legislation Affecting Local Government Revenues

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
<i>Howard County</i>			
HB 869	Howard County – Alcoholic Beverages – Marketplace License Ho. Co. 06-19 (Ch. 701)	Potential license fee revenues.	No
HB 1166	Howard County – Authority to Impose Fees for Use of Disposable Bags Ho. Co. 04-19 (Ch. 725)	Potential user fee revenues.	No
HB 1306	Howard County – Howard County Housing Commission – Subsidiary Entities Ho. Co. 26-19 (Ch. 151)	Minimal decrease in property tax revenues.	No
HB 1405	Howard County – Transfer Tax – Collection by Director of Finance Ho. Co. 30-19 (Ch. 311)	Transfer tax revenues increase by \$1.5 million annually.	No
HB 1409	Howard County – School Facilities Surcharge – Rates Ho. Co. 03-19 (Ch. 744)	School facilities surcharge revenues.	No
<i>Montgomery County</i>			
SB 296/HB 432	Property Tax – Exemptions – Nonprofit Charitable Museums (Ch. 434/Ch. 433)	Property tax revenues decrease by \$308,700 annually.	No
HB 334	Montgomery County – Alcoholic Beverages – Community Performing Arts Facility Special Event Permit MC 30-19 (Ch. 633)	Permit fees increase by a maximum of \$400 annually.	No
HB 335	Montgomery County – Alcoholic Beverages Licenses – Fee Refunds MC 28-19 (Ch. 634)	Potential decrease in license fee revenues.	No
HB 432/SB 296	See entry for SB 296.		No

Legislation Affecting Local Government Revenues

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
<i>Prince George's County</i>			
SB 352/HB 185	Prince George's County – Alcoholic Beverages – Class BLX License for Movie Theaters (Ch. 584/Ch. 583)	License fee revenues increase by \$4,575 in FY 2020 and by a minimum of \$7,750 annually thereafter.	No
HB 183	Prince George's County – Property Tax Credit for Security Camera Systems PG 413-19 (Ch. 157)	Potential significant decrease in property tax revenues.	No
HB 185/SB 352	See entry for SB 352.		No
HB 186	Prince George's County – Alcoholic Beverages – Family Entertainment Permit PG 301-19 (Ch. 585)	Minimal permit fee revenues.	No
HB 187	Prince George's County – Speed Monitoring Systems – Maryland Route 210 (Indian Head Highway) PG 305-19 (Ch. 586)	Minimal fine revenues potentially beginning in FY 2019.	No
HB 188	Prince George's County – Property Tax Credits – Grocery Stores PG 409-19 (Ch. 158)	Potential decrease in property tax revenues.	No
HB 189	Prince George's County – Alcoholic Beverages – Class BLX Licenses PG 304-19 (Ch. 587)	License fee revenues increase by a minimum of \$3,875 through FY 2021 and by a minimum of \$7,750 annually thereafter.	No
HB 225	Prince George's County – School Facilities and Public Safety Surcharges – Maryland Transit Administration Station PG 415-19 (Ch. 351)	Potential decrease in school facilities surcharge revenues. Potential public safety surcharge revenues.	Yes
HB 1155	Prince George's County – Illegal Disposal of Bulky Items – Penalties PG 418-19 (Ch. 160)	Minimal fine revenues.	No

Legislation Affecting Local Government Revenues

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
<i>Queen Anne's County</i>			
SB 428/HB 476	Queen Anne's County – Alcoholic Beverages – Beauty Salon and Barbershop License (Ch. 660/Ch. 659)	Minimal license fee revenues.	No
HB 476/SB 428	See entry for SB 428.		No
<i>St. Mary's County</i>			
HB 358	St. Mary's County – Public Facility Bonds (Ch. 180)	Bond revenue proceeds increase by a maximum of \$30.0 million in FY 2022.	No
HB 982	St. Mary's County – Alcoholic Beverages – Class C Per Diem Licenses (Ch. 708)	Minimal license fee revenues.	No
<i>Wicomico County</i>			
SB 19/HB 197	Wicomico County – Alcoholic Beverages – Bed and Breakfast License (Ch. 589/Ch. 588)	Minimal license fee revenues.	No
HB 197/SB 19	See entry for SB 19.		No

Legislation Affecting Local Government Expenditures

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
Legislation Affecting All/Multiple Local Jurisdictions			
SB 11	Distressed Counties – References and Definitions (Ch. 82)	Expenditures correspond with minimal reallocation of State funding beginning in FY 2021.	No
SB 17/HB 365	State Grants and Contracts – Reimbursement of Nonprofit Indirect Costs – Application (Ch. 641/Ch. 640)	Potential significant procurement costs.	No
SB 59	State Department of Assessments and Taxation – Notices and Orders – E-Mail (Ch. 267)	Reimbursement costs decrease.	No
SB 103/HB 181	Criminal Law – Electronic Harassment and Bullying (Grace’s Law 2.0) (Ch. 26/Ch. 27)	Minimal incarceration costs.	No
SB 116/HB 82	Transportation – Complete Streets – Access to Healthy Food and Necessities (Ch. 573/Ch. 572)	Potential grant and matching fund expenditures beginning in FY 2021.	No
SB 138	Stalking – Violation of Conditions of Release (Ch. 49)	Minimal incarceration costs.	No
SB 152/HB 135	Criminal Law – Cruelty to Animals – Payment of Costs (Ch. 62/Ch. 61)	Minimal decrease in animal care costs.	No
SB 164/HB 155	Maryland Department of Health – Capital and Grant Programs – State Grants (Ch. 386/Ch. 385)	Potential decrease in matching grant expenditures.	No
SB 180	Education – Robotics Grant Program – Alterations (Ch. 428)	Minimal grant expenditures.	No
SB 218/HB 338	Human Services – Food Supplements (Summer SNAP for Children Act) (Ch. 636/Ch. 635)	Potential matching fund expenditures. Potential significant costs to provide food supplement benefits.	No
SB 232/HB 240	Hate Crimes – Threats (Ch. 29/Ch. 28)	Minimal incarceration costs.	No
SB 269/HB 428	Comprehensive Flood Management Grant Program – Awards for Flood Damage and Mandatory Funding (Ch. 652/Ch. 651)	Potential significant grant expenditures in FY 2021 through 2023.	No

Legislation Affecting Local Government Expenditures

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
SB 279/HB 251	Department of Aging – Grants for Aging-in-Place Programs (Nonprofits for our Aging Neighbors Act – “NANA”) (Ch. 309/Ch. 308)	Potential grant expenditures.	No
SB 280/HB 166	Labor and Employment – Payment of Wages – Minimum Wage (Fight for Fifteen) (Ch. 11/Ch. 10)	Potential significant salary expenditures for certain jurisdictions. Potential decrease in supplemental wage payments in Montgomery County beginning in FY 2021.	No
SB 284/HB 1090	9-1-1 Specialists – Compensation and Benefits (Ch. 300/Ch. 299)	Potential significant compensation costs.	No
SB 339/HB 397	Public Safety – 9-1-1 Emergency Telephone System (Carl Henn’s Law) (Ch. 302/Ch. 301)	Significant 9-1-1 system costs correspond with increased fee revenues.	No
SB 370	Environment – Recycling – Office Buildings (Ch. 500)	Potential significant compliance and enforcement costs.	Yes
SB 406/HB 520	Prenatal and Infant Care Coordination – Grant Funding and Task Force (Ch. 662/Ch. 661)	Minimal grant expenditures beginning in FY 2021.	No
SB 433/HB 680	State Procurement – State Funded Construction Projects – Payment of Employee Health Care Expenses (Ch. 687/Ch. 686)	Potential procurement costs.	No
SB 449/HB 286	Election Law – Registration and Voting at Precinct Polling Places (Ch. 755/Ch. 609)	Election costs increase by \$2.0 million annually through FY 2022 and by \$597,000 annually thereafter.	Yes
SB 464	School Bus Monitoring Cameras – Civil Penalty – Sunset Repeal (Ch. 429)	Minimal program and implementation costs likely correspond with fine revenues.	No
SB 505/HB 703	Environmental Violations – Reporting Requirements (Ch. 518/Ch. 517)	Potential reporting costs.	Yes
SB 515	Community Colleges – Workforce Readiness Grant Program – Established (Ch. 457)	Potential significant community college expenditures correspond with matching fund and donation revenues.	No
SB 516	Clean Energy Jobs (Ch. 757)	Electricity costs.	No

Legislation Affecting Local Government Expenditures

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
SB 569/HB 1268	Public Safety – Rape Kit Testing Grant Fund – Established (Ch. 509/Ch. 508)	Potential grant expenditures.	No
SB 634	Electric Cooperatives – Powers – Conducting or Communications Facilities (Ch. 277)	Potential significant increase or decrease in local expenditures from the deployment of telecommunications facilities.	No
SB 646/HB 604	Workers’ Compensation – Medical Presumptions for Diseases and Cancer – Eligibility (Firefighter Jesse McCullough’s Cancer Protection Law) (Ch. 216/Ch. 215)	Potential significant workers’ compensation costs.	No
SB 651	Election Law – Local Boards of Elections – Membership (Ch. 763)	Minimal compensation costs.	No
SB 653	Carroll and Howard County Boards of Education – Establishing Innovative Regional Schools – Authority(Cross-County Attendance to Achieve Efficiency Act of 2019) (Ch. 528)	Potential school system expenditures in Carroll and Howard counties.	No
SB 662/HB 1366	Maryland Association of Environmental and Outdoor Education Grant(Maryland Green Schools Act of 2019) (Ch. 740/Ch. 739)	Grant expenditures for school systems increase by a maximum of \$116,600 annually in FY 2021 through 2026.	No
SB 727	Health – Professional and Volunteer Firefighter Innovative Cancer Screening Technologies Program (Ch. 219)	Potential grant expenditures.	No
SB 734	Education – Students With Reading Difficulties – Screenings and Interventions (Ch. 512)	Significant school system expenditures may be partially offset by State funding.	Yes
SB 736/HB 1027	Criminal Law – Child Pornography (Ch. 326/Ch. 325)	Minimal incarceration costs.	No
SB 739/HB 1007	Child Advocacy Centers – Expansion (Ch. 51/Ch. 50)	Potential compliance costs for child advocacy centers.	No
SB 767/HB 1096	Criminal Procedure – Sexual Assault Evidence Collection Kits – Analysis (Ch. 33/Ch. 34)	Potential significant compliance costs.	Yes

Legislation Affecting Local Government Expenditures

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
SB 793	Community Safety and Strengthening Act (Ch. 25)	Baltimore City grant expenditures increase by at least \$4.5 million annually in FY 2021 through 2024. Potential significant grant expenditures and administrative costs for other jurisdictions are assumed to be offset by State funding.	No
SB 810/HB 672	Housing – Local Housing Grant Program for Homeless Veterans and Survivors of Domestic Violence (Ch. 249/Ch. 248)	Grant expenditures increase by \$2.0 million annually.	No
SB 842	Criminal Law – Gaming – Civil Offense (Ch. 495)	Minimal decrease in incarceration costs.	No
SB 877	Waterway Improvement Fund – Public Boating Construction Projects – Financing Limits (Ch. 272)	Potential decrease in matching fund expenditures.	No
SB 1030	The Blueprint for Maryland’s Future (Ch. 771)	School system expenditures of approximately \$252.0 million in FY 2020, up to \$351.0 million in FY 2021, and likely at least \$370.0 million in FY 2022 reflect increased State aid. Potential teacher benefit costs.	No
HB 82/SB 116	See entry for SB 116.		No
HB 116	Public Health – Correctional Services – Opioid Use Disorder Examinations and Treatment (Ch. 532)	Significant reporting and inmate treatment costs are assumed to be fully offset by State funding.	No
HB 135/SB 152	See entry for SB 152.		No
HB 155/SB 164	See entry for SB 164.		No
HB 166/SB 280	See entry for SB 280.		No
HB 172	Election Law – Voter Registration Deadlines (Ch. 153)	Minimal decrease in election costs.	No
HB 181/SB 103	See entry for SB 103.		No
HB 190	Environment – Failing On-Site Sewage Disposal System – Definition (Ch. 342)	Potential significant administrative costs.	Yes
HB 237	Election Law – Early Voting Centers – Establishment (Ch. 539)	Election costs increase by a minimum of \$45,000 annually for each additional early voting center.	No

Legislation Affecting Local Government Expenditures

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
HB 240/SB 232	See entry for SB 232.		No
HB 251/SB 279	See entry for SB 279.		No
HB 286/SB 449	See entry for SB 449.		Yes
HB 332	Maryland Department of Health – Community Dental Clinics Grant Program (Ch. 540)	Potential grant expenditures.	No
HB 338/SB 218	See entry for SB 218.		No
HB 355	Education – County Boards of Education – Disclosures and Requirements (Ch. 541)	Minimal reporting costs.	Yes
HB 365/SB 17	See entry for SB 17.		No
HB 396	Property Tax – Optional Installment Payment Schedule (Ch. 647)	Potential significant computer programming costs.	No
HB 397/SB 339	See entry for SB 339.		No
HB 417	Water Pollution Control – Notification of Sewer Overflows and Treatment Plant Bypasses – Alteration (Ch. 310)	Minimal administrative costs.	Yes
HB 428/SB 269	See entry for SB 269.		No
HB 440	Pathways in Technology Early College High (P-TECH) Expansion Act of 2019 (Ch. 384)	Potential community college and school system expenditures.	No
HB 520/SB 406	See entry for SB 406.		No
HB 595	Workers’ Compensation – Medical Presumptions (Ch. 214)	Potential significant workers’ compensation costs.	No
HB 604/SB 646	See entry for SB 646.		No
HB 641	Criminal Law – Sexual Contact With an Animal – Aggravated Cruelty to Animals (Ch. 72)	Minimal incarceration costs.	No

Legislation Affecting Local Government Expenditures

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
HB 672/SB 810	See entry for SB 810.		No
HB 679	Workplace Harassment – Prohibitions, Liability, Enforcement, and Prevention Training (Ch. 222)	Potential circuit court expenditures.	No
HB 680/SB 433	See entry for SB 433.		No
HB 703/SB 505	See entry for SB 505.		Yes
HB 725	Public Schools – Student Discipline – Restorative Approaches (Ch. 691)	Potential school system compliance costs.	Yes
HB 768	Health – Prescription Drug Affordability Board (Ch. 692)	Potential significant decrease in employee health care costs.	No
HB 796	Public Health – Maternal Mortality Review Program – Establishment of Local Teams (Ch. 448)	Potential administrative costs.	No
HB 808	Weed Control – Noxious Weeds – Regulations and Penalties (Ch. 278)	Potential significant weed control program costs.	No
HB 827	Child Abuse and Neglect – Sex Trafficking – Services and Investigations (Child Sex Trafficking Screening and Services Act of 2019) (Ch. 559)	Potential grant expenditures.	No
HB 830	County Public Campaign Financing – Administration (Ch. 376)	Potential personnel costs.	Yes
HB 1007/SB 739	See entry for SB 739.		No
HB 1027/SB 736	See entry for SB 736.		No
HB 1090/SB 284	See entry for SB 284.		No
HB 1096/SB 767	See entry for SB 767.		Yes

Legislation Affecting Local Government Expenditures

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
HB 1233	Environment – Reduction of Lead Risk in Housing – Elevated Blood Lead Levels and Environmental Investigations (Maryland Healthy Children Act) (Ch. 341)	Potential significant compliance costs.	Yes
HB 1253	Drinking Water Outlets in School Buildings – Lead Testing and Reporting Requirements and Grant Programs (Ch. 557)	Potential significant school system compliance costs may be partially offset by grant revenues.	Yes
HB 1266	National Capital Strategic Economic Development Program – Established (Ch. 732)	Potential grant expenditures.	No
HB 1268/SB 569	See entry for SB 569.		No
HB 1274	Opioid Restitution Fund (Ch. 537)	Potential significant grant expenditures.	No
HB 1279	Maryland-National Capital Park and Planning Commission – Procurement – Source Selection MC/PG 112-19 (Ch. 354)	M-NCPPC expenditures increase by \$300,000 in FY 2020. Personnel costs may increase by \$120,000 annually beginning in FY 2021.	Yes
HB 1348	Public Safety – Markell Hendricks Youth Crime Prevention and Diversion Parole Fund – Establishment (Ch. 738)	Minimal grant expenditures.	No
HB 1353	Agriculture – Nuisance Insects (Ch. 132)	Matching fund expenditures increase by approximately \$200,000 annually.	No
HB 1366/SB 662	See entry for SB 662.		No
HB 1407	Budget Reconciliation and Financing Act of 2019 (Ch. 16)	School system expenditures increase by up to a total of \$36.0 million in future fiscal years. Town of Forest Heights grant expenditures increase by \$120,000 annually; other local government grant expenditures decrease correspondingly.	No
HB 1427	Sea Level Rise Inundation and Coastal Flooding – Construction, Adaptation, and Mitigation (Ch. 442)	Potential significant decrease in compliance/construction costs.	No

Legislation Affecting Local Government Expenditures

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
Legislation Affecting Local Governments by Subdivision			
<i>Baltimore City</i>			
SB 33	Baltimore City – Home Inspectors – Residential Rental Inspections (Ch. 746)	Potential administrative costs.	No
SB 39	Baltimore City – Police Districts – Redistricting (Ch. 74)	Law enforcement costs increase by at least \$100,000 in FY 2022.	Yes
SB 96	Baltimore City – Tax Sales of Real Property – Water Liens (Water Taxpayer Protection Act of 2019) (Ch. 320)	Potential significant debt service expenditures.	No
SB 310	Baltimore City – Unpackaged Cigarettes – Prohibition on Sale (Ch. 314)	Staffing costs increase by a minimum of \$35,000 annually.	No
SB 499	Baltimore City – Baltimore Police Department – Percentage of Civilian Employees (Ch. 319)	Potential impact on staffing costs.	No
SB 792	Baltimore City – Alcoholic Beverages – Related Event Promoter’s Permit (Ch. 764)	Potential monitoring and enforcement costs in FY 2021 through 2023.	No
HB 795	Workers’ Compensation – Permanent Partial Disability – Baltimore City Deputy Sheriffs (Ch. 256)	Potential significant workers’ compensation costs.	Yes
HB 801	Maryland Stadium Authority – Baltimore Convention Facility – Renovation (Ch. 695)	Expenditures of approximately \$16.7 million for design and planning are likely incurred in FY 2020; debt service expenditures also increase.	Yes
HB 1160	Public Health – Breathe Easy East Baltimore Pilot Program (Ch. 724)	Potential significant program implementation costs.	Yes
HB 1390	Baltimore City – Property Tax Credit – Low-Income Employees (Ch. 383)	Potential administrative costs.	No
HB 1425	Maryland Stadium Authority – Development of Supplemental Facilities to Benefit Camden Yards (Ch. 221)	Potential project development costs.	No

Legislation Affecting Local Government Expenditures

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
<i>Calvert County</i>			
SB 908	Calvert County – State’s Attorney – Annual Salary (Ch. 95)	Salary expenditures increase by a minimum of \$14,600 in FY 2023 and by a minimum of \$29,200 annually thereafter.	No
HB 623	Calvert County – Local Debt Bonding Authority (Ch. 96)	Debt service expenditures increase by \$603,100 annually over a 15-year period and by \$151,400 annually over a 25-year period.	No
HB 1258	Calvert County – Length of Service Award Program – Death Benefits (Patricia Ann “Pat” Osburn Law) (Ch. 99)	Benefit costs increase by \$6,000 in FY 2020 and potentially minimally annually thereafter.	No
<i>Carroll County</i>			
SB 376	Carroll County – Public Facilities Bonds (Ch. 184)	Debt service expenditures increase by \$1.9 million annually over a 20-year period.	No
<i>Cecil County</i>			
SB 259/HB 997	Cecil County – Special Taxing Districts – Internet Service (Ch. 710/Ch. 709)	Potential Internet service costs correspond with increased local revenues.	No
SB 511	Cecil County – Correctional Deputy Sheriffs – Collective Bargaining (Ch. 172)	Potential consulting and employee compensation costs.	No
HB 997/SB 259	See entry for SB 259.		No
<i>Howard County</i>			
HB 1166	Howard County – Authority to Impose Fees for Use of Disposable Bags Ho. Co. 04-19 (Ch. 725)	Potential program and/or administrative costs supported by fee revenues.	No

Legislation Affecting Local Government Expenditures

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
<i>Prince George's County</i>			
SB 1011	Prince George's County – Public School Construction – Prince George's County Public-Private Partnership Fund (Ch. 387)	Potential significant school construction costs.	No
HB 187	Prince George's County – Speed Monitoring Systems – Maryland Route 210 (Indian Head Highway) PG 305-19 (Ch. 586)	Minimal implementation costs are covered by increase fine revenues.	No
HB 1155	Prince George's County – Illegal Disposal of Bulky Items – Penalties PG 418-19 (Ch. 160)	Potential decrease in maintenance costs.	No
<i>Queen Anne's County</i>			
SB 636/HB 1056	Correctional Officers' Retirement System – Queen Anne's County (Ch. 59/Ch. 58)	Pension costs may increase by approximately \$154,000 annually.	No
HB 1056/SB 636	See entry for SB 636.		No
<i>St. Mary's County</i>			
HB 358	St. Mary's County – Public Facility Bonds (Ch. 180)	Debt service expenditures increase by \$2.0 million annually over a 20-year period beginning in FY 2022.	No
<i>Somerset County</i>			
SB 337/HB 290	Somerset County – Alcoholic Beverages – Board of License Commissioners – Salaries (Ch. 617/Ch. 616)	Salary expenditures increase by \$2,500 annually.	No
HB 290/SB 337	See entry for SB 337.		No

Legislation Affecting Local Government Expenditures

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
<i>Talbot County</i>			
SB 943/HB 1095	Talbot County – Alcoholic Beverages – Substitute Member for Board of License Commissioners (Ch. 718/Ch. 717)	Minimal compensation costs.	No
HB 1095/SB 943	See entry for SB 943.		No
<i>Washington County</i>			
SB 205	Judgeships – Circuit Court and District Court (Ch. 749)	Circuit court costs.	No
SB 592	Washington County – Gross Maximum Vehicle Weight – Warfordsburg Road (Ch. 126)	Potential roadway maintenance costs beginning in FY 2019.	No
<i>Worcester County</i>			
SB 177/HB 178	Maryland Stadium Authority – Ocean City Convention Facility – Renovation (Ch. 218/Ch. 217)	Town of Ocean City expenditures increase to \$15.0 million for convention center expansion costs and by a minimum of \$50,000 annually for capital reserve fund contributions.	No
HB 178/SB 177	See entry for SB 177.		No

Chapter 5. Vetoed Legislation

Vetoed Legislation

The following are 2019 bills that were vetoed by the Governor for policy reasons (but excluding those for which the vetoes were subsequently overridden). The fiscal impact of the legislation is described below.

SB 252/HB 66	Railroad Company – Movement of Freight – Required Crew <i>The bill would not have affected State or local government finances, as the Department of Labor, Licensing, and Regulation could have handled the bill's requirements using existing resources. The bill's penalty provisions would not have materially affected general fund revenues.</i>
SB 537/HB 262	Higher Education – Tuition Rates – Exemptions <i>General fund expenditures may have increased depending, in part, on the number of full-time equivalent students who would have qualified for in-State tuition at a community college. Tuition revenues at public institutions of higher education likely would not have been materially affected. State aid for local community colleges may have increased minimally; local community college tuition revenues may have decreased minimally.</i>
SB 830/HB 720	Natural Resources – Fishery Management Plans – Oysters <i>General fund expenditures would have increased by \$872,000 in FY 2020 to support University of Maryland Center for Environmental Science faculty salaries, personnel and operating costs for the Department of Natural Resources, and other expenses related to the consensus recommendation process. General fund expenditures would have increased by \$900,000 in FY 2021, \$514,000 in FY 2022, \$169,000 in FY 2023, and \$175,000 in FY 2024 for ongoing salary and operating expenses and a required assessment in fiscal 2022. Revenues would not have been affected.</i>
HB 891	State Personnel – Grievance Procedures <i>General fund expenditures would have increased by \$938,200 in FY 2020, by \$1,192,000 in FY 2021, and by similar amounts annually thereafter for staff at the Department of Budget Management, the Department of Juvenile Services, the Maryland Department of Health, the Department of Public Safety and Correctional Services, and the Department of Human Services, and to reimburse the Office of Administrative Hearings (OAH) for</i>

charges for the referral of additional State employee grievance cases. Transportation Trust Fund expenditures for the Maryland Department of Transportation would have increased by a minimum of \$150,600 annually for staff and for charges for the referral of cases to OAH. Reimbursable expenditures for OAH would have increased by a minimum of \$98,000 annually for staff. Reimbursable revenues for OAH would have increased by \$387,100 in FY 2020, and by \$516,100 in FY 2021 and annually thereafter as affected agencies reimbursed OAH for referred cases.

SB 839/HB 994

Labor and Employment – Criminal Record Screening Practices (Ban the Box)

The bill did not apply to State or local governments as employers, and would not have materially affected State or local finances.

HB 1281

Transportation – Bikeways Network Program and Central Maryland Regional Transit Plan

Transportation Trust Fund expenditures for the Maryland Department of Transportation would have increased by \$2.4 million in FY 2021, by \$2.9 million in FY 2022, and by \$3.8 million in FY 2023 and 2024 for staff, mandated funding for the Bikeways Network Program, and for the Maryland Transit Administration to complete the modified Central Maryland Regional Transit Plan. State revenues would not have been directly affected. Local government revenues may have increased significantly from additional grant funding; local government expenditures would have increased to provide matching funds and to use any grants received.

SB 1000/HB 1343

Public Safety – Handgun Permit Review Board – Repeal

General fund expenditures for the Department of Public Safety and Correctional Services would have decreased by approximately \$5,800 in FY 2019, and by \$23,000 annually thereafter from the repeal of the Handgun Permit Review Board. The Department of State Police and the Office of Administrative Hearings could have implemented the bill's other changes with existing budgeted resources. Revenues would not have been affected.

SB 751

Governor's Appointments Office, Appointing Authorities, and the Secretary of Budget and Management – Duties and Reports

The bill would not have affected State or local government finances, as the Department of Budget and Management could have handled the bill's requirements using existing resources. The bill would not have affected revenues.