

EFFECT OF THE 2020 LEGISLATIVE PROGRAM ON THE FINANCIAL CONDITION OF THE STATE



DEPARTMENT OF LEGISLATIVE SERVICES 2020

Effect of the 2020 Legislative Program on the Financial Condition of the State

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

July 2020

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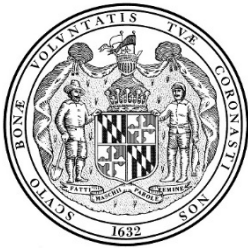
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DEPARTMENT OF LEGISLATIVE SERVICES
OFFICE OF POLICY ANALYSIS
MARYLAND GENERAL ASSEMBLY

Victoria L. Gruber
Executive Director

Ryan Bishop
Executive Director

June 2020

The Honorable Bill Ferguson, 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 2-1247). In accordance with this requirement, we are pleased to submit the following report, *Effect of the 2020 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 2021 operating budget (**Senate Bill 190/Chapter 19**).

Chapter 2 summarizes the fiscal 2021 capital budget program, including the 2020 capital budget bill (**Senate Bill 191/Chapter 537**).

Chapter 3 identifies enacted legislation from the 2020 session other than **Senate Bill 190** and **Senate Bill 191** 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 2020 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 2020 bills vetoed by the Governor for policy reasons and the bills' associated fiscal impact if they had been enacted.

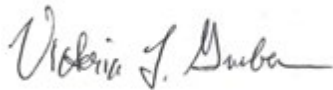
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Further information on issues considered during the 2020 session may be found in *The 71 Day Report – A Review of the 2020 Legislative Session* and the *2020 Session Major Issues Review*, both issued by the Department of Legislative Services following the adjournment of the General Assembly.

This report is prepared by the staff of the Office of Policy Analysis. Elizabeth Allison, Scott Gates, Ria Hartlein, Matthew Klein, Steven McCulloch, Eric Pierce, Simon Powell, and Rebecca Ruff 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/msh

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Abbreviations

BOND	–	Bond
Ch.	–	Chapter
FF	–	Federal Fund
FY	–	Fiscal Year
GF	–	General Fund
GO	–	general obligation
HB	–	House Bill
HE	–	Higher Education
MARBIDCO	–	Maryland Agricultural and Resource-Based Industry Development Corporation
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
TEDCO	–	Maryland Technology Development Corporation
()	–	Indicates Decrease

Fiscal Effects of the 2020 Legislative Program

The fiscal 2021 budget (operating budget bill), Senate Bill 190 (Chapter 19) of 2020, provides nearly \$48.0 billion in appropriations for fiscal 2021, a 1.4% (\$678.2 million) increase above fiscal 2020. The appropriations consist of 40.9% in general fund spending, 28.8% in federal fund spending, 20.2% in special fund spending, and 10.0% in spending of higher education revenue. State agency operations represent the largest area of spending at 42.2% of the total budget.

The Maryland Consolidated Capital Bond Loan (MCCBL) of 2020 (capital budget bill), Senate Bill 191 (Chapter 537), authorizes \$1.1 billion in general obligation (GO) bonds for capital spending. The overall capital budget program passed by the General Assembly for fiscal 2021 totals \$4.4 billion, consisting primarily of the \$1.1 billion in GO bonds authorized under the MCCBL of 2020, \$2.6 billion for the transportation program, \$595.8 million in pay-as-you-go funding, and \$32.0 million in revenue bonds issued by the University System of Maryland.

Although consideration of the fiscal 2021 budget commenced at a time during which the State was in a better than anticipated financial position, concerns regarding the continued projection of a structural imbalance and the desire to significantly enhance education funding, among other factors, indicated the need for significant reductions. Accordingly, the fiscal 2021 budget limits general fund growth to less than 1% and includes over \$500.0 million in spending reductions through the Budget Reconciliation and Financing Act (BRFA) of 2020. Final actions also aligned with recommendations of the Spending Affordability Committee by providing an estimated fiscal 2021 structural surplus of \$61.0 million.

However, as the General Assembly was concluding its work on the fiscal 2021 budget, a public health and economic crisis from the spread of COVID-19 was beginning to emerge. Even with the limited information available at the time, the potential for significant financial consequences and the need for additional cash reserves was apparent. Therefore, in addition to an estimated balance of \$1.2 billion for the Rainy Day Fund, a general fund balance of \$325.0 million was originally projected when the legislative session concluded almost three weeks early due to the pandemic. In the following weeks as the severity of the crisis increased, the Governor issued several executive orders that effectively ceased most economic activity in the State. On May 7, 2020, the Governor vetoed 42 bills for policy reasons; a number of the bills were vetoed due to concerns regarding the economic challenges resulting from the pandemic. Numerous bills that would have necessitated additional spending, including House Bill 1300 that would have implemented the recommendations of the Kirwan Commission, were vetoed. Furthermore, certain bills that would have imposed higher taxes or fees were also vetoed. This included House Bill 732 that would have raised the State's tobacco tax, the veto of which reduced the projected general fund balance for fiscal 2021 to \$225.0 million. A more comprehensive discussion of vetoed legislation is provided in Chapter 5, and additional information regarding the impact of the pandemic and the continuing challenges it imposes on State finances can be found in Chapter 1. This includes the projection by the Board of Revenue Estimates that the general fund revenue loss will result in a fiscal 2021 cash shortfall ranging from \$2.4 billion to \$3.0 billion.

Even with the shortened legislative session and subsequent vetoes, over 600 bills were still enacted in 2020. While the fiscal effect of enacted legislation other than the fiscal 2021 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 BRFA of 2020, Senate Bill 192 (Chapter 538), total to a net increase in general fund revenues of \$303.1 million and a net decrease in general fund expenditures of \$417.4 million in fiscal 2021, for an overall positive general fund impact of \$720.5 million. While the quantified impacts of 2020 legislation continue to have a positive net general fund impact after fiscal 2021, the magnitude is significantly less in each year through fiscal 2025. Special fund revenues decrease by a net amount of \$276.6 million, and special fund expenditures decrease by a net amount of \$166.6 million in fiscal 2021. Although Chapter 3 includes descriptions of how certain enacted bills will impact federal funds, no federal fund expenditures or revenues for fiscal 2021 were quantified in fiscal and policy notes. In addition, fiscal and policy notes in which personnel impacts were able to be quantified included an overall net increase of 68.0 regular and contractual positions in fiscal 2021.

**Total of Quantified General Fund Impacts of 2020 Legislation
(Exclusive of the Operating and Capital Budget Bills)**

	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>
General Fund Revenues	\$303,091,065	\$289,362,083	\$226,394,666	\$154,880,281	\$137,816,406
General Fund Expenditures	(417,430,221)	(48,712,268)	(57,515,646)	(81,710,365)	(107,123,132)
Net General Fund Impact	720,521,286	338,074,351	283,910,312	236,590,646	244,939,538

A few of the expenditure impacts of enacted 2020 legislation are already reflected in the fiscal 2021 budget; however, most impacts of enacted legislation expected to require increased expenditures beginning in fiscal 2021 are not accounted for in the fiscal 2021 budget. Specifically, of the impacts that have been quantified in fiscal and policy notes, \$42.3 million in general fund expenditure increases are not accounted for in the fiscal 2021 budget and may result in deficiency appropriations for the affected agencies in the next budget bill, or, particularly in light of the economic climate, the need for agencies to 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 2021 Quantified Expenditure Increases (Resulting from 2020 Legislation)
Not Included in the Budget**

<u>General Funds</u>	<u>Special Funds</u>	<u>Federal Funds</u>
\$42,341,899	\$18,232,210	\$0

While the isolated impact of quantified legislation enacted during the 2020 session is not as extreme as that seen in prior years and even results in a positive general fund impact through fiscal 2025, when considered in conjunction with ongoing structural deficit issues and the new crisis created by the pandemic, the full extent of which is still unknown, it is clear that the State will be faced with significant fiscal challenges in the coming years.

Although not contributing to the totals shown above, each enacted 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 2020 legislation (aside from the fiscal 2021 budget and MCCBL of 2020) are based on the assumptions stated in the fiscal and policy notes for the bills.

Finally, Chapter 4 includes a discussion of State aid to local governments and briefly describes the impacts on local governments of legislation enacted in 2020 other than the fiscal 2021 budget and the MCCBL of 2020. As shown in Chapter 4, State aid to local governments will total \$8.5 billion in fiscal 2021, which represents a \$310.5 million (3.8%) increase over fiscal 2020. Consistent with prior years, local school systems receive the largest portion of State aid.

Chapter 1. Operating Budget

- Overview
- Legislative Consideration of the Budget
- Outlook for Future Budgets
- COVID-19 Pandemic Revenue Loss Scenarios
- Budget Reconciliation and Financing Act Legislation
- Selected Budgetary Initiatives and Enhancements
- By the Numbers

Overview

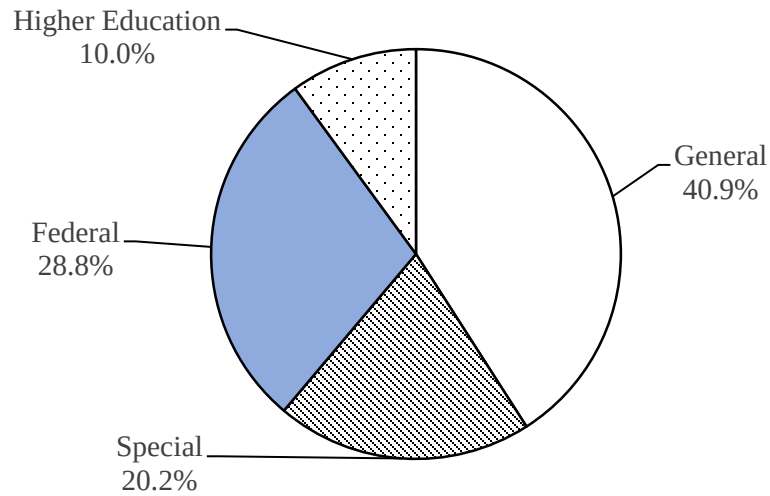
Federal tax changes, combined with favorable caseload and spending trends, placed the State in a better than anticipated fiscal position in recent years as the General Assembly began consideration of the fiscal 2021 budget. Several factors, however, including the continued projection of a structural imbalance, the desire to significantly enhance the amount of funding provided for education, and the potential for an economic recession, indicated the need for significant reductions in fiscal 2021. As such, the fiscal 2021 budget, as introduced and enacted, limits general fund growth to less than 1% and includes over \$500 million in spending reductions implemented through budget reconciliation legislation. Despite this limited growth, enhancements are still provided for health care services, provider rate increases, K-12 education, and employee compensation.

When the legislature completed its action on the budget on March 18, 2020, the State was in the midst of a rapidly developing public health and economic crisis resulting from the spread of a novel coronavirus across the world. The magnitude of the situation was not fully known at the time that the legislature adjourned but was impactful enough to reduce the legislative session by nearly three weeks. The General Assembly further authorized the use of \$160.0 million to respond to the crisis and established a general fund balance of \$325.0 million to help ensure that resources were available to combat the pandemic. Since the conclusion of the 2020 session, the Governor's veto of House Bill 732 reduced the projected general fund balance to \$225.0 million. The Board of Revenue Estimates (BRE) has also projected that the general fund revenue loss due to the economic and health crises will result in a fiscal 2021 cash shortfall ranging from \$2.4 billion to \$3.0 billion.

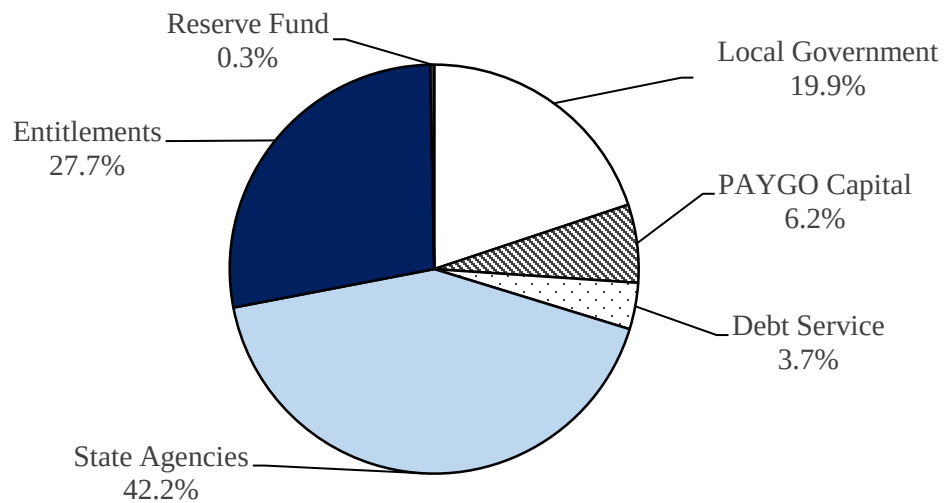
Senate Bill 190 (Chapter 19), as enacted, provides nearly \$48.0 billion in appropriations for fiscal 2021, an increase of \$678.2 million (1.4%) above fiscal 2020. **Exhibit 1.1** illustrates funding by type of revenue. General fund spending accounts for 40.9% of the total budget. Federal funds support 28.8% of all spending. Special funds constitute 20.2% of the budget with higher education revenue providing the remaining 10.0%. State agency operations constitute the largest area of spending, accounting for 42.2% of the total budget, a slight increase over fiscal 2020. Entitlements represent 27.7% of the budget, and 19.9% 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 Revenue Stabilization Account (Rainy Day Fund).

Exhibit 1.1
Maryland's \$48.0 Billion Fiscal 2021 Budget

Where It Comes From: Budget by Fund Source



Where It Goes: Budget by Purpose



PAYGO: pay-as-you-go

Legislative Consideration of the Budget

In recognition of greater than anticipated revenues at the close of fiscal 2019, the Spending Affordability Committee (SAC) recommended that the upcoming fiscal 2021 budget maintain structural balance and provide adequate cash balances in the General Fund and the Rainy Day Fund. The allowance, as introduced, largely accomplished this with an estimated \$108.5 million closing general fund balance, a Rainy Day Fund balance equal to 6.25% of general fund revenues, and a modest structural shortfall of \$37 million. The Governor's spending plan achieved these goals with \$196.5 million in additional revenue assumptions and \$530.6 million in general fund reductions contingent on provisions in **Senate Bill 192 (Chapter 538)**, the Budget Reconciliation and Financing Act (BRFA) of 2020. The Governor introduced one supplemental budget during the session that provided a net total increase of \$77.0 million in additional spending across all funds, but an \$18.1 million decrease in general fund spending.

The potential for a significant public health and economic crisis resulting from the novel coronavirus (COVID-19) pandemic became apparent during the final days of the legislature's consideration of the budget. As such, the General Assembly recognized the need to provide a larger fund balance in the General Fund. **Exhibit 1.2** illustrates the general fund balance for fiscal 2020 and 2021 based on final legislative action at the 2020 session and the Governor's veto of **House Bill 732**. If **House Bill 732**, which raised the State's tobacco tax had become law, the fund balance would be \$325 million.

Exhibit 1.2 Final Legislative Budget Action Fiscal 2020-2021 (\$ in Millions)

	<u>2020</u>	<u>2021</u>
Opening Balance	\$974	\$346
Board of Revenue Estimates Revenues	\$18,721	\$19,173
Additional Revenues	37	39
Legislation	6	242
Transfers	158	54
Subtotal	\$18,922	\$19,507
Appropriations/Deficiencies	\$19,642	\$20,241
Supplemental Budgets	34	-52
Reductions	-24	-526
Targeted Reversions	-66	0
Reversions	-35	-35
Subtotal	\$19,550	\$19,628
Adjusted Closing Balance	\$346	\$225

Source: Department of Legislative Services

Fiscal 2020 appropriations were reduced by a net \$31.1 million across all funds to realign and withdraw a variety of funding in the current budget year based on actual need. Legislative actions reduced the fiscal 2021 budget by \$207.8 million across all fund types. Of this, \$124.2 million were general fund reductions largely relating to the following areas:

- \$38.2 million from the Program Open Space repayment appropriation in the Dedicated Purpose Account (DPA);
- \$19.7 million from the Department of Information Technology related to anticipated spending needs for specific information technology (IT) projects and resource-sharing agreements;
- \$17.1 million from the Department of Commerce, including \$9.0 million budgeted for the Howard Street Tunnel transportation project (costs that are expected to be funded instead with special funds from the Transportation Trust Fund (TTF) and \$8.1 million in funding for the More Jobs for Marylanders tax credit programs;
- \$11.7 million from the Maryland Department of Health (MDH), primarily in the Medicaid program, largely based on the availability of other revenues to fund program expenditures;
- \$8.8 million from higher education operating expenses and scholarship growth;
- \$9.7 million in net reductions to operating expenses in the Judiciary; and
- \$7.5 million from health insurance based on available fund balance.

Another \$401.5 million in reductions are contingent on the BRFA of 2020, which are discussed in more detail later in this chapter. Legislative action also restored approximately \$82.1 million in funding from reductions proposed by the Administration.

Final revenue and spending actions by the General Assembly met the SAC recommendations by providing an estimated fiscal 2021 structural surplus of \$61 million and \$225 million in cash balance, after accounting for the vetoed legislation increasing the State's tobacco tax. An estimated balance of \$1.2 billion, or 6% of estimated general funds, is projected for the Rainy Day Fund. Although in opposition to the SAC recommendation, in recognizing the need to have additional cash reserves available to fund the public health and economic response to the COVID-19 pandemic, the legislature concurred with the Administration to alter the overall methodology for calculating the revenue volatility adjustment and also repealed the redirection of revenues for fiscal 2021.

Outlook for Future Budgets

As shown in **Exhibit 1.3**, fiscal 2021 is projected to end with a fund balance of \$225 million after accounting for the veto of **House Bill 732** and ongoing revenues exceed ongoing spending by \$61 million. The structural surplus of \$61 million in fiscal 2021 disappears with a return to structural deficits projected for the remaining years of the forecast period. In fiscal 2022, ongoing spending is projected to exceed ongoing revenues by \$608 million. The structural deficit grows each year of the forecast, reaching \$995 million by fiscal 2025. Between fiscal 2021 and 2025, ongoing revenues are projected to grow at an average annual rate of 3.0% while ongoing spending is projected to grow at an average annual rate of 4.2%. These projections reflect the estimates based on the revenue projections used in and actions taken in the 2020 legislative session. They do not reflect revenue declines due to the shutdown orders put in place to combat the spread of COVID-19.

The forecast is impacted by legislation enacted during the 2020 session. By fiscal 2025, legislation enacted during session is expected to add nearly \$15.5 million of ongoing spending to the forecast and reduce ongoing revenues by just over \$6.3 million. Legislation affecting revenues with a projected five-year impact of \$25 million or more includes:

- **Senate Bill 192 (Chapter 538)** (1) alters the maximum amount of projected nonwithholding income tax revenue that must, under certain circumstances, be subtracted from the projected general fund revenue estimate each year to delay the full phase-in to 2.0% from fiscal 2022 to 2026 and caps the dollar amount that may be subtracted per year, beginning with \$0 in fiscal 2021 increasing to \$80 million in fiscal 2022 and increasing by \$20 million per year, until a maximum of 2.0% of general fund revenues is achieved in fiscal 2026. These provisions increase general fund revenues by an estimated \$193.6 million in fiscal 2021, \$279.9 million in fiscal 2022, \$215.4 million in fiscal 2023, \$154.0 million in fiscal 2024, and \$137.1 million in fiscal 2025; (2) permanently decreases, beginning in fiscal 2021, the annual maximum amount of film production activity tax credits that may be issued from \$14.0 million (or more, depending on the year) to \$12.0 million each year, which thereby increases general fund revenues by \$2 million in fiscal 2021, \$5 million in fiscal 2022, and \$8 million each year from fiscal 2023 to 2025; and (3) requires certain payees and third-party settlement organizations required to submit 1099-K statements to report annually to the Comptroller and the person receiving the payment the amount of gross payments received during the taxable year, if the amount exceeds \$600, which increases general fund revenues by \$5 million each year from fiscal 2021 to 2025.
- **Senate Bill 523 (Chapter 641)** authorizes a pass-through entity (PTE) to elect to be taxed at the entity level for the income tax. A PTE must pay the tax imposed on nonresident entity members as required under current law. An individual or corporation may claim a tax credit against the State income tax equal to the tax paid by a PTE on the member's share of the PTE's taxable income. Additionally, the bill alters the number of employees that a worldwide headquartered company must have for purposes of the single sales

apportionment exemption. General fund revenues are estimated to decrease by \$5 million each year from fiscal 2021 to 2025.

Exhibit 1.3
General Fund Budget Outlook
Fiscal 2021-2025
(\$ in Millions)

<u>Revenues</u>	<u>2021 Leg. Approp.</u>	<u>2022 Est.</u>	<u>2023 Est.</u>	<u>2024 Est.</u>	<u>2025 Est.</u>	<u>2021-25 Avg. Annual Change</u>
Opening Fund Balance	\$346	\$225	\$0	\$0	\$0	
Transfers	54	150	30	25	30	
One-time Revenues – Legislation	48	0	0	0	0	
Subtotal One-time Revenue	\$448	\$375	\$30	\$25	\$30	
Ongoing Revenues	\$19,211	\$19,739	\$20,289	\$20,993	\$21,685	
Revenue Adjustments – Legislation	\$194	\$282	\$219	\$148	\$131	
Subtotal Ongoing Revenue	\$19,405	\$20,021	\$20,509	\$21,141	\$21,815	3.0%
Total Revenues and Fund Balance	\$19,853	\$20,396	\$20,539	\$21,166	\$21,845	2.4%
Ongoing Spending						
Operating Spending	\$19,422	\$20,661	\$21,473	\$22,185	\$22,910	
Ongoing (Reductions)/Additions	-78	-67	-92	-117	-143	
Ongoing Spending – Legislation	0	35	36	42	44	
Subtotal Ongoing Spending	\$19,344	\$20,629	\$21,418	\$22,110	\$22,811	4.2%
One-time Spending	\$284	\$455	\$268	\$268	\$268	
Total Spending	\$19,628	\$21,084	\$21,686	\$22,378	\$23,079	4.1%
Ending Balance	\$225	-\$688	-\$1,147	-\$1,212	-\$1,234	
Rainy Day Fund Balance	\$1,152	\$1,186	\$1,225	\$1,271	\$1,311	
Balance over 5% of GF Revenues	193	204	210	218	224	
As % of GF Revenues	6.0%	6.0%	6.0%	6.0%	6.0%	
Structural Balance	\$61	-\$608	-\$909	-\$969	-\$995	

GF: general fund

Source: Department of Legislative Services

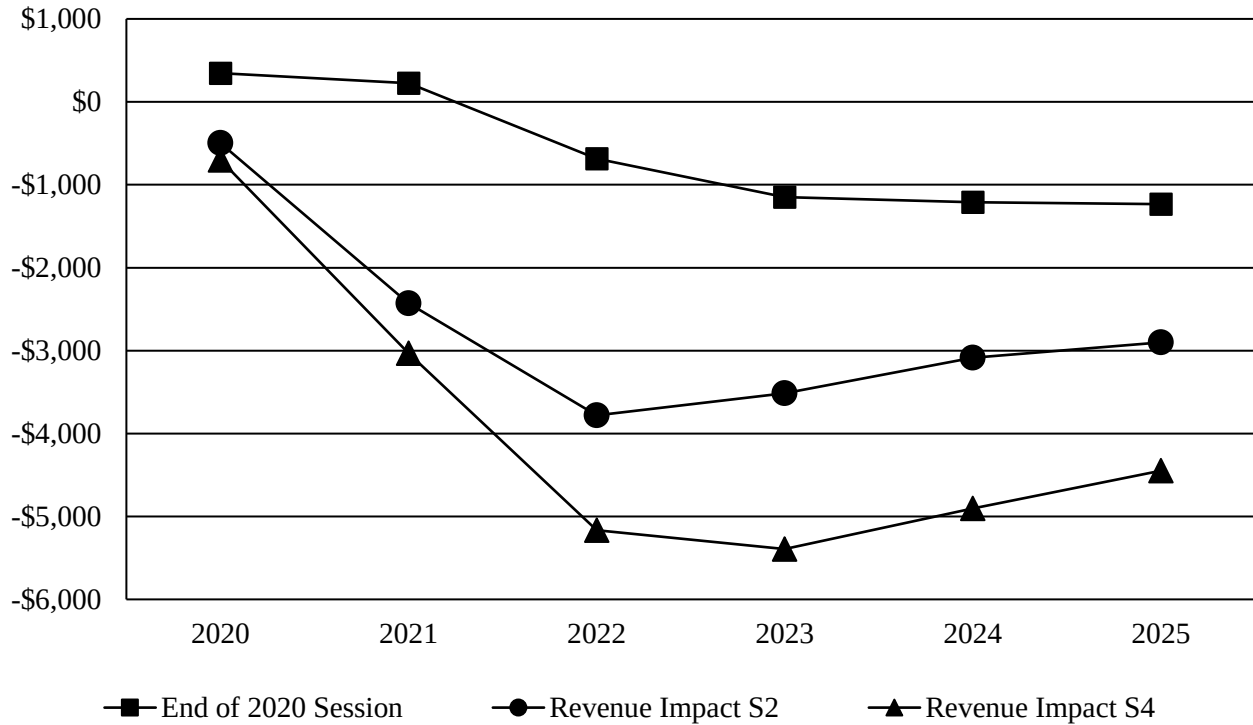
Legislation affecting expenditures with a projected five-year impact of \$25 million or more includes:

- **Senate Bill 693 (Chapter 576)** requires the pay rate for specified employees at the Clifton T. Perkins Hospital (Perkins) who are not receiving a forensic pay premium to be at least two grades higher than their pay rate effective June 30, 2020. The pay rate for specified employees in the Behavioral Health Administration (BHA) or the Developmental Disabilities Administration must be equal to the pay rate effective July 1, 2020, for similarly trained, qualified, or licensed employees at Perkins if the employees work at a facility that had a forensic admission rate greater than 75% for the immediately preceding fiscal year. The bill specifies staffing requirements for a facility that had a forensic admission rate greater than 75% for the immediately preceding fiscal year. The bill may not be construed to decrease the pay rate of any employee. This legislation increases general fund expenditures by almost \$25.8 million in fiscal 2022 and increases each year reaching \$28.3 million by fiscal 2025.

COVID-19 Pandemic Revenue Loss Scenarios

Exhibit 1.4 compares the fiscal year ending general fund balances for the end-of-session forecast and two reduced-revenue scenarios developed by BRE – S2 and S4. The S2 and S4 scenarios also reflect the Department of Legislative Services' (DLS) estimate of increased caseloads in entitlement programs due to the pandemic, the \$120.8 million in reductions to the fiscal 2020 budget made by the Board of Public Works in May 2020 as a first step in responding to the fiscal 2020 shortfall and the use of general funds to backfill shortfalls in the Education Trust Fund that cannot be covered by the Blueprint for Maryland's Future Fund. Both scenarios assume widespread availability of a vaccine will not occur until summer 2021. The S4 scenario assumes a deeper and longer recession than S2. Exhibit 1.4 shows the significant challenge facing Maryland in the coming years. Under the S4 scenario, the cash shortfall in fiscal 2023 is almost \$5.4 billion.

Exhibit 1.4
General Fund Balance Comparison
Current Forecast vs. Revenue Loss Scenarios
Fiscal 2020-2025
(\$ in Millions)



Source: Department of Legislative Services

Budget Reconciliation and Financing Act Legislation

As summarized in **Exhibit 1.5, Senate Bill 192**, the BRFA of 2020, has an overall impact of \$752.1 million on the fiscal 2021 budget plan. Fiscal 2020 general and special fund expenditure reductions total \$12.6 million. Fiscal 2021 general and special fund expenditure reductions total \$405.0 million. General and special fund revenue actions total \$235.7 million. The BRFA of 2020 also includes \$98.8 million of transfers from special funds to the General Fund.

Exhibit 1.5
Actions in the Budget Reconciliation and Financing Act of 2020
Fiscal 2020-2021
(\$ in Millions)

	<u>2020</u>	<u>2021</u>	<u>Total</u>
Contingent General Fund Reductions	\$6.4	\$401.5	\$407.9
General Fund Revenue Actions	0.0	204.2	204.2
Transfers to General Fund	0.0	98.8	98.8
General Fund Subtotal	\$6.4	\$704.4	\$710.8
Contingent Special Fund Reductions	\$6.2	\$3.5	\$9.7
Special Fund Revenue Actions	0.0	31.5	31.5
Special Fund Subtotal	\$6.2	\$35.0	\$41.2
Grand Total	\$12.6	\$739.5	\$752.1

Source: Department of Legislative Services

Fiscal 2020 Expenditure Reductions

The BRFA of 2020 includes several actions that reduce fiscal 2020 general and special fund expenditures by a total of \$12.6 million. These actions primarily result from lower than expected expenditures in the following areas:

- Concentration of Poverty Grants due to fewer eligible schools than anticipated (\$6.0 million in special funds from The Blueprint for Maryland's Future Fund);
- Maryland Community College Promise Scholarship program based on award levels (\$3.0 million in general funds);
- personnel savings in the Department of Public Safety and Correctional Services (DPSCS) due to vacancies (\$2.5 million in general funds);
- Agency Election Management System in the Major Information Technology Development Project Fund and the State Board of Elections (\$234,387 in general funds and \$234,388 in special funds) based on projected cost; and
- the unused portion of the premium subsidy payments in the Dairy Margin Coverage Program in the Maryland Department of Agriculture (MDA) (\$216,253 in general funds).

An additional general fund reduction of \$287,500 is the result of anticipated liquidated damages for the Administrative Services Organization contract in MDH BHA due to problems during the transition to a new vendor. This action results in a similar reduction in federal funds.

The BRFA of 2020 also repeals the mandated grant for Child and Parent Resource Group, Inc. that otherwise would have extended through fiscal 2023. The grantee is under investigation by the Office of the Attorney General. This repeal results in a fiscal 2020 general fund expenditure reduction of \$156,500 and corresponds to a reduction of \$250,000 in fiscal 2021. The fiscal 2020 reduction is for the portion of the mandate that had not yet been provided to the grantee, while the fiscal 2021 reduction reflects the full previously mandated level.

Fiscal 2021 General Fund Expenditure Reductions

As noted in Exhibit 1.5, there are \$401.5 million of general fund expenditure reductions contingent on the BRFA of 2020. Three of these general fund reductions are one-time:

- \$284.4 million of the appropriation to the Revenue Stabilization Account;
- \$50.0 million due to a one-time elimination of the mandate to provide \$25.0 million each to the Post-Retirement Health Benefits Fund and the State Retirement and Pension System (SRPS) for retirement reinvestment payments; and
- \$21.4 million representing a portion of the Joseph A. Sellinger funding formula for private institutions, resulting in aid of \$69.6 million rather than \$91.1 million.

Four additional actions result in multi-year reductions in general fund expenditures that begin in fiscal 2021.

- A reduction of \$33.3 million results from a restructuring of the repayment to the Local Reserve Account related to a prior transfer of \$200.0 million from the account to support Medicaid. The account was to be repaid in \$33.3 million increments between fiscal 2021 and 2026 through appropriations in the budget bill. The restructured repayment provides for a direct distribution of \$10.0 million in general fund revenue between fiscal 2024 and 2043, resulting in a net general fund savings of \$23.3 million between fiscal 2024 and 2026.
- A reduction of \$10.0 million due to limiting the phase-down of the Medicaid Deficit Assessment to \$15.0 million rather than \$25.0 million and permanently freezing it at that level (\$294,825,000) rather than continuing to phase-down the assessment.
- A reduction of \$1.3 million due to increasing the Drinking Driver Monitor Program fee from \$55 to \$75, which results in special fund revenue of \$1.9 million.

- A reduction of \$750,000 in fiscal 2021 and 2022 in Medicaid due to a transfer of that amount in both years from the Maryland State Board of Pharmacy fund balance to support access to small, rural pharmacies.

Revenue Actions

Several actions resulted in additional general fund revenue totaling \$204.2 million in fiscal 2021, as shown in Exhibit 1.5. The largest of these actions results from the alteration in the cap on projected nonwithholding income tax revenues that must, under certain circumstances, be withheld from projected general fund revenues. In fiscal 2021, this action is projected to increase general fund revenues by \$193.7 million. The out-year impact is projected to increase general fund revenues in fiscal 2022 by \$279.9 million, declining to \$137.1 million in fiscal 2025.

Other general fund revenue actions include:

- altering the income tax reporting requirements for the 1099-K to match the 1099-MISC, which changes the reporting threshold from \$20,000 to \$600 (projected to realize \$5.0 million annually);
- a one-time reduction in the mandate for the Maryland Health Benefit Exchange (MHBE) from \$35.0 million to \$31.5 million, which increases general fund revenues because premium tax revenue not otherwise distributed to MHBE goes to the general fund (\$3.5 million, which also decreases special fund expenditures by the same amount); and
- a permanent reduction in the maximum amount of allowable credits for the Film Production Activity Tax Credit to \$12 million, as opposed to the maximum credits increasing from \$14.0 million in fiscal 2021 to \$20.0 million in fiscal 2023 (increasing general fund revenue by \$2.0 million in fiscal 2021 to \$8.0 million beginning in fiscal 2023).

Several additional actions result in increases in special fund revenues beginning in fiscal 2021:

- an extension of the current land record surcharge amount (\$40), which would otherwise have returned to \$20 beginning in fiscal 2021, deposited into the Circuit Court Real Property Records Improvement Fund and used to support land records offices and the Judiciary's IT budget (a projected increase of \$14.6 million, which also reduces general fund expenditures by a similar amount beginning in fiscal 2022);
- an increase in the dealer processing charge that car dealers are allowed to charge consumers for activities such as titling a vehicle, obtaining license plates for a vehicle, and other administrative services from \$300 to \$500 (a projected revenue increase to the TTF of \$10.0 million); and

- an elimination of the administrative fee that car dealers are allowed to retain for collecting and remitting the vehicle excise tax (a projected increase to the TTF of \$5.0 million).

The BRFA of 2020 also phases in an increase over a three-year period to \$5,000 per acre (or the actual market value of the property, if lower) of the property tax assessment rate for land actively used as a country club or golf course. The phase-in begins with new agreements or extension of agreements with the State Department of Assessments and Taxation that go into effect on or after June 1, 2020. The additional State property tax revenue that results from this phase-in is deposited into the Annuity Bond Fund (ABF), consistent with other property tax revenue.

Other Changes to Mandates

The BRFA of 2020 also made additional changes to the following mandates:

- Lowering the required funding for the Maryland Agricultural and Resource-Based Industry Development Corporation (MARBIDCO) from \$2,875,000 to \$2,735,000 from fiscal 2022 through 2024, extending the mandate to fiscal 2025 at that level, and specifying the distribution between MARBIDCO's core loan and small matching grant program (\$2.3 million) and to facilitate participation in the Certified Local Farm Enterprise Program (\$435,000). The specified distribution of funding is contingent on the enactment of **Senate Bill 985/House Bill 1488 (both passed)** that create the Certified Local Farm Enterprise Program. On May 7, 2020, the Governor vetoed the bills due to concerns regarding the economic challenges resulting from the COVID-19 pandemic.
- Authorizing the mandate for the Community College Facilities Renewal Grant Program to be met through either the operating or capital budget beginning in fiscal 2022.
- Reducing the fiscal 2021 mandate only for the Seed Community Development Anchor Institution Program by \$5 million. The reduction occurs in the Maryland Consolidated Capital Bond Loan, allowing the funds to be repurposed to other programs rather than general funds.
- Altering the transfer tax repayment schedule to repeal the fiscal 2020 repayment and the portion of the fiscal 2021 repayment that was reduced in the fiscal 2021 budget bill from the DPA, extending the repayment to account for these missed payments, and restructuring a portion of the repayment to specific levels rather than shares of the total amount.

Fiscal 2021 Transfers

As shown in Exhibit 1.5, the BRFA of 2020 requires transfers to the General Fund in fiscal 2021 totaling \$98.8 million through three provisions:

- \$54.0 million from the Rainy Day Fund;

- \$43.9 million from the DPA for fiscal 2020 transfer tax revenue repayment that will not be released; and
- \$900,000 from the Maryland Board of Physicians Fund balance.

The BRFA of 2020 also requires two additional transfers to other funds or purposes:

- a total of \$62.0 million in fiscal 2020 from the DPA to the ABF, representing supplemental reinvestment payments for SRPS (\$50.0 million) and a grant to the Washington Metropolitan Area Transit Authority (\$12.0 million), which were restricted for other purposes and will not be released; and
- a transfer of \$400,000 from the Maryland Board of Physicians Fund balance to be used for the Loan Assistance Repayment Program for Physicians and Physicians Assistants. The fiscal 2021 budget includes a contingent appropriation of the same amount for the program.

Miscellaneous Provisions

The BRFA of 2020 also contains a number of additional provisions that (1) create, alter, or clarify requirements; (2) control costs in fiscal 2021; (3) amend funding restrictions; or (4) repeal a special fund. In particular, these provisions:

- authorize Managing for Results performance measures and personnel detail to be published electronically rather than in the printed Governor's Budget Books;
- amend the authorization to use the Fiscal Responsibility Fund for a fiscal 2021 cost-of-living adjustment (COLA) to provide first for a 1% COLA for employees represented by the American Federation of State, County, and Municipal Employees (AFSCME) and then proportionally up to 2% for employees represented by AFSCME, AFT Healthcare-Maryland, and the Maryland Professional Employees Council, if the revenue is realized;
- limit the increase in fiscal 2021 rates for providers who have rates set by the Interagency Rates Committee to 2% over the fiscal 2020 rates;
- prohibit the Uninsured Employers Fund from spending funds for administrative expenses without an appropriation;
- transfer the role of fiscal agent for the Children's Cabinet Interagency Fund from the Maryland State Department of Education to the Governor's Office of Crime Prevention, Youth, and Victim Services, which administers the fund;

- require the revenue from electronic bingo and electronic tip jars in Calvert County dedicated for particular recipients to be appropriated in the Payments to Civil Divisions of the State;
- prohibit the restoration of an item specifically reduced by the General Assembly unless it is specifically authorized in the budget bill;
- repeal the Rate Stabilization Fund beginning in fiscal 2022 and require the revenues that would otherwise have gone to the fund to go to the General Fund;
- alter the distribution of funding under the HealthChoice value-based purchasing program;
- limit the Maryland 529 State Funding Match Program award allocation to no more than two accounts per beneficiary;
- amend language restricting funds in the fiscal 2020 budget bill for Baltimore City transportation aid to remove requirements that funds be provided on a reimbursable basis and to correct/clarify the name of a road for which funds were restricted; and
- require the provision of certain information by DPSCS to the Maryland Department of Planning (MDP) and DLS related to prisoners for the purpose of redistricting and requiring MDP and DLS to enter into a memorandum of understanding related to this data by August 1 in the year of each decennial census.

Selected Budgetary Initiatives and Enhancements

Funding Maryland's Response to the Coronavirus Pandemic

According to the Centers for Disease Control, COVID-19 has resulted in a global pandemic with almost 7.4 million infections and more than 418,000 deaths worldwide as of June 12, 2020 (according to the World Health Organization daily situation report). The virus arrived in Maryland in March 2020 and exceeded 60,600 confirmed cases with 2,773 deaths as of June 12, 2020 (according to MDH). The virus currently has no vaccine or specific antiviral treatment.

On March 5, 2020, Governor Lawrence J. Hogan, Jr., declared a state of emergency to mobilize all available State resources in response to COVID-19. The declaration officially authorized and directed MDH and the Maryland Emergency Management Agency (MEMA) to ramp up coordination among all State and local agencies. The declaration also enables MDH and MEMA to fast track coordination with State and local health departments and emergency management teams. The Governor directed State agencies to take every precaution to prepare and mobilize whatever resources are necessary to address COVID-19. As the impact of the virus rapidly grew more severe throughout March 2020, the Governor issued several executive orders,

closing schools and nonessential business, limiting public gatherings, and issuing a stay-at-home order, effectively ceasing nearly all economic activity in the State.

In anticipation of this situation, the General Assembly authorized the expenditure of up to \$160 million in State funding for battling the public health and economic crises through three pieces of legislation:

- **Senate Bill 190** provides a \$10.0 million fiscal 2020 general fund deficiency appropriation to MDH through Supplemental Budget No. 1 to begin addressing the public health needs associated with preparing agencies to prevent the spread of the disease and provide necessary treatment upon immediate enactment of the budget;
- **Senate Bill 1079 (Chapter 12)** authorizes the Governor to transfer by budget amendment up to \$50.0 million from the Rainy Day Fund to fund costs associated with COVID-19, but first provides the Legislative Policy Committee with at least seven days to review and comment on the proposed transfer. A report on the use of the funds must also be provided within 60 days after the release of the funds.
- **Senate Bill 192**, the BRFA of 2020, also authorizes the Governor to transfer an additional \$100.0 million from the Rainy Day Fund specifically for costs associated with reopening closed medical facilities; establishing new or temporary medical facilities; assisting with the distribution of food and medical supplies; providing temporary housing for people who have been quarantined to help prevent the spread of COVID-19; and providing assistance to small businesses impacted by the State's COVID-19 response, with priority given to the facilities that were required to close or curtail activities by order of the Governor.

At the time the budget was passed, the magnitude of the impact of COVID-19 on public health and the economy was not known. Given the severity of the situation, the U.S. Congress subsequently authorized substantial financial assistance to the states and local governments in response to the COVID-19 pandemic. Estimates as of June 12, 2020, project that the State, local governments, and higher education institutions in Maryland will receive approximately \$5 billion in federal assistance, excluding funds that will flow directly to hospitals and other medical providers and programs where the allocation to state and local governments is not yet available. The extent to which State funds will be required, beyond what has been authorized, cannot currently be determined.

Medical Assistance Program

The Medical Care Programs Administration within MDH is responsible for administering Medicaid and the Maryland Children's Health Program (MCHP) that provide comprehensive somatic and behavioral health benefits to over 1.4 million Marylanders. With total funding at just under \$11.9 billion, Medicaid is the largest program in the State's fiscal 2021 budget, comprising almost one-quarter (24.7%) of total spending. Details on the sources of funding for Medicaid and MCHP are shown in **Exhibit 1.6**.

Exhibit 1.6
Medicaid and MCHP
Fiscal 2019-2021
(\$ in Millions)

	<u>2019 Actual</u>	<u>2020 Working</u>	<u>2021 Approp.</u>	<u>2020-2021 \$ Change</u>	<u>2020-2021 % Change</u>
General Funds	\$3,405.3	\$3,612.7	\$3,825.1	212.4	5.9%
Special Funds	958.7	992.6	924.1	-68.5	-6.9%
Federal Funds	6,896.7	7,040.3	7,101.1	60.8	0.9%
Total	\$11,260.7	\$11,645.6	\$11,850.3	204.7	1.8%

MCHP: Maryland Children's Health Program

Note: Deficiency appropriations have been allocated to the appropriate fiscal year. Data reflects actions in the Budget Reconciliation and Financing Act of 2020 to reduce general funds in fiscal 2020 and 2021. Data does not reflect federal matching changes authorized in the federal Families First Coronavirus Response Act.

Source: Department of Legislative Services

As also shown in Exhibit 1.6, although total spending on the Medicaid program increases modestly at \$204.7 million, or 1.8%, between the fiscal 2020 working appropriation and fiscal 2021 appropriation, general fund growth is much stronger at 5.9%, or \$212.4 million. This is largely driven by two factors: the need to backfill for declining special fund revenue in fiscal 2021, primarily due to lower availability from the Rate Stabilization Fund and a \$15.0 million decline in funding from the Medicaid Deficit Assessment; and a change in federal matching rates for the Affordable Care Act expansion adults (from 91.5% to 90%) and MCHP (from 79.4% to 67.9%).

The fiscal 2021 budget includes \$182.8 million in provider rate increases as shown in **Exhibit 1.7**. The largest impact on the fiscal 2021 budget is \$46.4 million from calendar 2020 managed care organization rates (1.4%). As is usual, the fiscal 2021 budget makes no assumption for calendar 2021 rates that are currently under development. Similarly, actual inpatient and outpatient hospital rates for fiscal 2021 will be set by the Health Services Cost Review Commission in June 2020. For the fiscal 2021 budget, the same increase as provided in fiscal 2020 is assumed. For most other providers, 4% rate increases are provided as mandated by Chapters 10 and 11 of 2019.

Exhibit 1.7
Medicaid/MCHP Provider Rate Increases and Assumptions
Fiscal 2021
(\$ in Millions)

Managed Care Organization Calendar 2020 Net Increase (1.4%)	\$46.4
Nursing Homes (4%)	43.0
Behavioral Health Providers (4%)	37.2
Other Medicaid Community Providers (4%, Except Rare and Expensive Case Management Services at 3.5%)	25.8
Inpatient and Outpatient Hospital Assumptions (2.0%)	22.4
Physician Evaluation and Management Rates (Maintain 93% of Medicare Rates)	8.0
Total	\$182.8

MCHP: Maryland Children's Health Program

Source: Department of Legislative Services

The fiscal 2021 budget assumes very little growth in enrollment between fiscal 2020 and 2021, 1.2%, or just over 16,000 to 1.4 million. The budget also includes three small initiatives: \$3.0 million to improve access to pharmacies in rural parts of the State through the addition of a \$5 dispensing fee per prescription; \$0.5 million to pay higher case management fees for health homes that qualify as eligible practices under the Maryland Primary Care Program; and \$0.6 million for a collaborative care pilot program as mandated by Chapters 683 and 684 of 2018.

At the time that the budget was passed, there was no allowance made for the impact of the COVID-19 pandemic. Specifically, the Medicaid budget does not reflect the impact of the federal Families First Coronavirus Response Act that provides states with enhanced federal Medicaid funding during the period of the COVID-19 national emergency nor does it reflect changes in enrollment (which began to increase with the March 2020 enrollment data) or utilization. As such, significant changes to the fiscal 2020 and 2021 Medicaid budget can be expected.

Legislative Priorities

The General Assembly expressed its spending priorities by restoring \$82.1 million in funding reductions proposed by the Administration and restricting an additional \$6.0 million for specific purposes. **Exhibit 1.8** details the specific restrictions or authorizations.

Exhibit 1.8
Legislative Budget Priorities
Fiscal 2021
(\$ in Millions)

<u>Administration Proposed General Fund Reductions Restored by General Assembly</u>	<u>Final</u>
Restore 4% Rate Increase for Developmental Disabilities, Behavioral Health, and Medicaid Providers (Governor proposed trimming to 2%)	\$39.5
Restore Full Funding for Community College Aid Formula	18.2
Fund 18% Increase for Independent Colleges and Universities	10.6
Restore Full Funding for National Capital Strategic Economic Development Program	7.2
No Increase to Local Share of Department of Assessments and Taxation Costs	4.4
Fully Fund Mandate for Baltimore Symphony Orchestra	1.6
Fully Fund Increase to Annapolis PILOT Payment	0.4
Fully Fund Mandated Increase for Maryland Public Television	0.2
Total Administration Reductions Restored	\$82.1
<u>General Funds Restricted (Fenced) for Legislative Priorities</u>	
State Nutrition Program	\$0.5
Assistance to Businesses Impacted by the Purple Line Construction*	2.0
Creating a Women's Pre-release Pilot Program	1.5
Pretrial Services Grant Fund	0.8
Grant to Chesapeake Bay Foundation for Educational Programming	0.4
Hiring Compliance and Enforcement Staff at MDE and MDA	0.4
Establishment of a Private Letter Ruling Process by Comptroller	0.3
Make Office Vacancies Extinct Program	0.1
	\$6.0
Total Funding for Priorities Not Funded by Governor	\$88.0

MDA: Maryland Department of Agriculture

MDE: Maryland Department of the Environment

PILOT: payment on lieu of taxes

*Includes \$1 million of special funds and \$1 million of general funds.

Note: Numbers may not sum due to rounding.

Source: Department of Budget and Management; Department of Legislative Services

By the Numbers

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

Exhibit 1.9, the fiscal note on the budget bill, depicts the Governor's allowance, funding changes made through a supplemental budget, legislative reductions, and final appropriations for fiscal 2020 and 2021 by fund source. The Governor's original request provided for \$48.5 billion in fiscal 2021 expenditures and \$615.2 million in fiscal 2020 deficiencies.

A supplemental budget provided an additional \$76.6 million in spending across fiscal 2020 and 2021. This modest increase was offset by actions taken in the operating budget and BRFA of 2020 to reduce spending in fiscal 2020 by \$31.1 million and nearly \$600.8 million in fiscal 2021. The fiscal 2021 legislative appropriation of \$48.0 billion reflects a \$678.2 million, or 1.4%, increase over the \$47.3 billion fiscal 2020 appropriation when all actions on **Senate Bill 190** and **Senate Bill 192** are considered.

Exhibit 1.10 provides detail for the budget changes by major expenditure category by fund. Absent a 77% reduction in the appropriation to the Reserve Fund, total spending increases by nearly \$1.2 billion, or 2.5%. Debt service grows by \$73.6 million, or 4.4%, based on the past and projected issuance of GO and transportation debt. Aid to local government increases by \$293.1 million, or 3.2%, largely due to formula-based education aid and an increase in 9-1-1 fee revenue passed-through to counties. Entitlement spending increases by \$136.2 million, or 1.0%, driven primarily by rate increases for Medicaid and other service providers, but offset slightly by a net reduction in assistance payments to align with recent historical spending trends. State agency spending increases by \$1.0 billion, or 5.4%, nearly half of which is funding for the first year of payments for the reinsurance program through MHBE. The remainder of the increase reflects growth in higher education spending, previously discussed employee compensation enhancements, and various increases in agency operations and programs. PAYGO capital expenditures decrease by \$351.0 million, or 10.6%, primarily reflecting debt capacity limitations for the transportation program.

Exhibit 1.9
Fiscal Note – Summary of the Fiscal 2021 Budget Bill – Senate Bill 190

	<u>General Funds</u>	<u>Special Funds</u>	<u>Federal Funds</u>	<u>Higher Education Funds</u>	<u>Total Funds</u>
Governor's Allowance					
Fiscal 2020 Budget	\$19,540,602,063	\$9,569,634,124	\$13,381,629,278	\$4,774,010,928	\$47,265,876,393 ⁽¹⁾
Fiscal 2021 Budget	20,205,894,764 ⁽²⁾	9,605,504,378 ⁽³⁾	13,885,016,520	4,818,096,855	48,514,512,517
Supplemental Budget No. 1					
Fiscal 2020 Deficiencies	\$33,887,563	\$1,780,703	\$3,023,365	\$0	\$38,691,631
Fiscal 2021 Budget	-\$51,976,251	89,384,771	504,297		37,912,817
Subtotal	-\$18,088,688	\$91,165,474	\$3,527,662	\$0	\$76,604,448
Budget Reconciliation and Financing Act of 2020					
Fiscal 2020 Deficiencies	-\$6,394,640	-\$6,206,380	-\$287,500	\$0	-\$12,888,520
Fiscal 2021 Contingent Reductions	-401,507,571	8,550,000 ⁽⁴⁾	0	0	-392,957,571
Subtotal	-\$407,902,211	\$2,343,620	-\$287,500	\$0	-\$405,846,091
Legislative Reductions					
Fiscal 2020 Deficiencies	-\$17,814,974	-\$419,104	\$0	\$0	-\$18,234,078
Fiscal 2021 Budget	-124,215,710	-8,583,867 ⁽⁵⁾	-75,030,396	0	-207,829,973
Total Reductions	-\$142,030,684	-\$9,002,971	-\$75,030,396	\$0	-\$226,064,051
Appropriations					
Fiscal 2020 Budget	\$19,550,280,012	\$9,564,789,343	\$13,384,365,143	\$4,774,010,928	\$47,273,445,426
Fiscal 2021 Budget	19,628,195,232	9,694,855,282	13,810,490,421	4,818,096,855	47,951,637,790
Change	\$77,915,220	\$130,065,939	\$426,125,278	\$44,085,927	\$678,192,364

⁽¹⁾ Reflects \$615.2 million in proposed deficiencies, including \$223.3 million in general funds, \$135.8 million in special funds, \$255.3 million in federal funds, and \$0.8 million current unrestricted funds. Assumes \$35.0 million in unspecified general fund reversions, \$101.5 million in targeted general reversions, and \$0.5 million in targeted special fund reversions. Excludes \$43.5 million that double counts general fund spending.

⁽²⁾ Assumes \$35.0 million in unspecified general fund reversions.

⁽³⁾ Excludes \$40 million that double counts general fund spending.

⁽⁴⁾ Assumes \$8.6 million in special funds to back-fill for general fund reductions.

⁽⁵⁾ Assumes \$11.6 million in special funds to back-fill for general fund reductions.

Exhibit 1.10
State Expenditures – General Funds

<u>Category</u>	<u>Actual FY 2019</u>	<u>Working Appropriation FY 2020</u>	<u>Legislative Appropriation FY 2021</u>	<u>FY 2020 to FY 2021</u>	
				<u>\$ Change</u>	<u>% Change</u>
Debt Service	\$286.0	\$287.0	\$131.0	-\$156.0	-54.4%
County/Municipal	\$286.2	\$309.4	\$315.0	\$5.6	1.8%
Community Colleges	321.7	330.7	367.2	36.5	11.1%
Education/Libraries	6,053.2	6,405.1	6,624.5	219.4	3.4%
Health	51.9	59.1	60.0	0.9	1.6%
<i>Aid to Local Governments</i>	\$6,712.9	\$7,104.3	\$7,366.8	\$262.5	3.7%
Foster Care Payments	\$188.2	\$202.3	\$209.3	\$7.0	3.5%
Assistance Payments	41.6	43.3	47.6	4.3	10.0%
Medical Assistance	3,394.3	3,623.7	3,825.1	201.4	5.6%
Property Tax Credits	96.8	97.2	97.2	0.0	0.0%
<i>Entitlements</i>	\$3,720.9	\$3,966.5	\$4,179.3	\$212.8	5.4%
Health	\$1,489.5	\$1,585.4	\$1,640.6	\$55.2	3.5%
Human Services	376.0	369.3	375.4	6.1	1.6%
Juvenile Services	262.1	264.4	265.9	1.5	0.6%
Public Safety/Police	1,529.5	1,580.5	1,594.8	14.3	0.9%
Higher Education	1,493.6	1,587.6	1,683.7	96.1	6.1%
Other Education	456.6	483.8	503.4	19.7	4.1%
Agriculture/Natural					
Res./Environment	127.3	148.7	161.7	12.9	8.7%
Other Executive Agencies	746.5	835.1	862.7	27.6	3.3%
Judiciary	508.0	537.9	558.4	20.5	3.8%
Legislative	91.6	97.6	104.3	6.7	6.8%
<i>State Agencies</i>	\$7,080.7	\$7,490.3	\$7,750.9	\$260.6	3.5%
Total Operating	\$17,800.5	\$18,848.2	\$19,428.0	\$579.8	3.1%
Capital ⁽¹⁾	\$59.5	\$77.0	\$83.2	\$6.3	8.1%
<i>Subtotal</i>	\$17,860.0	\$18,925.1	\$19,511.2	\$586.1	3.1%
Reserve Funds	\$9.3	\$660.2	\$152.0	-\$508.2	-77.0%
Appropriations	\$17,869.3	\$19,585.3	\$19,663.2	\$77.9	0.4%
Reversions	\$0.0	-\$35.0	-\$35.0	\$0.0	0.0%
Grand Total	\$17,869.3	\$19,550.3	\$19,628.2	\$77.9	0.4%

BRFA: Budget Reconciliation and Financing Act of 2020 (SB 192)

⁽¹⁾ Includes the Historic Revitalization Tax Credit Reserve Fund.

Note: The fiscal 2020 working appropriation includes \$239.4 million in deficiencies and \$72.9 million in targeted reversions of which \$6.4 million is contingent on the BRFA. The fiscal 2021 legislative appropriation includes \$401.5 million in reductions contingent on the BRFA.

Exhibit 1.10 (Continued)
State Expenditures – Special and Higher Education Funds*
Fiscal 2019-2021
(\$ in Millions)

<u>Category</u>	<u>Actual FY 2019</u>	<u>Working Appropriation FY 2020</u>	<u>FY 2021 Legislative Appropriation</u>	<u>Working to FY 2021 \$ Change</u>	<u>% Change</u>
Debt Service	\$1,338.3	\$1,388.8	\$1,618.9	\$230.1	16.6%
County/Municipal	\$381.1	\$403.5	\$454.6	\$51.0	12.6%
Community Colleges	0.0	0.0	0.0	0.0	n/a
Education/Libraries	556.4	682.1	676.0	-6.0	-0.9%
Health	0.0	0.0	0.0	0.0	n/a
<i>Aid to Local Governments</i>	\$937.5	\$1,085.6	\$1,130.6	\$45.0	4.1%
Foster Care Payments	\$3.6	\$4.3	\$3.3	-\$1.0	-22.8%
Assistance Payments	9.5	5.4	6.4	1.0	18.7%
Medical Assistance	958.7	992.6	924.1	-68.5	-6.9%
Property Tax Credits	0.0	0.0	0.0	0.0	n/a
<i>Entitlements</i>	\$971.8	\$1,002.3	\$933.8	-\$68.5	-6.8%
Health	\$362.6	\$444.7	\$514.6	\$69.9	15.7%
Human Services	100.8	76.6	77.2	0.6	0.8%
Juvenile Services	3.2	3.0	3.3	0.2	7.8%
Public Safety/Police	213.6	235.4	287.5	52.2	22.2%
Higher Education	4,691.7	4,868.3	4,910.8	42.6	0.9%
Other Education	65.8	73.0	79.5	6.6	9.0%
Transportation	2,029.1	2,046.6	2,182.6	136.0	6.6%
Agriculture/Natural Res./Environment	281.9	304.2	301.1	-3.1	-1.0%
Other Executive Agencies	624.4	745.8	767.1	21.3	2.9%
Judiciary	53.0	66.6	69.7	3.2	4.8%
Legislative	0.0	0.0	0.0	0.0	n/a
<i>State Agencies</i>	\$8,426.0	\$8,864.1	\$9,193.4	\$329.4	3.7%
Total Operating	\$11,673.6	\$12,340.8	\$12,876.8	\$536.0	4.3%
Capital	\$1,850.6	\$1,998.0	\$1,636.2	-\$361.8	-18.1%
Transportation	1,402.8	1,568.2	1,205.2	-363.0	-23.1%
Environment	220.3	177.7	216.4	38.7	21.7%
Other	227.6	252.0	214.6	-37.4	-14.9%
Grand Total	\$13,524.2	\$14,338.8	\$14,513.0	\$174.2	1.2%

BRFA: Budget Reconciliation and Financing Act of 2020 (SB 192)

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

Note: The fiscal 2020 working appropriation reflects \$137.2 million in deficiencies, \$6.2 million in reductions contingent on the BRFA, \$0.5 million in targeted reversions, and excludes \$43.5 million that double counts general fund spending. The fiscal 2021 legislative appropriation excludes \$40 million that double counts general fund spending. Fiscal 2021 also reflects \$3.5 million in reductions contingent on the BRFA and \$23.7 million in additional special fund spending due to funding swaps.

Exhibit 1.10 (Continued)
State Expenditures – Federal Funds
Fiscal 2019-2021
(\$ in Millions)

<u>Category</u>	<u>Actual FY 2019</u>	<u>Working Appropriation FY 2020</u>	<u>FY 2021 Legislative Appropriation</u>	<u>Working to FY 2021 \$ Change</u>	<u>% Change</u>
Debt Service	\$11.6	\$11.5	\$11.0	-\$0.5	-4.6%
County/Municipal	\$70.9	\$74.1	\$74.7	\$0.7	0.9%
Community Colleges	0.0	0.0	0.0	0.0	n/a
Education/Libraries	896.6	984.7	969.7	-15.0	-1.5%
Health	0.0	0.0	0.0	0.0	n/a
<i>Aid to Local Governments</i>	<i>\$967.5</i>	<i>\$1,058.7</i>	<i>\$1,044.4</i>	<i>-\$14.3</i>	<i>-1.4%</i>
Foster Care Payments	\$79.0	\$74.6	\$74.4	-\$0.2	-0.3%
Assistance Payments	991.8	1,045.2	994.4	-50.8	-4.9%
Medical Assistance	6,878.7	7,058.2	7,101.1	42.8	0.6%
Property Tax Credits	0.0	0.0	0.0	0.0	n/a
<i>Entitlements</i>	<i>\$7,949.5</i>	<i>\$8,178.0</i>	<i>\$8,169.9</i>	<i>-\$8.1</i>	<i>-0.1%</i>
Health	\$1,036.7	\$1,136.5	\$1,568.6	\$432.1	38.0%
Human Services	545.1	610.1	618.4	8.3	1.4%
Juvenile Services	3.7	4.6	4.4	-0.2	-4.2%
Public Safety/Police	35.4	41.7	33.7	-8.0	-19.3%
Higher Education	0.0	0.0	0.0	0.0	n/a
Other Education	246.3	307.8	325.1	17.4	5.7%
Transportation	90.8	108.2	106.5	-1.7	-1.5%
Agriculture/Natural Res./Environment	66.0	68.4	71.3	2.9	4.3%
Other Executive Agencies	594.5	620.7	615.1	-5.5	-0.9%
Judiciary	0.5	1.0	0.3	-0.7	-73.2%
<i>State Agencies</i>	<i>\$2,619.0</i>	<i>\$2,898.8</i>	<i>\$3,343.3</i>	<i>\$444.5</i>	<i>15.3%</i>
Total Operating	\$11,547.5	\$12,147.1	\$12,568.6	\$421.6	3.5%
Capital	\$850.2	\$1,237.3	\$1,241.8	\$4.6	0.4%
Transportation	788.4	1,120.7	1,160.2	39.5	3.5%
Environment	43.3	52.9	53.1	0.3	0.5%
Other	18.6	63.8	28.5	-35.3	-55.3%
Grand Total	\$12,397.8	\$13,384.4	\$13,810.5	\$426.1	3.2%

BRFA: Budget Reconciliation and Financing Act of 2020 (SB 192)

Note: The fiscal 2020 working appropriation includes \$258.3 million in deficiencies and \$0.3 million in cuts contingent on the BRFA.

Exhibit 1.10 (Continued)
State Expenditures – State Funds
Fiscal 2019-2021
(\$ in Millions)

<u>Category</u>	<u>Actual FY 2019</u>	<u>Working Appropriation FY 2020</u>	<u>Legislative Appropriation FY 2021</u>	<u>FY 2020 to FY 2021</u>	
				<u>\$ Change</u>	<u>% Change</u>
Debt Service	\$1,624.3	\$1,675.8	\$1,749.9	\$74.1	4.4%
County/Municipal	\$667.2	\$712.9	\$769.6	\$56.6	7.9%
Community Colleges	321.7	330.7	367.2	36.5	11.1%
Education/Libraries	6,609.6	7,087.2	7,300.6	213.4	3.0%
Health	51.9	59.1	60.0	0.9	1.6%
<i>Aid to Local Governments</i>	\$7,650.4	\$8,189.9	\$8,497.4	\$307.4	3.8%
Foster Care Payments	\$191.8	\$206.6	\$212.6	\$6.0	2.9%
Assistance Payments	51.1	48.7	54.1	5.4	11.0%
Medical Assistance	4,353.0	4,616.3	4,749.2	132.9	2.9%
Property Tax Credits	96.8	97.2	97.2	0.0	0.0%
<i>Entitlements</i>	\$4,692.7	\$4,968.8	\$5,113.1	\$144.3	2.9%
Health	\$1,852.0	\$2,030.0	\$2,155.2	\$125.2	6.2%
Human Services	476.8	445.9	452.6	6.6	1.5%
Juvenile Services	265.4	267.4	269.2	1.8	0.7%
Public Safety/Police	1,743.1	1,815.9	1,882.3	66.4	3.7%
Higher Education	6,185.3	6,455.9	6,594.6	138.6	2.1%
Other Education	522.3	556.7	583.0	26.3	4.7%
Transportation	2,029.1	2,046.6	2,182.6	136.0	6.6%
Agriculture/Natural					
Res./Environment	409.2	452.9	462.7	9.8	2.2%
Other Executive Agencies	1,370.9	1,581.0	1,629.9	48.9	3.1%
Judiciary	561.0	604.4	628.1	23.7	3.9%
Legislative	91.6	97.6	104.3	6.7	6.8%
<i>State Agencies</i>	\$15,506.7	\$16,354.4	\$16,944.4	\$590.0	3.6%
Total Operating	\$29,474.1	\$31,189.0	\$32,304.8	\$1,115.8	3.6%
Capital ⁽¹⁾	\$1,910.1	\$2,074.9	\$1,719.4	-\$355.6	-17.1%
Transportation	1,402.8	1,568.2	1,205.2	-363.0	-23.1%
Environment	220.8	178.3	217.1	38.8	21.8%
Other	286.5	328.4	297.1	-31.4	-9.5%
Subtotal	\$31,384.2	\$33,263.9	\$34,024.1	\$760.2	2.3%
Reserve Funds	\$9.3	\$660.2	\$152.0	-\$508.2	-77.0%
Appropriations	\$31,393.5	\$33,924.1	\$34,176.1	\$252.1	0.7%
Reversions	\$0.0	-\$35.0	-\$35.0	\$0.0	0.0%
Grand Total	\$31,393.5	\$33,889.1	\$34,141.1	\$252.1	0.7%

BRFA: Budget Reconciliation and Financing Act of 2020 (SB 192)

⁽¹⁾ Includes the Historic Revitalization Tax Credit Reserve Fund.

Note: The fiscal 2020 working appropriation reflects \$377.4 million in deficiencies, \$6.2 million in special fund reductions contingent on the BRFA, and \$73.4 million in targeted reversions of which \$6.4 million is contingent on the BRFA. Fiscal 2020 also excludes \$43.5 million of special funds that double counts general fund spending. The fiscal 2021 legislative appropriation excludes \$40 million of special funds that double counts general fund spending. Fiscal 2021 also reflects \$405.0 million in reductions contingent on the BRFA and \$23.7 million in additional special fund spending due to funding swaps.

Exhibit 1.10 (Continued)
State Expenditures – All Funds
Fiscal 2019-2021
(\$ in Millions)

<u>Category</u>	<u>Actual FY 2019</u>	<u>Working Appropriation FY 2020</u>	<u>Legislative Appropriation FY 2021</u>	<u>FY 2020 to FY 2021 \$ Change</u>	<u>% Change</u>
Debt Service	\$1,635.9	\$1,687.4	\$1,760.9	\$73.6	4.4%
County/Municipal	\$738.1	\$787.0	\$844.3	\$57.3	7.3%
Community Colleges	321.7	330.7	367.2	36.5	11.1%
Education/Libraries	7,506.2	8,071.9	8,270.2	198.4	2.5%
Health	51.9	59.1	60.0	0.9	1.6%
<i>Aid to Local Governments</i>	<i>\$8,617.9</i>	<i>\$9,248.6</i>	<i>\$9,541.8</i>	<i>\$293.1</i>	<i>3.2%</i>
Foster Care Payments	\$270.8	\$281.2	\$287.0	\$5.8	2.1%
Assistance Payments	1,042.9	1,093.9	1,048.5	-45.4	-4.2%
Medical Assistance	11,231.7	11,674.6	11,850.3	175.7	1.5%
Property Tax Credits	96.8	97.2	97.2	0.0	0.0%
<i>Entitlements</i>	<i>\$12,642.2</i>	<i>\$13,146.8</i>	<i>\$13,283.0</i>	<i>\$136.2</i>	<i>1.0%</i>
Health	\$2,888.7	\$3,166.5	\$3,723.8	\$557.3	17.6%
Human Services	1,021.9	1,056.1	1,071.0	14.9	1.4%
Juvenile Services	269.1	272.0	273.5	1.6	0.6%
Public Safety/Police	1,778.5	1,857.6	1,915.9	58.4	3.1%
Higher Education	6,185.3	6,455.9	6,594.6	138.6	2.1%
Other Education	768.6	864.5	908.1	43.7	5.1%
Transportation	2,119.9	2,154.8	2,289.1	134.3	6.2%
Agriculture/Natural					
Res./Environment	475.2	521.3	534.0	12.8	2.4%
Other Executive Agencies	1,965.4	2,201.6	2,245.0	43.4	2.0%
Judiciary	561.6	605.4	628.4	22.9	3.8%
Legislative	91.6	97.6	104.3	6.7	6.8%
<i>State Agencies</i>	<i>\$18,125.7</i>	<i>\$19,253.2</i>	<i>\$20,287.7</i>	<i>\$1,034.5</i>	<i>5.4%</i>
Total Operating	\$41,021.6	\$43,336.1	\$44,873.4	\$1,537.4	3.5%
Capital ⁽¹⁾	2,760.3	\$3,312.2	\$2,961.2	-\$351.0	-10.6%
Transportation	2,191.2	2,688.9	2,365.4	-323.5	-12.0%
Environment	264.1	264.1	270.2	6.2	2.3%
Other	305.1	359.3	325.6	-33.7	-9.4%
Subtotal	\$43,782.0	\$46,648.3	\$47,834.6	\$1,186.4	2.5%
Reserve Funds	\$9.3	\$660.2	\$152.0	-\$508.2	-77.0%
Appropriations	\$43,791.3	\$47,308.4	\$47,986.6	\$678.2	1.4%
Reversions	\$0.0	-\$35.0	-\$35.0	\$0.0	0.0%
Grand Total	\$43,791.3	\$47,273.4	\$47,951.6	\$678.2	1.4%

BRFA: Budget Reconciliation and Financing Act of 2020 (SB 192)

⁽¹⁾ Includes the Historic Revitalization Tax Credit Reserve Fund.

Note: The fiscal 2020 working appropriation reflects \$635.7 million in deficiencies, \$6.5 million in special and federal fund reductions contingent on the BRFA, and \$73.4 million in target reversions of which \$6.4 million is contingent on the BRFA. Fiscal 2020 also excludes \$43.5 million of special funds that double counts general fund spending. The fiscal 2021 legislative appropriation excludes \$40 million of special funds that double counts general fund spending. Fiscal 2021 also reflects \$405.0 million in reductions contingent on the BRFA and \$23.7 million in additional special fund spending due to funding swaps.

Chapter 2. State Capital Program

- Summary
- PAYGO Capital
- Debt Affordability
- Higher Education
- School Construction
- Fiscal 2020 and 2021 Transfer Tax Repayment

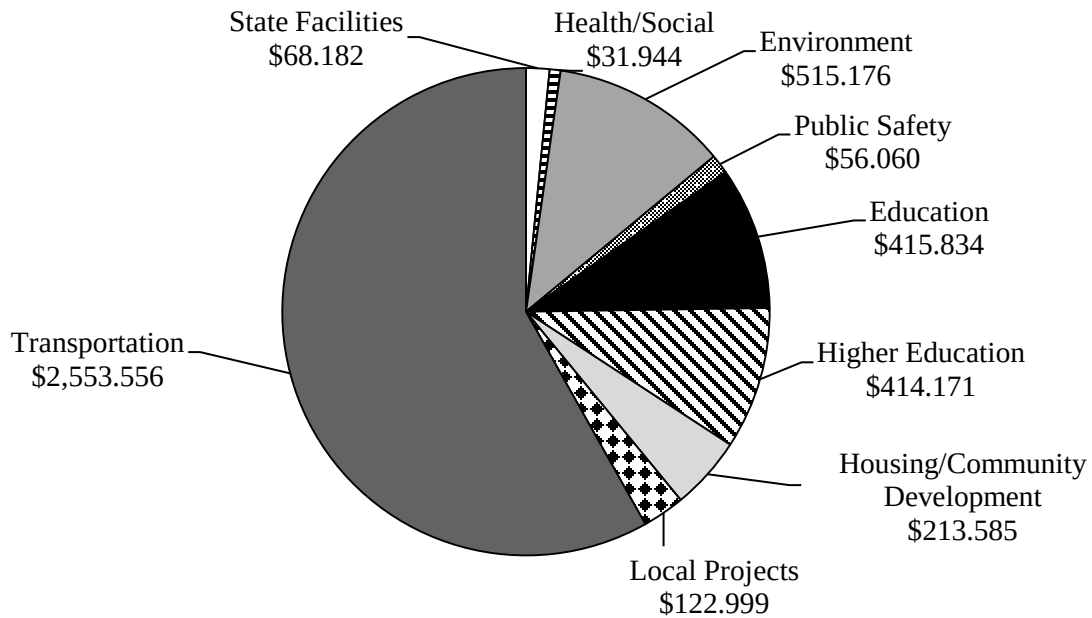
Summary

The General Assembly passed a fiscal 2021 capital program totaling \$4.392 billion, including \$2.554 billion for the transportation program. Apart from transportation, the program totals \$1.838 billion: \$1.108 billion is funded with general obligation (GO) bonds authorized in **Chapter 537 (enacted under Article II, Section 17(c) of the Maryland Constitution)**, the Maryland Consolidated Capital Bond Loan (MCCBL) of 2020; \$595.8 million is funded on a pay-as-you-go (PAYGO) basis in the operating budget; \$102.0 million is funded with attained and estimated bond premium proceeds; and \$32.0 million is funded with Academic Revenue Bonds (ARB) for University System of Maryland (USM) facilities authorized in **Chapter 550**.

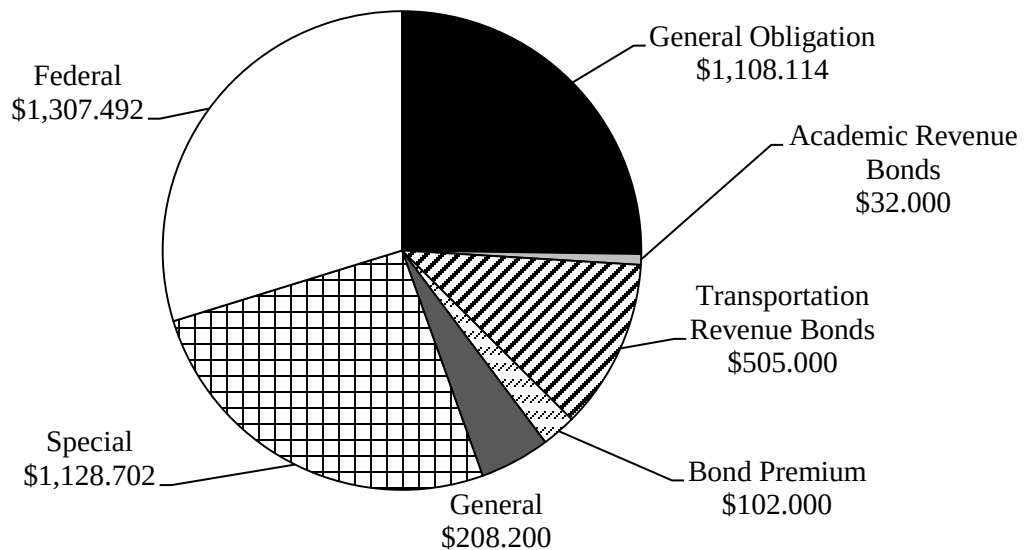
Exhibit 2.1 provides a summary of the capital program by uses and sources, **Exhibit 2.2** presents an overview of the State's capital program for fiscal 2021, **Exhibit 2.3** provides a detailed list of capital projects and programs by function and fund source, and **Exhibit 2.4** provides the individual legislative bond initiative projects funded in the MCCBL of 2020.

Exhibit 2.1
Fiscal 2021 Capital Program Uses and Sources
(\$ in Millions)

Uses



Sources



Source: Department of Legislative Services

Exhibit 2.2
Capital Program Summary for the 2020 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>Bond Premium</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	
State Facilities							\$68.2
Facilities Renewal	\$29.5	\$0.0	\$10.0	\$0.0	\$0.0	\$0.0	
State Facilities Other	28.7	0.0	0.0	0.0	0.0	0.0	
Health/Social							\$32.0
Health Other	\$9.3	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	
Health State Facilities	0.4	0.0	0.0	0.0	0.0	0.0	
Private Hospitals	15.3	0.0	7.0	0.0	0.0	0.0	
Environment							\$515.2
Agriculture	\$9.1	\$0.0	\$0.0	\$0.0	\$42.1	\$0.0	
Environment	23.8	0.0	0.0	0.7	216.4	53.1	
Maryland Environmental Service	11.6	0.0	0.0	0.0	4.7	0.0	
Natural Resources	15.4	0.0	0.0	0.0	132.8	5.5	
Public Safety							\$56.1
Local Jails	\$11.6	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	
State Corrections	33.2	0.0	8.0	0.0	0.0	0.0	
State Police	3.3	0.0	0.0	0.0	0.0	0.0	
Education							\$415.8
Education Other	\$7.7	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	
School Construction	364.6	0.0	0.0	43.5	0.0	0.0	
Higher Education							\$414.2
Community Colleges	\$101.1	\$0.0	\$0.0	\$4.0	\$0.0	\$0.0	
Morgan State University	15.2	0.0	5.0	0.0	0.0	0.0	
Private Colleges/Universities	12.0	0.0	0.0	0.0	0.0	0.0	
St. Mary's College of Maryland	35.2	0.0	0.0	0.0	0.0	0.0	
University System	137.6	32.0	72.0	0.0	0.0	0.0	
Housing and Community Development							\$213.6
Housing	\$115.7	\$0.0	\$0.0	\$24.5	\$34.7	\$23.0	
Housing Other	6.4	0.0	0.0	9.0	0.3	0.0	

Effect of the 2020 Legislative Program on the Financial Condition of the State

<u>Function</u>	Bonds			Current Funds (PAYGO)			<u>Total</u>
	<u>General Obligation</u>	<u>Revenue</u>	<u>Bond Premium</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	
Local Projects							\$122.9
Local Project Administration	\$47.9	\$0.0	\$0.0	\$1.5	\$0.0	\$0.0	
Local Project Legislative	73.5	0.0	0.0	0.0	0.0	0.0	
Current Year Total*	\$1,108.1	\$32.0	\$102.0	\$83.2	\$431.0	\$81.6	\$1,838.0
Deauthorizations							-\$13.1
Deauthorizations as Introduced	-\$9.1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	
Additional Deauthorizations	-4.0	0.0	0.0	0.0	0.0	0.0	
Adjusted Current Year Total	\$1,095.0	\$32.0	\$102.0	\$83.2	\$431.0	\$81.6	\$1,824.8
Transportation CTP	\$0.0	\$505.0	\$0.0	\$0.0	\$697.7	\$1,225.8	\$2,428.6
Transportation DPA	\$0.0	\$0.0	\$0.0	\$125.0	\$0.0	\$0.0	\$125.0
Grand Total	\$1,108.1*	\$537.0	\$102.0	\$208.2	\$1,128.7	\$1,307.5	\$4,391.5

CTP: Consolidated Transportation Program

DPA: Dedicated Purpose Account

PAYGO: pay-as-you-go

* The general obligation (GO) bond total reflects the amount of GO bonds authorized in the Maryland Consolidated Capital Bond Loan of 2020 after accounting for the \$13.1 million deauthorization of prior authorized funds included in the bill.

Source: Department of Legislative Services

Exhibit 2.3
Capital Program for the 2020 Session

<u>Budget Code</u>	<u>Project Title</u>	<u>Bonds</u>		<u>Bond Premium</u>	<u>Current Funds (PAYGO)</u>			<u>Total Funds</u>
		<u>General Obligation</u>	<u>Revenue</u>		<u>General</u>	<u>Special</u>	<u>Federal</u>	
	State Facilities							
DA0201A	MDOD: Accessibility Modifications	\$1,851,000	\$0	\$0	\$0	\$0	\$0	\$1,851,000
DA03A	MSA: Department of Legislative Services Building	3,500,000	0		0	0	0	3,500,000
DE0201A	BPW: Construction Contingency Fund	2,500,000	0		0	0	0	2,500,000
DE0201B	BPW: Facilities Renewal Fund	23,476,000	0	10,000,000	0	0	0	33,476,000 ¹
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	5,000,000	0		0	0	0	5,000,000
DE0201E	BPW: Shillman Building Conversion	713,000	0		0	0	0	713,000
DE0201F	BPW: Courts of Appeal Building	2,450,000	0		0	0	0	2,450,000
DH0104A	MD: Combined Support Maintenance Shop	5,049,000	0		0	0	0	5,049,000
DH0104B	MD: Maryland Emergency Management Agency Headquarters Renovation and Expansion	585,000	0		0	0	0	585,000
FB04A	DoIT: Public Safety Communications System	9,613,000	0		0	0	0	9,613,000

<u>Budget Code</u>	<u>Project Title</u>	<u>Bonds</u>		<u>Bond Premium</u>	<u>Current Funds (PAYGO)</u>			<u>Total Funds</u>
		<u>General Obligation</u>	<u>Revenue</u>		<u>General</u>	<u>Special</u>	<u>Federal</u>	
RP00A	MPBC: Maryland Public Television Transmission Systems Replacement	900,000	0		0	0	0	900,000
RP00B	MPBC: Studio A Renovation and Addition	545,000	0		0	0	0	545,000
ZA00AD	MISC: Historic Annapolis Restoration	1,000,000	0		0	0	0	1,000,000
	Subtotal	\$58,182,000	\$0	\$10,000,000	\$0	\$0	\$0	\$68,182,000
	Health/Social							
DA0701A	MDOA: Senior Centers Capital Grant Program	\$344,000	\$0	\$0	\$0	\$0	\$0	\$344,000
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
RQ00A	UMMS: Comprehensive Cancer and Organ Transplant Treatment Center	500,000	0	7,000,000	0	0	0	7,500,000 ¹
RQ00B	UMMS: R Adams Cowley Shock Trauma Center – Phase III	3,000,000	0		0	0	0	3,000,000
ZA00AG	MISC: Johns Hopkins Bayview Medical Center – New Inpatient Building and Renovations	2,000,000	0		0	0	0	2,000,000
ZA00AP	MISC: MedStar Franklin Square Hospital – New Surgical Tower	3,500,000	0		0	0	0	3,500,000

<u>Budget Code</u>	<u>Project Title</u>	<u>Bonds</u>		<u>Bond Premium</u>	<u>Current Funds (PAYGO)</u>			<u>Total Funds</u>
		<u>General Obligation</u>	<u>Revenue</u>		<u>General</u>	<u>Special</u>	<u>Federal</u>	
ZA01A	MISC: Atlantic General Hospital	800,000	0		0	0	0	800,000
ZA01B	MISC: Frederick Memorial Hospital	2,500,000	0		0	0	0	2,500,000
ZA01C	MISC: The Johns Hopkins Hospital	691,000	0		0	0	0	691,000
ZA01D	MISC: Kennedy Krieger Children's Hospital	450,000	0		0	0	0	450,000
ZA01E	MISC: MedStar Montgomery Medical Center	400,000	0		0	0	0	400,000
ZA01F	MISC: Meritus Medical Center	509,000	0		0	0	0	509,000
ZA01G	MISC: Mount Washington Pediatric Hospital	750,000	0		0	0	0	750,000
ZA01H	MISC: Sinai Hospital of Baltimore – Center of Hope	500,000	0		0	0	0	500,000
	Subtotal	\$24,944,000	\$0	\$7,000,000	\$0	\$0	\$0	\$31,944,000
	Environment							
KA0510A	DNR: Natural Resources Development Fund	\$0	\$0	\$0	\$0	\$9,000,000	\$0	\$9,000,000
KA0510B	DNR: Critical Maintenance Program	0	0		0	4,000,000	0	4,000,000
KA0510C	DNR: Program Open Space – State	0	0		0	42,090,768	3,000,000	45,090,768
KA0510D	DNR: Program Open Space – Local	0	0		0	44,185,905	0	44,185,905
KA0510E	DNR: Rural Legacy Program	0	0		0	17,999,092	0	17,999,092
KA05A	DNR: Community Parks and Playgrounds Program	2,500,000	0		0	0	0	2,500,000

<u>Budget Code</u>	<u>Project Title</u>	<u>Bonds</u>		<u>Bond Premium</u>	<u>Current Funds (PAYGO)</u>			<u>Total Funds</u>
		<u>General Obligation</u>	<u>Revenue</u>		<u>General</u>	<u>Special</u>	<u>Federal</u>	
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	4,160,000	0		0	0	0	4,160,000
KA1701A	DNR: Oyster Restoration Program	8,730,000	0		0	0	0	8,730,000
LA1111A	MDA: Maryland Agricultural Land Preservation Program	0	0		0	42,105,178	0	42,105,178
LA1205A	MDA: Salisbury Animal Health Laboratory Replacement	1,074,000	0		0	0	0	1,074,000
LA15A	MDA: Maryland Agricultural Cost-Share Program	8,000,000	0		0	0	0	8,000,000
UA0104	MDE: Hazardous Substance Cleanup Program	0	0		500,000	0	0	500,000
UA0111A	MDE: Bay Restoration Fund	0	0		0	75,000,000	0	75,000,000
UA0112	MDE: Bay Restoration Fund Septic System Program	0	0		0	15,000,000	0	15,000,000
UA01A	MDE: Comprehensive Flood Management Program	5,980,000	0	0	200,000	0	0	6,180,000 ²
UA01B	MDE: Maryland Drinking Water Revolving Loan Fund	4,032,000	0		0	14,800,000	14,716,000	33,548,000
UA01C	MDE: Maryland Water Quality Revolving Loan Fund	7,686,000	0		0	111,600,000	38,430,000	157,716,000
UA01D	MDE: Mining Remediation Program	500,000	0		0	0	0	500,000

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		<u>General Obligation</u>	<u>Revenue</u>		<u>General</u>	<u>Special</u>	<u>Federal</u>	
UA01E	MDE: Supplemental Assistance Program	4,175,000	0		0	0	0	4,175,000
UA01F	MDE: Water Supply Financial Assistance Program	1,426,000	0		0	0	0	1,426,000
UB01A	MES: Infrastructure Improvement Fund	11,576,000	0		0	4,710,657	0	16,286,657
	Subtotal	\$59,839,000	\$0	\$0	\$700,000	\$395,991,600	\$58,646,000	\$515,176,600
	Public Safety							
QR0202A	DPSCS: Housing Unit Windows and Steam Heating System	\$7,460,000	\$0	\$0	\$0	\$0	\$0	\$7,460,000
QS0101A	DPSCS: Jessup Region and Western Maryland Perimeter Security Upgrades	921,000	0		0	0	0	921,000
QS0101B	DPSCS: Jessup Region Electrical Infrastructure Upgrade	994,000	0		0	0	0	994,000
QS0208A	DPSCS: High Temperature Distribution and Perimeter Security Improvements	18,141,000	0		0	0	0	18,141,000
QT04A	DPSCS: Demolition of Buildings at the Baltimore City Correctional Complex	5,647,000	0		0	0	0	5,647,000
QT04B	DPSCS: Therapeutic Treatment Center	0	0	8,000,000	0	0	0	8,000,000 ¹
WA01A	DSP: New Berlin Barrack and Garage	158,000	0		0	0	0	158,000

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WA01B	DSP: New Cumberland Barrack and Garage	2,352,000	0		0	0	0	2,352,000
WA01C	DSP: New Tactical Operations Building	742,000	0		0	0	0	742,000
ZB02A	DPSCS: Frederick County Adult Detention Center Phase IV Medical Addition	1,263,000	0		0	0	0	1,263,000
ZB02B	DPSCS: Queen Anne's County Detention Center Additions and Renovations	4,852,000	0		0	0	0	4,852,000
ZB02C	DPSCS: St. Mary's County Adult Detention Center Upgrades, Housing, and Medical Units	5,530,000	0		0	0	0	5,530,000
	Subtotal	\$48,060,000	\$0	\$8,000,000	\$0	\$0	\$0	\$56,060,000
	Education							
RA01A	MSLA: Public Library Capital Grant Program	\$7,300,000	\$0	\$0	\$0	\$0	\$0	\$7,300,000
RA0702A	IAC: Aging Schools Program	6,109,000	0		0	0	0	6,109,000
RA0702B	IAC: Public School Construction Program	280,000,000	0		0	0	0	280,000,000
RA0702C	IAC: Senator James E. "Ed" DeGrange Nonpublic Aging Schools Program	3,500,000	0		0	0	0	3,500,000
RA0702D	IAC: Supplemental Capital Grant Program	75,000,000	0		0	0	0	75,000,000
RA0702F	IAC: Healthy School Facilities Fund	0	0		30,000,000	0	0	30,000,000
RA0702G	IAC: Public School Safety Grant Program	0	0		10,000,000	0	0	10,000,000

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RA0702I	IAC: Non-Public School Security Improvements	0	0		3,500,000	0	0	3,500,000
RE01A	MSD: Veditz Building Renovation	425,000	0		0	0	0	425,000
	Subtotal	\$372,334,000	\$0	\$0	\$43,500,000	\$0	\$0	\$415,834,000
	Higher Education							
RB21A	UMB: Central Electric Substation and Electrical Infrastructure Upgrades	\$9,944,000	\$0	\$0	\$0	\$0	\$0	\$9,944,000
RB22A	UMCP: Campuswide Building Systems and Infrastructure Improvements	5,000,000	5,000,000		0	0	0	10,000,000
RB22B	UMCP: Chemistry Building Wing 1 Replacement	5,000,000	0	0	0	0	0	5,000,000
RB22C	UMCP: School of Public Policy	0	0	5,000,000	0	0	0	5,000,000 ¹
RB22D	UMCP: Maryland Basketball Performance Center	0	0	5,000,000	0	0	0	5,000,000 ¹
RB23A	BSU: Communication Arts and Humanities Building	6,100,000	0		0	0	0	6,100,000
RB23B	BSU: Pedestrian and Vehicular Infrastructure	150,000	0		0	0	0	150,000
RB24A	TU: New College of Health Professions Building	6,437,000	0		0	0	0	6,437,000
RB24B	TU: Athletic Fields	1,000,000	0		0	0	0	1,000,000
RB25A	UMES: School of Pharmacy and Health Professions	26,287,000	0	31,000,000	0	0	0	57,287,000 ¹
RB25RB	UMES: Campus Flood Mitigation Project	0	10,000,000		0	0	0	10,000,000

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		<u>General Obligation</u>	<u>Revenue</u>		<u>General</u>	<u>Special</u>	<u>Federal</u>	
RB26A	FSU: Education and Health Sciences Center	30,069,000	5,000,000		0	0	0	35,069,000
RB27A	CSU: Percy Julian Sciences Building	7,513,000	0		0	0	0	7,513,000
RB27B	CSU: Public Safety Building	450,000	0		0	0	0	450,000
RB31A	UMBC: Utility Upgrades and Site Improvements	6,041,000	0		0	0	0	6,041,000
RB31B	UMBC: Sherman Hall Façade and Infrastructure Improvements	1,000,000	0		0	0	0	1,000,000
RB34A	UMCES: Chesapeake Analytics Collaboration Building	1,448,000	0		0	0	0	1,448,000
RB36A	USMO: University of Maryland at Southern Maryland Third Academic Building	31,202,000	0	31,000,000	0	0	0	62,202,000 ¹
RB36B	USMO: Capital Facilities Renewal	0	12,000,000		0	0	0	12,000,000 ³
RC00A	BCCC: Liberty Campus Loop Road and Entrance Improvements	4,623,000	0		0	0	0	4,623,000
RD00A	SMCM: Academic Building and Auditorium	30,678,000	0		0	0	0	30,678,000
RD00B	SMCM: Campus Infrastructure Improvements	4,472,000	0		0	0	0	4,472,000
RI00A	MHEC: Community College Construction Grant Program	87,324,000	0		0	0	0	87,324,000 ⁴

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RI00B	MHEC: Community College Facilities Renewal Grant Program	0	0		4,000,000	0	0	4,000,000
RM00A	MSU: Deferred Maintenance and Site Improvements	5,000,000	0	5,000,000	0	0	0	10,000,000 ¹
RM00B	MSU: New Health and Human Services Building	5,382,000	0		0	0	0	5,382,000
RM00C	MSU: New Student Services Support Building	4,851,000	0		0	0	0	4,851,000
ZA00X	MISC: Garrett College – Community Education and Performing Arts Center	9,200,000	0		0	0	0	9,200,000
ZA00AK	MICUA: The Johns Hopkins University	4,000,000	0		0	0	0	4,000,000
ZA00AL	MICUA: Notre Dame of Maryland University	4,000,000	0		0	0	0	4,000,000
ZA00AM	MICUA: Maryland Institute College of Art	4,000,000	0		0	0	0	4,000,000
	Subtotal	\$301,171,000	\$32,000,000	\$77,000,000	\$4,000,000	\$0	\$0	\$414,171,000
	Housing and Community Development							
DW0108A	MDP: Maryland Archeological Conservation Laboratory Expansion and Renovation	\$215,000	\$0	\$0	\$0	\$0	\$0	\$215,000
DW0108B	MDP: Patterson Center Renovations	4,590,000	0		0	0	0	4,590,000
DW0111A	MDP: African American Heritage Preservation Grant Program	1,000,000	0		0	0	0	1,000,000

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DW0111B	MDP: Maryland Historical Trust Capital Grant Fund	600,000	0		0	0	0	600,000
DW0111C	MDP: Maryland Historical Trust Loan Fund	0	0		0	300,000	0	300,000
DW0112A	MDP: Historic Revitalization Tax Credit	0	0		9,000,000	0	0	9,000,000
SA2402A	DHCD: Community Development Grant Program	0	0		0	0	12,000,000	12,000,000
SA24A	DHCD: Baltimore Regional Neighborhoods Initiative	12,000,000	0		0	0	0	12,000,000 ⁵
SA24B	DHCD: Community Legacy Program	6,000,000	0		0	0	0	6,000,000
SA24C	DHCD: Neighborhood Business Development Program	8,000,000	0		500,000	2,200,000	0	10,700,000
SA24D	DHCD: Seed Community Development Anchor Institution Fund	0	0		5,000,000	0	0	5,000,000
SA24E	DHCD: Strategic Demolition Fund	26,500,000	0		0	0	0	26,500,000 ⁶
SA24F	DHCD: National Capital Strategic Economic Development Fund	0	0		7,000,000	0	0	7,000,000
SA25A	DHCD: Homeownership Programs	16,000,000	0		0	3,000,000	0	19,000,000
SA25B	DHCD: Housing and Building Energy Programs	0	0		0	8,600,000	1,000,000	9,600,000
SA25C	DHCD: Local Government Infrastructure Fund – Rural Broadband	9,180,000	0		0	0	0	9,180,000

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		<u>General Obligation</u>	<u>Revenue</u>		<u>General</u>	<u>Special</u>	<u>Federal</u>	
SA25D	DHCD: Partnership Rental Housing Program	6,000,000	0		0	0	0	6,000,000
SA25E	DHCD: Rental Housing Programs	25,000,000	0		12,000,000	16,500,000	8,000,000	61,500,000
SA25F	DHCD: Shelter and Transitional Housing Facilities Grant Program	3,000,000	0		0	0	0	3,000,000
SA25G	DHCD: Special Loan Programs	4,000,000	0		0	4,400,000	2,000,000	10,400,000
	Subtotal	\$122,085,000	\$0	\$0	\$33,500,000	\$35,000,000	\$23,000,000	\$213,585,000
	Local Projects							
DE0602A	MISC: Cal Ripken, Sr. Foundation Turf Field	\$0	\$0	\$0	\$500,000	\$0	\$0	\$500,000
DE0602B	MISC: Boys and Girls Clubs of Metropolitan Baltimore Infrastructure	0	0		250,000	0	0	250,000
DE0602C	MISC: Maryland Alliance of Boys and Girls Clubs Safety and Security Enhancements	0	0		250,000	0	0	250,000
DE0602D	MISC: End Hunger Kitchen	0	0		500,000	0	0	500,000
ZA00A	MISC: A Wider Circle – Community Service Center	700,000	0		0	0	0	700,000
ZA00B	MISC: Anne Arundel County – Defenders of Freedom Capital Gazette Memorial	300,000	0		0	0	0	300,000
ZA00C	MISC: Arch Social Club – Stabilization and Revitalization	500,000	0		0	0	0	500,000

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ZA00D	MISC: Bainbridge Development Corporation Naval Training Center Site	2,000,000	0		0	0	0	2,000,000
ZA00E	MISC: Baltimore County – Public Safety Facility	2,000,000	0		0	0	0	2,000,000
ZA00F	MISC: Boy Scouts of America Baltimore Area Council Broad Creek Infrastructure Improvements	500,000	0		0	0	0	500,000
ZA00G	Brunswick Volunteer Ambulance and Rescue Facility Expansion	150,000	0		0	0	0	150,000
ZA00H	MISC: Carroll County Agriculture Center and Shipley Area Facility Upgrades	250,000	0		0	0	0	250,000
ZA00I	MISC: Carroll County – Charles Carroll Community Center	250,000	0		0	0	0	250,000
ZA00J	MISC: Carroll County – New Sewer Pump Station	500,000	0		0	0	0	500,000
ZA00K	MISC: Carroll County Public Safety Training Center	1,000,000	0		0	0	0	1,000,000
ZA00L	MISC: Charles E. Smith Jewish Day School – Capital Improvements	600,000	0		0	0	0	600,000
ZA00M	MISC: Chesapeake Bay Maritime Museum – New Exhibition Building	300,000	0		0	0	0	300,000

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ZA00N	MISC: Chesapeake Culinary Center – New Community Space	50,000	0		0	0	0	50,000
ZA00O	MISC: City of Cumberland – Baltimore Street Town Centre	500,000	0		0	0	0	500,000
ZA00P	MISC: City of Frostburg – City Hall Relocation	500,000	0		0	0	0	500,000
ZA00Q	MISC: City of Gaithersburg – New Police Station	1,000,000	0		0	0	0	1,000,000
ZA00R	MISC: City of Hyattsville – Police Headquarters Renovation and Addition	200,000	0		0	0	0	200,000
ZA00S	MISC: Compass Regional Hospice – Hope and Healing Center	500,000	0		0	0	0	500,000
ZA00T	MISC: Compass Regional Hospice – New Hospice Center	400,000	0		0	0	0	400,000
ZA00U	MISC: Delmarva Community Services – Chesapeake Grove Intergenerational Center	1,000,000	0		0	0	0	1,000,000
ZA00V	MISC: Franciscan Center – Building Repairs	200,000	0		0	0	0	200,000
ZA00W	MISC: Frederick County Public Safety Training Facility Expansion and Renovation	1,500,000	0		0	0	0	1,500,000
ZA00Y	MISC: Girl Scouts of Central Maryland, Inc. – Camp Woodlands Renovation	450,000	0		0	0	0	450,000

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ZA00Z	MISC: Hagerstown Revitalization	2,500,000	0		0	0	0	2,500,000
ZA00AA	MISC: Harford County – Ma and Pa Trail	100,000	0		0	0	0	100,000
ZA00AB	MISC: Harford County – The Harford County Agricultural Center	400,000	0		0	0	0	400,000
ZA00AC	MISC: Helping Up Mission – Women’s and Children’s Center	500,000	0		0	0	0	500,000
ZA00AE	MISC: House of Ruth Maryland – Administrative Building and Shelter	500,000	0		0	0	0	500,000
ZA00AF	MISC: Imagination Stage – New Storage Facility	300,000	0		0	0	0	300,000
ZA00AH	MISC: Kent School – Performing Arts Wing	100,000	0		0	0	0	100,000
ZA00AI	MISC: Lexington Market	2,000,000	0		0	0	0	2,000,000
ZA00AJ	MISC: Maryland Historical Society – Building Renovations	1,000,000	0		0	0	0	1,000,000
ZA00AN	MISC: Maryland State Fair – Renovations	500,000	0		0	0	0	500,000
ZA00AO	MISC: Maryland Zoo in Baltimore	5,050,000	0		0	0	0	5,050,000
ZA00AQ	MISC: Mount Pleasant Development Corporation – Mount Pleasant Family Life Center	100,000	0		0	0	0	100,000
ZA00AR	MISC: National Aquarium in Baltimore	5,000,000	0		0	0	0	5,000,000

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ZA00AS	MISC: NorthBay Education – Capital Improvements	250,000	0		0	0	0	250,000
ZA00AT	MISC: Olney Theatre Center – Site Improvements and Artists' Village	2,000,000	0		0	0	0	2,000,000
ZA00AU	MISC: Paul's Place – Community Training Kitchen	250,000	0		0	0	0	250,000
ZA00AV	MISC: Pearlstone Center – Campus Renovation and Expansion	1,000,000	0		0	0	0	1,000,000
ZA00AW	MISC: Queen Anne's County Arts Council – Center for the Arts Renovation	250,000	0		0	0	0	250,000
ZA00AX	MISC: Ralph J. Bunche Community Center	250,000	0		0	0	0	250,000
ZA00AY	MISC: Ripken Stadium	1,419,000	0		0	0	0	1,419,000
ZA00AZ	MISC: Roberta's House – New Grief Support Center	500,000	0		0	0	0	500,000
ZA00BA	MISC: Ronald McDonald House Charities Baltimore – New Ronald McDonald House	500,000	0		0	0	0	500,000
ZA00BB	MISC: Salisbury Revitalization	1,000,000	0		0	0	0	1,000,000
ZA00BC	MISC: Sheppard Pratt Hospital – Sheppard Pratt at Elkridge	2,000,000	0		0	0	0	2,000,000
ZA00BD	MISC: Somerset County – Crisfield-Somerset County Airport Hangars	300,000	0		0	0	0	300,000

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ZA00BE	MISC: St. Francis Neighborhood Center – Expansion	500,000	0		0	0	0	500,000
ZA00BF	MISC: St. Mary's County – Regional Agricultural Center	200,000	0		0	0	0	200,000
ZA00BG	MISC: The League for People with Disabilities – Facility Upgrade	250,000	0		0	0	0	250,000
ZA00BH	MISC: The Y in Central Maryland – Infrastructure Improvements and New Family Center	1,000,000	0		0	0	0	1,000,000
ZA00BI	MISC: Town of La Plata – Kent Avenue Corridor Community Center	250,000	0		0	0	0	250,000
ZA00BJ	MISC: Town of Mount Airy – Rails to Trails CSX	300,000	0		0	0	0	300,000
ZA00BK	MISC: Town of New Market – Stormwater Drains Infrastructure	171,000	0		0	0	0	171,000
ZA00BL	MISC: University of Maryland – New Hillel Student Center	600,000	0		0	0	0	600,000
ZA00BM	MISC: Upper Bay Counseling and Support Services – Interior Outfitting	500,000	0		0	0	0	500,000
ZA00BN	MISC: Washington County Public Service Academy – New Training Facility	500,000	0		0	0	0	500,000

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ZA00BO	MISC: Waterfront Partnership of Baltimore – Rash Field Improvements	500,000	0		0	0	0	500,000
ZA00BP	MISC: Greenway Avenue Stadium	750,000	0		0	0	0	750,000
ZA00BQ	MISC: Port Discovery Children’s Museum	1,000,000	0		0	0	0	1,000,000
ZA00BR	MISC: Johns Hopkins Medicine New Research Building, Children’s Medical and Surgical Center, and North Tower Annex	2,500,000	0		0	0	0	2,500,000
ZA00BS	MISC: Maryland Science Center	1,500,000	0		0	0	0	1,500,000
ZA00BT	MISC: Kennedy Krieger Institute – Gompers School Building	1,500,000	0		0	0	0	1,500,000
ZA00BU	MISC: Special Olympics Maryland Headquarters	875,000	0		0	0	0	875,000
ZA00BV	MISC: Merriweather Post Pavilion	2,000,000	0		0	0	0	2,000,000
ZA00BW	MISC: Round House Theatre	1,500,000	0		0	0	0	1,500,000
ZA00BX	MISC: Prince George’s County Amphitheatre at Central Park	5,000,000	0		0	0	0	5,000,000
ZA00BY	MISC: Prince George’s County Public High School Athletic Facilities	4,000,000	0		0	0	0	4,000,000
ZA00BZ	MISC: Bay Sox Stadium	500,000	0		0	0	0	500,000
ZA00CA	MISC: Bladensburg Waterfront Dock	250,000	0		0	0	0	250,000

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		<u>General Obligation</u>	<u>Revenue</u>		<u>General</u>	<u>Special</u>	<u>Federal</u>	
ZA00CB	MISC: Southern Maryland Agricultural Land Preservation	1,000,000	0		0	0	0	1,000,000
ZA00CC	MISC: Ebenezer A.M.E. Church	100,000	0		0	0	0	100,000
ZA00CD	MISC: Arena Players	100,000	0		0	0	0	100,000
ZA00CE	MISC: National Cryptologic Museum – Cyber Center of Education and Innovation	125,000	0		0	0	0	125,000
ZA00CF	MISC: Habitat for Humanity of the Chesapeake	250,000	0		0	0	0	250,000
ZA00CG	MISC: Baltimore Police Mounted Unit Stables	250,000	0		0	0	0	250,000
ZA00CH	MISC: Patriot Point	320,000	0		0	0	0	320,000
ZA00CI	MISC: Warrior Canine Connection	500,000	0		0	0	0	500,000
ZA00CJ	MISC: Hippodrome Foundation	1,000,000	0		0	0	0	1,000,000
ZA00CK	MISC: Baltimore Museum of Art	2,000,000	0		0	0	0	2,000,000
ZA00CL	MISC: Prince George's Hospital Center Redevelopment	200,000	0		0	0	0	200,000
ZA00CM	MISC: Hands On Patterson Park Public	300,000	0		0	0	0	300,000
ZA00CN	MISC: Gilchrist Center Baltimore	1,000,000	0		0	0	0	1,000,000
ZA00CO	MISC: Hoen Lithograph Building	200,000	0		0	0	0	200,000
ZA00CP	MISC: Modell Performing Arts Center at the Lyric	500,000	0		0	0	0	500,000

<u>Budget Code</u>	<u>Project Title</u>	<u>Bonds</u>		<u>Bond Premium</u>	<u>Current Funds (PAYGO)</u>			<u>Total Funds</u>
		<u>General Obligation</u>	<u>Revenue</u>		<u>General</u>	<u>Special</u>	<u>Federal</u>	
ZA00CQ	MISC: Southern Bridge	500,000	0		0	0	0	500,000
ZA00CR	MISC: National Center on Institutions and Alternatives Expansion	350,000	0		0	0	0	350,000
ZA00CS	MISC: Goodwill Industries of Monocacy Valley	500,000	0		0	0	0	500,000
ZA00CT	MISC: Lake Linganore Dredging	2,000,000	0		0	0	0	2,000,000 ⁷
ZA00CU	MISC: Religious Coalition for Emergency Human Needs	500,000	0		0	0	0	500,000
ZA00CV	MISC: Kent County High School	250,000	0		0	0	0	250,000
ZA00CW	MISC: Hero Dogs, Inc.	30,000	0		0	0	0	30,000
ZA00CX	MISC: Rockville Welcome Center	200,000	0		0	0	0	200,000
ZA00CY	MISC: Sandy Spring Meadow Basketball Court	7,000	0		0	0	0	7,000
ZA00CZ	MISC: YMCA Bethesda- Chevy Chase	325,000	0		0	0	0	325,000
ZA00DA	MISC: College Park City Hall	500,000	0		0	0	0	500,000
ZA00DB	MISC: Seat Pleasant City Hall	250,000	0		0	0	0	250,000
ZA00DC	MISC: The Ivy Village Incubator for Nonprofit Excellence	250,000	0		0	0	0	250,000
ZA00DD	MISC: Long Branch-Garland Neighborhood Park	350,000	0		0	0	0	350,000
ZA00DE	MISC: North County High School Field House	443,500	0		0	0	0	443,500

<u>Budget Code</u>	<u>Project Title</u>	<u>Bonds</u>		<u>Bond Premium</u>	<u>Current Funds (PAYGO)</u>			<u>Total Funds</u>
		<u>General Obligation</u>	<u>Revenue</u>		<u>General</u>	<u>Special</u>	<u>Federal</u>	
ZA00DF	MISC: Maryland University of Integrated Health	350,000	0		0	0	0	350,000
ZA00DG	MISC: Jonathan Street Revitalization	250,000	0		0	0	0	250,000
ZA00DH	MISC: Sinai	1,000,000	0		0	0	0	1,000,000
ZA00DI	MISC: Hagerstown Baseball Stadium	500,000	0		0	0	0	500,000
ZA00DJ	MISC: Innovated Center for Autonomous Systems	500,000	0		0	0	0	500,000
ZA00DK	MISC: Westside Regional Park	400,000	0		0	0	0	400,000
ZA00DL	MISC: Annapolis Regional Library	100,000	0		0	0	0	100,000
ZA00DM	MISC: Middle Branch Park	500,000	0		0	0	0	500,000
ZA00DN	MISC: Patuxent Park	100,000	0		0	0	0	100,000
ZA00DO	MISC: Discovery Park	150,000	0		0	0	0	150,000
ZA00DP	MISC: Pedestrian Trail Improvements	200,000	0		0	0	0	200,000
ZA00DQ	MISC: East Pines	400,000	0		0	0	0	400,000
ZA00DR	MISC: Pedestrian Bridge Lighting and Trail	250,000	0		0	0	0	250,000
ZA00DS	MISC: Preservation Maryland Burtis House	75,000	0		0	0	0	75,000
ZA00DT	MISC: Fort Washington Medical Center	500,000	0		0	0	0	500,000
ZA00DU	MISC: Brooklyn Park Youth Athletic Park	80,000	0		0	0	0	80,000
ZA00DV	MISC: Lakeshore Volunteer Fire Department	100,000	0		0	0	0	100,000
ZA00DW	MISC: PAL Centers	500,000	0		0	0	0	500,000

<u>Budget Code</u>	<u>Project Title</u>	<u>Bonds</u>		<u>Bond Premium</u>	<u>Current Funds (PAYGO)</u>			<u>Total Funds</u>
		<u>General Obligation</u>	<u>Revenue</u>		<u>General</u>	<u>Special</u>	<u>Federal</u>	
ZA00DX	MISC: Severn Intergenerational Center	1,000,000	0		0	0	0	1,000,000
ZA00DY	MISC: Roger Pipomore Park	350,000	0		0	0	0	350,000
ZA00DZ	MISC: City of Laurel Municipal Park	150,000	0		0	0	0	150,000
ZA00EA	MISC: Bishop McNamara High School	250,000	0		0	0	0	250,000
ZA00EB	MISC: Community Action Council Early Childhood Education Center	150,000	0		0	0	0	150,000
ZA00EC	MISC: Garrett County Public Schools Track Improvements	100,000	0		0	0	0	100,000
ZA02	Local Senate Initiatives	15,000,000	0		0	0	0	15,000,000
ZA03	Local House Initiatives	14,978,500	0		0	0	0	14,978,500
	Subtotal	\$121,499,000	\$0	\$0	\$1,500,000	\$0	\$0	\$122,999,000
	Current Year Total	\$1,108,114,000	\$32,000,000	\$102,000,000	\$83,200,000	\$430,991,600	\$81,646,000	\$1,837,951,600
	Deauthorizations							
ZF00	Deauthorizations as Introduced	-\$9,114,000	\$0		\$0	\$0	\$0	-\$9,114,000
ZF00A	Additional Deauthorizations	-4,000,000	0		0	0	0	-4,000,000
	Subtotal	-\$13,114,000	\$0		\$0	\$0	\$0	-\$13,114,000
	Adjust Current Year Total	\$1,095,000,000	\$32,000,000	\$102,000,000	\$83,200,000	\$430,991,600	\$81,646,000	\$1,824,837,600
	Transportation CTP	\$0	\$505,000,000	\$0	\$0	\$697,710,000	\$1,225,846,000	\$2,428,556,000
	Transportation DPA	\$0	\$0	\$0	\$125,000,000	\$0	\$0	\$125,000,000
	Grand Total	\$1,108,114,000	\$537,000,000	\$102,000,000	\$208,200,000	\$1,128,701,600	\$1,307,492,000	\$4,391,507,600

BCCC: Baltimore City Community College
 BPW: Board of Public Works
 BSU: Bowie State University
 CSU: Coppin State University
 CTP: *Consolidated Transportation Program*
 DHCD: Department of Housing and Community Development
 DNR: Department of Natural Resources
 DoIT: Department of Information Technology
 DPA: Dedicated Purpose Account
 DPSCS: Department of Public Safety and Correctional Services
 DSP: Department of State Police
 FSU: Frostburg State University
 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
 MDOD: Maryland Department of Disabilities

MDP: Maryland Department of Planning
 MES: Maryland Environmental Service
 MHEC: Maryland Higher Education Commission
 MICUA: Maryland Independent College and University Association
 MISC: miscellaneous
 MPBC: Maryland Public Broadcasting Commission
 MSA: Maryland Stadium Authority
 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
 UMCES: University of Maryland Center for Environmental Science
 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

¹ Section 16 of the Maryland Consolidated Capital Bond Loan (MCCBL) of 2020 authorizes the use of \$102 million of bond premium proceeds from the sale of State general obligation bonds in fiscal 2021.

² The budget authorizes the funds to be used as follows: \$188,000 for the Cumberland Flood Control System; \$700,000 for the Annapolis City Dock Stormwater and Flood Mitigation; \$3,000,000 for Ellicott City Maryland Avenue Culverts; \$428,000 for rehabilitation of Hunters Mill Pond; \$368,000 for the Cambridge Seawall Replacement; \$106,000 for the Easton North Fork Tanyard Branch Stream Restoration; \$6,000 for the Chambers Lake Dam Repairs; \$172,000 for the Crisfield Tide Gates Culverts Modification and Pump Station; \$945,000 for the Fruitland Tuxents Branch Stormwater Drainage Upgrade; and \$67,000 for the stormwater repairs along Frederick Avenue in Baltimore City.

³ Does not include use of the University System of Maryland (USM) Plant Funds of \$16.385 million for the USM Facilities Renewal Program and \$8.615 million for the Maryland Fire and Rescue Institute Western Regional Training Center.

⁴ Does not include the use of \$4.0 million from the Community College Facility Grant Program fund balance.

⁵ The budget restricts \$850,000 to be used only to fund grants to participants in the Housing Upgrades to Benefit Seniors program.

⁶ The budget restricts \$5.0 million to be used as a grant to the County Executive and County Council of Howard County for demolition and site improvements in Ellicott City and \$500,000 as a grant to the Board of County Commissioners of Allegany County for the demolition and site improvement of the former Allegany High School.

⁷ The budget reprograms \$1.0 million originally authorized in the MCCBL of 2014 to support the Downtown Frederick Hotel and Conference Center to instead be used to fund the dredging of Lake Linganore bringing the total amount of State funding support for the project to \$3.0 million.

Source: Department of Legislative Services

Exhibit 2.4
Legislative Bond Initiative Projects
2020 Session

<u>Project Title</u>	<u>House Initiative</u>	<u>Senate Initiative</u>	<u>Other</u>	<u>Total Funding</u>	<u>Match/ Requirements</u>
Allegany					
Allegany County Informational Historic Markers	\$5,000			\$5,000	Grant
Allegany Oxford House		\$50,000		50,000	Grant
Civil Air Patrol Squadron Building	42,000			42,000	Grant
Western Maryland Scenic Railroad	45,000			45,000	Grant
Subtotal	\$92,000	\$50,000	\$0	\$142,000	
Anne Arundel					
American Legion Guy C. Parlett Post 7	\$38,000			\$38,000	Hard
American Legion Post 141	25,000			25,000	Grant
Bello Machre Community Training and Gathering Center	150,000			150,000	Hard
Benson-Hammond House	50,000	\$50,000		100,000	Soft (U, 2)
Brewer Hill Cemetery	70,000			70,000	Grant
Deale Elks Lodge No. 2528	40,000			40,000	Hard
Downtown Annapolis Mural Project	15,000			15,000	Soft (2)
Goshen Farmhouse		60,000		60,000	Hard
Langton Green Community Farm	50,000	50,000		100,000	Soft (1, 2)
Lindale Middle School		60,000		60,000	Grant
Linthicum Elementary School	60,000			60,000	Grant
Linthicum Veterans Memorial	82,000			82,000	Soft (2, 3)
National Cryptologic Museum – Cyber Center of Education and Innovation			\$125,000	125,000	Grant
North County High School Field House		1,000,000	443,500	1,443,500	Grant
Northeast High School Physical Endurance Training Course	50,000	25,000		75,000	Hard
PlayEastport	40,000			40,000	Hard
Thomas Point Shoal Lighthouse	50,000			50,000	Soft (3)

<u>Project Title</u>	<u>House Initiative</u>	<u>Senate Initiative</u>	<u>Other</u>	<u>Total Funding</u>	<u>Match/ Requirements</u>
West County Family Support Center	100,000	100,000		200,000	Soft (2)
Woods Community Center	100,000			100,000	Hard
<i>Subtotal</i>	<i>\$920,000</i>	<i>\$1,345,000</i>	<i>\$568,500</i>	<i>\$2,833,500</i>	
Baltimore City					
Ambassador Theater	\$150,000	\$100,000		\$250,000	Hard
Andre De Shields Center for the Arts		2,500,000		2,500,000	Grant
Baltimore Clayworks, Inc.		100,000		100,000	Soft (2)
Baltimore Museum of Art			\$2,000,000	2,000,000	Grant
Baltimore Police Mounted Unit Stables		250,000	250,000	500,000	Hard
Belair-Edison Neighborhoods, Inc.	200,000			200,000	Soft (1, 2)
Blight Reduction and Homeownership Initiative		270,000		270,000	Soft (2)
BLISS Meadows Farmhouse	50,000			50,000	Hard
Bon Secours Community Works		100,000		100,000	Soft (1)
Cecil Elementary School Community Park	25,000	275,000		300,000	Soft (2)
Central Baltimore Partnership		1,000,000		1,000,000	Hard
Chesapeake Shakespeare Company's Downtown Theatre	200,000			200,000	Hard
Clay Hill Public Charter School			300,000	300,000	Grant
Community Mediation Center-Safe Streets	75,000			75,000	Hard
Community Mediation Program-Mediation Center	75,000			75,000	Grant
Creative Alliance	100,000	100,000		200,000	Soft (1, 3)
Fayette Street Outreach Organization Community Center		100,000		100,000	Grant
Forest Park Senior Center	150,000	100,000		250,000	Soft (1, 2)
Gilchrist Center Baltimore			1,000,000	1,000,000	Grant
Govans Ecumenical Development Corporation	25,000			25,000	Soft (2)
Greenmount West Community Center	30,000			30,000	Hard
Habitat for Humanity of the Chesapeake			250,000	250,000	Grant
Hamilton Elementary/Middle School	75,000			75,000	Hard
Harlem Park Community Center	200,000			200,000	Soft (1)
Hippodrome Foundation			1,000,000	1,000,000	Grant
Hoen Lithograph Building			200,000	200,000	Grant
Hon's Honey Storefront	50,000	50,000		100,000	Soft (U,1)

<u>Project Title</u>	<u>House Initiative</u>	<u>Senate Initiative</u>	<u>Other</u>	<u>Total Funding</u>	<u>Match/ Requirements</u>
Howell Celebrating Lives Viola Family Support Center, Inc.	150,000			150,000	Soft (1)
Italian Cultural Center of Maryland	25,000			25,000	Soft (2, 3)
Itineris Foundation		100,000		100,000	Hard
Kappa Alpha Psi Youth and Community Center	150,000			150,000	Soft (1, 3)
LIFE Church Ministries Food Pantry		10,000		10,000	Grant
Living Classrooms Opportunity Hub	150,000			150,000	Hard
Lovely Lane Arts and Neighborhood Center	25,000			25,000	Hard
Modell Performing Arts Center at the Lyric			500,000	500,000	Grant
New Antioch Baptist Church Community Outreach Center	15,000			15,000	Soft (2)
Orchard Street Church		300,000		300,000	Soft (all)
Our Saviour Lutheran Church	40,000			40,000	Soft (3)
Park West Health System		500,000		500,000	Soft (2, 3)
Plantation Park Heights Urban Farm	100,000	150,000		250,000	Soft (3)
Port Discovery			1,000,000	1,000,000	Grant
Public School 103	150,000	200,000		350,000	Soft (1, 2)
South Baltimore Community Land Trust		200,000		200,000	Soft (1, 2)
Southern Bridge			500,000	500,000	Grant
Ulman House	100,000			100,000	Soft (2, 3)
Young Adult Residential Fellowship Program	125,000			125,000	Soft (all)
Youth Empowered Society Drop-In Center		100,000		100,000	Hard
<i>Subtotal</i>	<i>\$2,435,000</i>	<i>\$6,505,000</i>	<i>\$7,000,000</i>	<i>\$15,940,000</i>	
Baltimore					
Baltimore Association of Nepalese in America	\$25,000	\$100,000		\$125,000	Soft (2)
Beacon of Hope	75,000			75,000	Hard
Community Assistance Network Food Pantry	150,000	100,000		250,000	Soft (3)
Community Therapy Clinic	150,000	75,000		225,000	Hard
Cromwell Valley Park	50,000	150,000		200,000	Hard
Franklin Woodlands Trail		40,000		40,000	Grant
Gordon Center for the Performing Arts	75,000	75,000		150,000	Hard
Greater Baltimore Medical Center, Inc.	25,000			25,000	Soft (1)
Gunpowder Elementary School	150,000			150,000	Grant

<u>Project Title</u>	<u>House Initiative</u>	<u>Senate Initiative</u>	<u>Other</u>	<u>Total Funding</u>	<u>Match/ Requirements</u>
Hazelwood Park Skatepark	150,000			150,000	Hard
Junior Achievement of Central Maryland, Inc.	150,000			150,000	Soft (3)
Liberty Community Development Youth Center	250,000	300,000		550,000	Soft (2, 3)
Liberty Road Volunteer Fire Company		300,000		300,000	Grant
Mann Residential Treatment Center	25,000			25,000	Soft (3)
McCormick Elementary PAL Recreation Center	50,000			50,000	Hard
National Center on Institutions and Alternatives Expansion			\$350,000	350,000	Grant
Parkville High School Athletic Facilities	50,000			50,000	Grant
Pikesville Volunteer Fire Company	75,000	75,000		150,000	Hard
Relay Town Hall	22,500			22,500	Hard
Simmons Museum of Negro Leagues Baseball		50,000		50,000	Grant
Sparrows Point High School Scoreboards		15,000		15,000	Hard
St. Stephen Church Fire Suppression Water Tank		55,000		55,000	Hard
Timonium Elementary School	25,000			25,000	Hard
Towson Armory Building	250,000	250,000		500,000	Soft (2, 3)
Towson High School Stadium	50,000	175,000		225,000	Soft (2)
Upper Falls Odd Fellows Lodge		53,000		53,000	Soft (all)
WIN Team Headquarters and Treatment Facility		300,000		300,000	Grant
Woodlawn High School Athletic Facilities	150,000			150,000	Grant
Subtotal	\$1,947,500	\$2,113,000	\$350,000	\$4,410,500	
Calvert					
Calvert Animal Welfare League	\$25,000			\$25,000	Hard
Calvert Marine Museum	100,000	\$150,000		250,000	Hard
End Hunger Warehouse	200,000			200,000	Soft (all)
Kellams Complex	50,000			50,000	Hard
Subtotal	\$375,000	\$150,000	\$0	\$525,000	
Caroline					
Caroline County Public Schools Track Replacement	\$200,000	\$168,500		\$368,500	Grant
Subtotal	\$200,000	\$168,500	\$0	\$368,500	

<u>Project Title</u>	<u>House Initiative</u>	<u>Senate Initiative</u>	<u>Other</u>	<u>Total Funding</u>	<u>Match/ Requirements</u>
Carroll					
Historical Society of Carroll County	\$40,000			\$40,000	Hard
Mount Airy Center Street	500,000			500,000	Hard
Penn-Mar Human Services and Change	50,000			50,000	Soft (2, 3)
Westminster Rescue Mission	100,000			100,000	Soft (1)
Subtotal	\$690,000	\$0	\$0	\$690,000	
Cecil					
Rev. Duke Log Cabin	\$150,000			\$150,000	Hard
Subtotal	\$150,000	\$0	\$0	\$150,000	
Charles					
LifeStyles Homeless Services Center	\$200,000			\$200,000	Soft (2)
Lions Camp Merrick	60,000			60,000	Grant
St. Ignatius Chapel Point and St. Thomas Manor		\$250,000		250,000	Hard
Velocity Center		100,000		100,000	Soft (2)
Waldorf Multipurpose Civic Center	100,000			100,000	Soft (2)
Subtotal	\$360,000	\$350,000	\$0	\$710,000	
Dorchester					
American Legion Post 91	\$100,000			\$100,000	Soft (all)
Maces Lane Community Center		\$200,000		200,000	Soft (2)
Patriot Point			\$320,000	320,000	Soft (2, 3)
Richardson Maritime Museum	100,000			100,000	Hard
Subtotal	\$200,000	\$200,000	\$320,000	\$720,000	
Frederick					
Brunswick Emergency Operations Center	\$476,000			\$476,000	Hard
Brunswick Reservoir Site Infrastructure	500,000			500,000	Hard
Carroll Manor Fire Company	42,000	\$42,000		84,000	Grant
Frederick Arts Council, Inc.	50,000			50,000	Soft (2)
Goodwill Industries of Monocacy Valley			\$500,000	500,000	Grant

<u>Project Title</u>	<u>House Initiative</u>	<u>Senate Initiative</u>	<u>Other</u>	<u>Total Funding</u>	<u>Match/ Requirements</u>
Jefferson Community Tennis Court	13,000			13,000	Grant
Lake Linganore Dredging			2,000,000	2,000,000	Grant
Maryland Ensemble Theatre	75,000			75,000	Soft (2)
Middletown Downtown Core Economic Revitalization	203,000			203,000	Hard
Museum of the Ironworker		50,000		50,000	Hard (U)
Phoenix Foundation of Maryland	42,500	42,500		85,000	Hard
Religious Coalition for Emergency Human Needs			500,000	500,000	Grant
Shafer Farm House	100,000			100,000	Soft (1)
Sophie and Madigan Lillard Memorial Playground	200,000			200,000	Hard
Town of New Market Stormwater Infrastructure			171,000	171,000	Hard
Weinberg Center for the Arts	200,000			200,000	Hard
Subtotal	\$1,901,500	\$134,500	\$3,171,000	\$5,207,000	
Garrett					
Believe in Tomorrow Children's House at Deep Creek Lake	\$13,000	\$14,200		\$27,200	Hard
Broadford Park Trails	50,000			50,000	Grant
Garrett County Public Schools Track Improvements	200,000		\$100,000	300,000	Grant
Subtotal	\$263,000	\$14,200	\$100,000	\$377,200	
Harford					
Aberdeen Family Swim Center	\$100,000			\$100,000	Grant
Havre de Grace Community Redevelopment Plan		\$150,000		150,000	Grant
Havre de Grace Performing Arts Center	100,000			100,000	Grant
Hosanna School Museum	50,000			50,000	Hard
The Sgt. Alfred B. Hilton Memorial	50,000			50,000	Hard
Walters Mill Canoe and Kayak Launch	25,000			25,000	Hard
Subtotal	\$325,000	\$150,000	\$0	\$475,000	
Howard					
Athelas Institute	\$25,000			\$25,000	Hard
Community Action Council Early Childhood Education Center			\$150,000	150,000	Soft (all)

<u>Project Title</u>	<u>House Initiative</u>	<u>Senate Initiative</u>	<u>Other</u>	<u>Total Funding</u>	<u>Match/ Requirements</u>
Howard County Conservancy		\$350,000		350,000	Soft (U, all)
Howard County Veterans Monument		350,000		350,000	Soft (2)
Living in Recovery, Inc.	75,000			75,000	Hard
Long Reach Village Center	100,000			100,000	Hard
Main Street Ellicott City Streetscape	250,000			250,000	Soft (2)
Maryland University of Integrative Health			350,000	350,000	Soft (1, 3)
The Community Ecology Institute	100,000			100,000	Soft (1)
The Living Farm Heritage Museum	200,000			200,000	Soft (2, 3)
Winter Growth	50,000			50,000	Hard
<i>Subtotal</i>	<i>\$800,000</i>	<i>\$700,000</i>	<i>\$500,000</i>	<i>\$2,000,000</i>	
Kent					
Kent County High School			\$250,000	\$250,000	Grant
<i>Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$250,000</i>	<i>\$250,000</i>	
Montgomery					
Arts on the Block Studio Expansion		\$100,000		\$100,000	Soft (2)
BlackRock Center for the Arts	\$250,000			250,000	Soft (2)
Charles E. Smith Life Communities	50,000	50,000		100,000	Hard
Easter Seals Inter-Generational Center and Regional Headquarters		150,000		150,000	Hard
Fairland Recreation Park		100,000		100,000	Soft (all)
Hero Dogs, Inc.			\$30,000	30,000	Grant
Homecrest House	175,000			175,000	Soft (3)
Ivymount School, Inc.	25,000	125,000		150,000	Hard
Jewish Foundation for Group Homes, Inc.	150,000			150,000	Hard
Kensington Multipurpose Recreation Center		100,000		100,000	Hard
Long Branch-Garland Neighborhood Park			350,000	350,000	Grant
Montgomery County Homeless Youth Drop-In Center	217,500			217,500	Hard
OASIS Farm	44,000			44,000	Soft (3)
Olney Family Neighborhood Park	100,000	100,000		200,000	Soft (all)
Rockville Welcome Center			200,000	200,000	Grant

<u>Project Title</u>	<u>House Initiative</u>	<u>Senate Initiative</u>	<u>Other</u>	<u>Total Funding</u>	<u>Match/ Requirements</u>
Round House Theatre			1,500,000	1,500,000	Grant
Sandy Spring Meadow Basketball Court			7,000	7,000	Grant
Sandy Spring Museum	34,500			34,500	Hard
VisArts	150,000			150,000	Hard
Warrior Canine Connection			500,000	500,000	Grant
Willett Branch Greenway	175,000	225,000		400,000	Soft (all)
YMCA Bethesda-Chevy Chase			325,000	325,000	Grant
Subtotal	\$1,371,000	\$950,000	\$2,912,000	\$5,233,000	
Prince George's					
Alice Ferguson Foundation		\$200,000		\$200,000	Soft (1)
American Legion Post 66	\$30,000			30,000	Grant
Berwyn Heights Senior Center	50,000			50,000	Soft (1)
Bishop McNamara High School	250,000		\$250,000	500,000	Soft (all)
Bladensburg World War I Memorial	160,000			160,000	Hard
Camp Springs Elks Lodge No. 2332	30,000			30,000	Grant
College Park City Hall			500,000	500,000	Grant
Crossland High School		325,000		325,000	Grant
Educare Resource Center	50,000			50,000	Grant
Fort Foote Baptist Church	200,000			200,000	Soft (2)
Fort Washington Community Space		50,000		50,000	Soft (1)
Glut Food Co-op	50,000			50,000	Soft (2)
Goodloe Alumni House	50,000			50,000	Hard
Greenbelt Station Hiker and Biker Trail	50,000	200,000		250,000	Hard
Hyattsville Police Headquarters	25,000	125,000		150,000	Soft (3)
Hyattsville Teen Activity and Mentoring Center	50,000			50,000	Soft (1)
Lake Arbor Golf Course	250,000	250,000		500,000	Hard
Laurel Museum at Riverfront Park	100,000			100,000	Hard
Riverdale Park Municipal Center	50,000	25,000		75,000	Hard
Riverdale Park Trolley Car/Public Amenity Space		250,000		250,000	Soft (U, 1, 2)
Sacred Heart House on the Hill Community Outreach	75,000			75,000	Hard
Sarvis Empowerment Cafe	50,000	75,000		125,000	Hard

<u>Project Title</u>	<u>House Initiative</u>	<u>Senate Initiative</u>	<u>Other</u>	<u>Total Funding</u>	<u>Match/ Requirements</u>
Savor Food Hall		75,000		75,000	Hard
Seat Pleasant City Hall			250,000	250,000	Grant
Success Factors Foundation Youth Development Center		75,000		75,000	Soft (2)
Temple Hills Swim Club	50,000			50,000	Soft (1)
The Ivy Village Incubator for Nonprofit Excellence		50,000	250,000	300,000	Soft (1)
Walker Mill Community Development		150,000		150,000	Soft (2)
Subtotal	\$1,570,000	\$1,850,000	\$1,250,000	\$4,670,000	
Queen Anne's					
Haven Homes	\$150,000			\$150,000	Soft (2)
Maryland Museum of Women's History	150,000			150,000	Grant
Queen Anne's County Arts Council	125,000			125,000	Soft (1)
Subtotal	\$425,000	\$0	\$0	\$425,000	
St. Mary's					
Chancellor's Point Community Sailing Center		\$73,300		\$73,300	Soft (U, 2)
Chopticon High School	\$100,000			100,000	Soft (2)
Sotterley Plantation	50,000			50,000	Hard
Subtotal	\$150,000	\$73,300	\$0	\$223,300	
Talbot					
American Legion Post 77	\$100,000			\$100,000	Soft (1)
St. Michaels Community Center	25,000			25,000	Soft (1)
Subtotal	\$125,000	\$0	\$0	\$125,000	
Washington					
Easterseals Adult Day Services Hagerstown Center	\$150,000			\$150,000	Soft (2)
Hagerstown BMX Track		\$75,000		75,000	Soft (2)
Smithsburg Community Volunteer Fire Company	75,000			75,000	Grant
Smithsburg High School Athletic Facilities	50,000			50,000	Soft (2)
Subtotal	\$275,000	\$75,000	\$0	\$350,000	

<u>Project Title</u>	<u>House Initiative</u>	<u>Senate Initiative</u>	<u>Other</u>	<u>Total Funding</u>	<u>Match/ Requirements</u>
Wicomico					
Lower Eastern Shore Inclusive Play	\$100,000			\$100,000	Soft (3)
Queen City Elks Lodge No. 1051 and Success Temple No. 154	100,000	\$100,000		200,000	Grant
Wicomico County Bookmobile	100,000			100,000	Soft (all)
Subtotal	\$300,000	\$100,000	\$0	\$400,000	
Worcester					
Believe In Tomorrow House at the Beach	\$50,000	\$50,000		\$100,000	Soft (2, 3)
Pocomoke City Elks Lodge No. 1624	75,000			75,000	Hard
Subtotal	\$125,000	\$50,000	\$0	\$175,000	
Grand Total	\$15,000,000	\$14,978,500	\$16,421,500	\$46,400,000	

Match Key: 1 = Real Property; 2 = In Kind Contribution; 3 = Prior Expended Funds; U = Unequal

Note: Projects funded in the “Other” category are authorized as nonmatching fund grants.

Source: Department of Legislative Services

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 \$83.2 million of general funds, \$431.0 million of special funds, and \$81.6 million of federal funds. Total transportation PAYGO funding is \$125.0 million of general funds in the Dedicated Purpose Account (DPA) and \$1.834 billion of special and federal funds.

The Spending Affordability Committee (SAC) recommended the strategic use of PAYGO general funds for fiscal 2021 to supplement the capital program while maintaining a limit on the growth in GO bond authorizations. Actions of the General Assembly increased the amount of general fund support of the capital program from the \$63.9 million introduced in the budget to \$83.2 million as passed principally by rejecting contingent reductions for mandated general fund capital appropriations included in the budget as introduced. This included \$30 million for the Healthy School Facility Fund, \$10 million for School Safety Enhancement Grants, \$7 million for the National Capital Strategic Economic Development Fund, \$5 million for the Seed Anchor Institution Fund, and \$4 million for the Community College Facilities Renewal Program. This was offset by a reduction of \$38.2 million budgeted in the DPA for the transfer tax repayment plan established by Chapter 10 of 2016 as amended by the Budget Reconciliation and Financing Act (BRFA) of 2020, **Senate Bill 192 (Chapter 538)**. Other noteworthy uses of PAYGO general fund support for the capital program include \$12 million for the Rental Housing Program, \$9.0 million for the Historic Revitalization Tax Credit program, and \$3.5 million for nonpublic aging school safety improvements.

Bond Premiums

The MCCBL of 2020 also authorizes the use of \$102 million of bond premium proceeds, \$62 million of which are made available through a BRFA provision that authorizes the transfer of \$62 million available in the DPA to the Annuity Bond Fund. Another \$40 million is authorized should fiscal 2021 bond premiums exceed the \$109 million estimated in the budget. Section 16 of the MCCBL of 2020 specifies the use and priority order of the funding.

Revenue Bonds

The capital program is supported with \$32.0 million of ARBs for USM facilities authorized in **Chapter 550**. Funding for the State's Public School Construction Program would have more than doubled over the next five years with the enactment of **House Bill 1**, the Built to Learn Act. This authorizes the use of up to \$125 million annually from the Education Trust Fund to support the debt service on \$2.2 billion of revenue bonds programmed to be issued by the Maryland Stadium Authority from fiscal 2021 through 2024, \$150 million of which was anticipated to be issued in fiscal 2021. Although **House Bill 1** was enacted as **Chapter 20**, the provisions of the bill were made contingent upon the enactment of either **Senate Bill 1000** or **House Bill 1300**, Blueprint for Maryland's Future. **Senate Bill 1000** failed and **House Bill 1300** was vetoed by the Governor.

Debt Affordability

In its 2019 report, SAC recommended that a maximum of \$1.095 billion in GO bonds be authorized in the 2020 session and that future authorizations be increased by 1% annually to moderate the growth of annual authorizations. The level of GO bond funds programmed in the Governor's 2020 *Capital Improvement Program* is consistent with the SAC recommendation for fiscal 2021 but exceeds the out-year limits established by the committee by \$50 million each year from fiscal 2022 to 2025 for a total of \$200 million through the planning period. An additional \$13.1 million in GO bonds from prior years were deauthorized in the MCCBL of 2019, thereby increasing the amount of new GO debt to \$1.108 billion.

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

- **Senate Bill 1081 (Chapter 595)** 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, and alter project locations.
- The MCCBL of 2020 includes \$402.7 million of GO bond authorizations that will not take effect until fiscal 2022, \$202.7 million that will not take effect until fiscal 2023, and \$14.7 million for fiscal 2024. Many of these preauthorizations either continue the funding for existing construction contracts or allow projects expected to be contracted during fiscal 2021 to proceed without the full amount of the construction authorization provided in the fiscal 2021 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 the 2021 to 2023 sessions included in the MCCBL of 2020.

Exhibit 2.5
Preauthorizations Included in the Maryland Consolidated Capital Bond Loan

<u>Agency</u>	<u>Project Title</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
DMIL	Havre de Grace Combined Support Maintenance Shop	\$4,798,000		
MSA	Department of Legislative Services Building	35,000,000	\$35,000,000	
DoIT	Public Safety Communications System	2,685,000	2,650,000	
DPSCS	Jessup Region Electrical Infrastructure Upgrade	8,924,000		
DPSCS	Eastern Correctional Institution High Temperature Distribution and Perimeter Security Improvements	11,514,000		
UMB	School of Social Work Renovation	5,000,000	50,000,000	
UMCP	Chemistry Building Wing 1 Replacement	45,190,000	38,146,000	
UMCP	New School of Public Policy	2,500,000		
BSU	Communication Arts and Humanities Building	60,000,000	60,000,000	
UMES	School of Pharmacy and Health Professions	17,716,000		
FSU	Education and Health Sciences Center	43,655,000		
CSU	Percy Julian Sciences Building	30,771,000		
UMBC	Utility Upgrades and Site Improvements	6,834,000		
UMBC	Sherman Hall Renovation	6,000,000		
USMO	Third Academic Building	3,229,000		
SMCM	Academic Building and Auditorium	18,837,000		
MHEC	Allegany College of Maryland – Technology Building Renovation	2,918,000		
MHEC	Cecil College – Entrance, Roadway, and Facilities Management Building	3,507,000		
MHEC	Frederick Community College – Linganore Hall Renovation and Addition	3,132,000		
MHEC	Howard Community College – Mathematics and Athletics Complex	13,844,000	13,844,000	\$11,747,000
MHEC	Montgomery College – Catherine and Isiah Leggett Math and Science Building	12,569,000		
MHEC	Prince George’s Community College – Marlboro Hall Renovation and Addition	30,846,000	3,040,000	
MES	Eastern Correctional Institution – Co-Generation Plant Fuel Conversion	1,058,000		
MES	Point Lookout State Park – Water Distribution and Sewer Collection System Upgrade	3,813,000		
MES	Swallow Falls State Park – Water and Wastewater Treatment Plant and Infrastructure Improvements	2,850,000		
MES	Victor Cullen – Upgrade of Wastewater Treatment Plant and Collection System	2,971,000		
MES	Woodstock – Wastewater Treatment Plant Upgrades	1,914,000		
MISC	Merriweather Post Pavilion	3,000,000		
MISC	Bay Sox Stadium	500,000		

<u>Agency</u>	<u>Project Title</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
MISC	Garrett College – Community Education and Performing Arts Center	700,000		
MISC	Greenway Avenue Stadium	750,000		
MISC	Prince George’s County Amphitheatre at Central Park	11,000,000		
MISC	The Y in Central Maryland – Infrastructure Improvements and New Y Family Center	1,000,000		
MISC	The League for People with Disabilities – Facility Upgrade	500,000		
MISC	Baltimore Museum of Art	2,000,000		
MISC	Andre De Shields Center for the Arts	500,000		
MISC	Friends House Retirement Community	100,000		
MISC	Our House Youth Home	100,000		
MISC	Burtonsville Parking Structure	500,000		
MISC	Bowie Racetrack Recreational Facility			3,000,000
Total		\$402,725,000	\$202,680,000	\$14,747,000

BSU: Bowie State University
 CSU: Coppin State University
 DoIT: Department of Information Technology
 DMIL: Military Department
 DPSPC: Department of Public Safety and Correctional Services
 FSU: Frostburg State University
 MES: Maryland Environmental Service
 MHEC: Maryland Higher Education Commission
 MISC: miscellaneous
 MSA: Maryland Stadium Authority
 SMCM: St. Mary’s College of Maryland
 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
 USMO: University System of Maryland Office

Source: Department of Legislative Services

Higher Education

The State-funded portion of the fiscal 2021 capital program for all segments of higher education is \$414.2 million, including GO bonds, bond premium proceeds, ARBs, and general funds. Of the total funding, public four-year institutions, including regional higher education centers, receive \$297.1 million, or 71.7%, of funding, and independent institutions receive \$12.0 million, or 2.9%, of funding. Community colleges receive \$105.1 million in fiscal 2021 GO bonds, or 25.4%, of higher education funding, which includes \$4.0 million for the

facilities renewal grant program and \$4.6 million for Baltimore City Community College. **Exhibit 2.6** shows the fiscal 2021 capital funding by institution.

Exhibit 2.6
Fiscal 2021 Higher Education Capital Funding by Institution
(\$ in Millions)

<u>Institution</u>	<u>Capital Funding</u>
University of Maryland Eastern Shore	\$67.3
USM – Southern Maryland Higher Education Center	62.2
St. Mary’s College of Maryland	35.2
Frostburg State University	35.1
University of Maryland, College Park Campus	25.0
Morgan State University	20.2
University of Maryland, Baltimore Campus	9.9
Coppin State University	8.0
Towson University	7.4
University of Maryland Baltimore County	7.0
Bowie State University	6.3
University of Maryland Center for Environmental Science	1.4
Community Colleges	105.1
Independent Institutions	12.0
USM – Facility Renewal	12.0
Total	\$414.2

USM: University System of Maryland

Note: Includes general obligation bonds, academic revenue bonds, and bond premiums. Does not include use of USM Plant Funds of \$16.4 million for the USM Facilities Renewal Program and \$8.6 million for the Maryland Fire and Rescue Institute Western Regional Training Center Upgrade. Does not include the community college facility grant fund balance of \$4.0 million.

School Construction

As shown in **Exhibit 2.7**, fiscal 2021 funding for school construction, including all fund sources for both public and nonpublic construction programs, totals \$408.1 million. This includes \$364.6 million in GO bonds and \$43.5 million in general fund PAYGO funds.

Exhibit 2.7
School Construction Funding – Public and Nonpublic
Fiscal 2021
(\$ in Millions)

	<u>GO Bonds</u>	<u>General Funds</u>	<u>Program Total</u>
Public School Construction Program	\$280.0	\$0	\$280.0
Supplemental Capital Grant Program	75.0	0	75.0
Senator James E. “Ed” DeGrange Nonpublic Aging Schools Program	3.5	0	3.5
Aging Schools Program	6.1	0	6.1
Healthy School Facilities Fund	0	30.0	30.0
Public School Safety Grant Program	0	10.0	10.0
Nonpublic School Safety Improvements	0	3.5	3.5
Fund Source Total	\$364.6	\$43.5	\$408.1

GO: general obligation

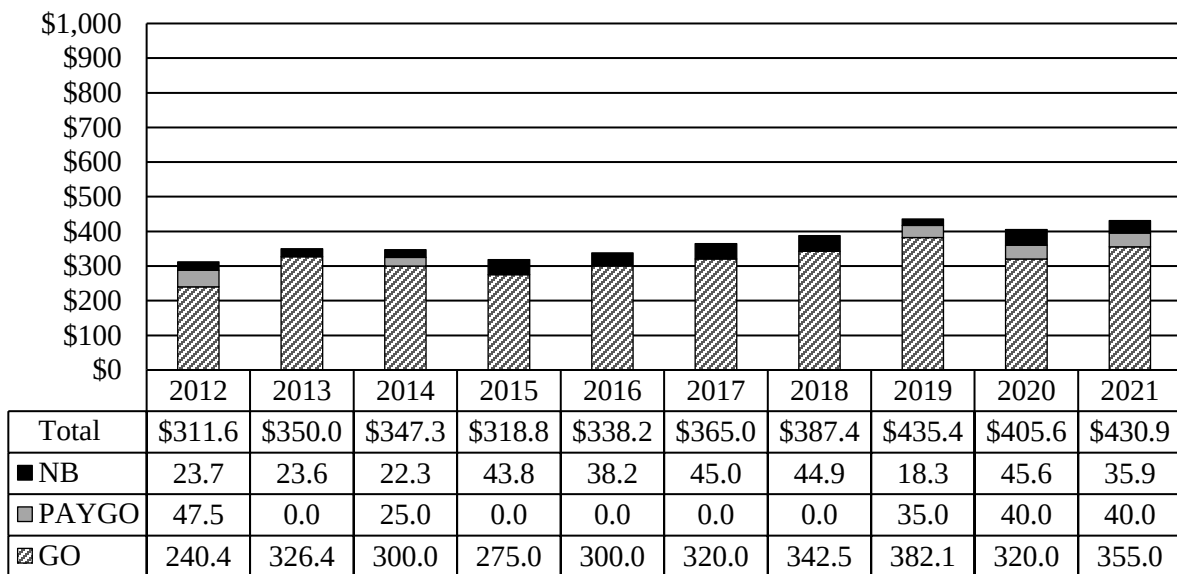
Source: Public School Construction Program Capital Improvement Programs

GO bonds continue to be the largest source of school construction funding, including \$280.0 million for the general Public School Construction program, \$75.0 million for the Supplemental Capital Grant Program for local school systems with enrollment growth or relocatable classrooms of which \$40.0 million is allocated as mandated in Title 5, Subtitle 3 of the Education Article, and \$35.0 million added by the General Assembly allocated outside of the statutory formula with specific allocations to jurisdictions set forth in the MCCBL of 2020. Another \$6.1 million funds the Aging Schools Program, which is allocated as grants to county boards of education as specified in § 5-206 of the Education Article, and the remaining \$3.5 million funds the Nonpublic Aging Schools Program.

The general fund component for school construction includes \$30 million for the Healthy School Facility Fund and \$10 million for School Safety Enhancement Grants. The Governor proposed funding both programs with revenue bonds but the General Assembly struck language in the operating budget that would have contingently reduced the mandated funds, thus making them available in the budget as passed. Another \$3.5 million funds nonpublic school safety enhancement grants.

As shown in **Exhibit 2.8**, when accounting for GO bonds, mandated general PAYGO funds, and the use of an additional \$35.9 million in unexpended funds from prior years from the Statewide Contingency Fund, a total of \$430.9 million is available for public school construction in fiscal 2021.

Exhibit 2.8
Public School Construction Funding
Fiscal 2012-2021
(\$ in Millions)



GO: general obligation
 NB: nonbudgeted
 PAYGO: pay-as-you-go

Note: Figures include new GO bonds, PAYGO funds, and unexpended funds that were previously authorized. Fiscal 2012 includes a \$47.5 million supplementary appropriation.

Source: Public School Construction Program Capital Improvement Programs

Fiscal 2020 and 2021 Transfer Tax Repayment

The BRFA of 2020 impacts the transfer tax repayment schedule established in Chapter 10 of 2016 as amended for both fiscal 2020 and 2021.

- Fiscal 2020:** As introduced and passed, the BRFA of 2020 included a provision transferring \$43.9 million appropriated in the DPA for fiscal 2020 repayment and another extending the statutory repayment schedule by one year to fully replace the fiscal 2020 transferred funds.

- Fiscal 2021:** The Governor proposed fully funding the required \$46.4 million repayment of which \$38.2 million was budgeted in the DPA to fund the capital components of the repayment schedule. However, the BRFA of 2020 as passed included a provision eliminating the entire capital component budgeted in the DPA and extending the repayment schedule an additional one year to replace the funds. The fiscal 2021 funding for the capital programs impacted by the transfer is shown in **Exhibit 2.9**.

Exhibit 2.9
Transfer Tax Repayment – Dedicated Purpose Account
Fiscal 2021
(\$ in Millions)

	<u>Allowance</u>	<u>Legislative Appropriation</u>	<u>Difference</u>
Forest and Park Service	\$36.3	\$36.3	\$0.0
DNR – Land Acquisition and Planning			
Program Open Space – State Share	53.4	41.9	-11.4
Program Open Space – Local Share	52.7	44.2	-8.5
Rural Legacy Program	19.9	18.0	-1.9
Natural Resources Development Fund	12.3	9.0	-3.3
Critical Maintenance Program	8.7	4.0	-4.7
Ocean City Beach Maintenance	1.0	1.0	0.0
Maryland Environmental Service	6.6	4.7	-1.9
Maryland Department of Agriculture – Maryland Agricultural Land Preservation Foundation	40.1	33.6	-6.5
Total	\$231.0	\$192.8	-\$38.2

DNR: Department of Natural Resources

Note: The fiscal 2021 budget provided \$46.4 million for the fiscal 2021 repayment plan, including \$38.2 million in the Dedicated Purpose Account, \$5.7 million in the DNR operating budget for the Forest Service (\$3.5 million) and Maryland Park Service (\$2.2 million), and another \$2.5 million in the Maryland Agricultural and Resource-Based Industry Development Corporation budget under the Maryland Department of Agriculture. The \$38.2 million is transferred to the general fund through a provision in the Budget Reconciliation and Financing Act of 2020.

Source: Department of Budget and Management; Department of Legislative Services

Transfer Tax Funded Programs

Exhibit 2.10 shows the fiscal 2021 allocation of funding for capital programs funded with transfer tax revenue. Program funding is reflected for the distribution of fiscal 2021 estimated transfer tax revenue through the formula but not the general fund repayment funding as noted above. The exhibit also 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 Program Open Space.

Exhibit 2.10 Programs Traditionally Funded with Transfer Tax Revenue Fiscal 2021 (\$ in Millions)				
	Transfer Tax Regular <u>Special Funds</u>	Other Special <u>Funds</u>	<u>Federal</u>	<u>Total</u>
Department of Natural Resources				
Program Open Space				
State ¹	\$38.3	\$0	\$3.0	\$41.3
Local	44.2	0	0	44.2
Capital Development ²	18.7	0	0	18.7
Rural Legacy Program ³	18.0	0	0	18.0
Heritage Conservation Fund	3.6	0	0	3.6
Department of Agriculture				0
Agricultural Land Preservation ⁴	33.6	8.5	0	42.1
Total	\$156.4	\$8.5	\$3.0	\$167.9

GO: general obligation

¹ The Baltimore City Direct Grant of \$6.0 million is a component of the \$38.3 million State Program Open Space (POS) funds. The \$3.0 million in federal funds reflected for POS – State may also be used for Local POS purposes.

² The Capital Development funding is allocated as follows: Natural Resources Development Fund – \$9,000,000; Critical Maintenance Program – \$4,000,000; Ocean City Beach Maintenance – \$1,000,000; and Water and Wastewater Projects at State Parks – \$4,710,657.

³ The Rural Legacy Program funding does not include the \$5.0 million in GO bonds pursuant to § 5-9A-09 of the Natural Resources Article as this is considered an expression of General Assembly intent and not an established mandate.

⁴ The Agricultural Land Preservation funding reflects \$8.5 million in county participation funding.

Source: Department of Budget and Management; 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 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>Comments</u>
SB 8	Subsequent Injury Fund and Uninsured Employers' Fund – Assessment on Awards and Settlements – Amount (Ch. 495)						
	SF	(\$4,000,000)	\$0	\$0	\$0	\$0	Subsequent Injury Fund.
	SF	\$4,000,000	\$0	\$0	\$0	\$0	Uninsured Employers' Fund.
SB 61/HB 6	Public Safety – 9-1-1 Fees – Audits (Ch. 605/Ch. 604)						
	GF	\$125,910	\$129,378	\$132,961	\$137,576	\$141,701	GF revenues also increase by \$42,122 in FY 2020.
	SF	(\$26,910)	(\$30,378)	(\$33,961)	(\$38,576)	(\$42,701)	SF revenues also decrease by \$17,372 in FY 2020.
SB 77	Important Documents and Identification Cards – Inmates (Ch. 514)						
	SF	decrease	decrease	decrease	decrease	decrease	Minimal fee revenues.
SB 96	Insurance – Third Party Administrators – Term and Reinstatement of Registration (Ch. 522)						
	SF	(\$8,725)	\$8,725	(\$8,725)	\$8,725	(\$8,725)	
SB 114	Natural Resources – Nuisance Organisms – Pilot Projects and Northern Snakeheads (Ch. 528)						
	FF	increase	increase	increase	increase	increase	Potential grant revenues. FF expenditures correspondingly increase.
	SF	increase	increase	increase	increase	increase	Minimal fee revenues.
SB 121	Sales and Use Tax – Aircraft Parts and Equipment – Exemption (Ch. 638)						
	GF	decrease	decrease	decrease	decrease	decrease	Sales tax revenues.
SB 137/HB 407	Harford County – State's Attorney's Office and Child Support Administration – Transfer of Personnel (Ch. 197/Ch. 196)						
	GF	(\$47,295)	(\$47,295)	(\$47,295)	(\$47,295)	(\$47,295)	
SB 164/HB 116	Home Builder Guaranty Fund - Award Limitations – Revisions (Ch. 59/Ch. 58)						
	NB	increase	increase	increase	increase	increase	Potential acceleration of reimbursement revenues. NB expenditures similarly accelerate.
SB 185	Sales and Use Tax Exemption – Qualified Opportunity Zones in Baltimore County and Target Redevelopment Areas in Washington County (Ch. 639)						
	GF	decrease	decrease	decrease	decrease	decrease	Potential significant sales tax revenues.

Legislation Affecting State Revenues (Continued)

	<u>Fund</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>Comments</u>
SB 192	Budget Reconciliation and Financing Act of 2020 (Ch. 538)						
	FF	\$0	\$0	\$0	\$0	\$0	Maryland Department of Health. FF revenues decrease by \$287,500 in FY 2020. FF expenditures correspondingly decrease.
	FF	decrease	\$0	\$0	\$0	\$0	Maryland Health Benefit Exchange. Premium tax revenues. FF expenditures correspondingly decrease.
	GF	\$2,000,000	\$5,000,000	\$8,000,000	\$8,000,000	\$8,000,000	Department of Commerce.
	GF	\$296,525,950	\$284,901,000	\$220,430,000	\$149,036,000	\$132,143,000	Comptroller.
	GF	\$900,000	\$0	\$0	\$0	\$0	Maryland Department of Health.
	GF	\$0	increase	increase	increase	increase	Maryland Insurance Administration. Reallocated premium tax distributions.
	GF	\$3,500,000	\$0	\$0	\$0	\$0	Maryland Health Benefit Exchange.
	NB	(\$33,333,333)	(\$33,333,333)	(\$33,333,333)	(\$23,333,333)	(\$23,333,333)	Comptroller.
	REIM	\$0	\$0	\$0	\$0	\$0	State Board of Elections. Reimbursable revenues decrease by \$234,387 in FY 2020. Reimbursable expenditures correspondingly decrease.
	SF	\$0	\$0	\$0	\$0	\$0	SF revenues for multiple agencies may collectively increase by up to \$100.0 million in FY 2020 for COVID-1-related costs. Some impact may be delayed until FY 2021. SF expenditures correspondingly increase.
	SF	(\$226,998,333)	(\$313,234,333)	(\$248,763,333)	(\$187,369,333)	(\$170,476,333)	Comptroller. SF revenues also decrease by \$62.0 million in FY 2020.
	SF	\$0	\$0	\$0	\$0	\$0	State Board of Elections. SF revenues decrease by \$234,388 in FY 2020. SF expenditures correspondingly decrease.
	SF	\$10,000,000	\$35,000,000	\$60,000,000	\$85,000,000	\$110,000,000	Maryland Department of Health. SF expenditures similarly correspond.
	SF	(\$11,940,354)	\$0	\$2,131,250	\$1,161,020	\$0	Maryland Department of Agriculture. SF expenditures correspond.

Legislation Affecting State Revenues (Continued)

	<u>Fund</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>Comments</u>
SB 192	Budget Reconciliation and Financing Act of 2020 (Continued)						
	SF	\$0	decrease	decrease	decrease	decrease	Maryland Insurance Administration. Reallocated premium tax distributions.
	SF	\$14,641,321	\$14,641,321	\$14,641,321	\$14,641,321	\$14,641,321	Circuit Court Real Property Records Improvement Fund. SF expenditures correspondingly increase beginning in FY 2022.
	SF	(\$70,091,045)	\$0	\$10,368,750	\$5,648,479	\$2,000,000	Department of Natural Resources. SF expenditures correspond.
	SF	\$1,850,000	\$1,850,000	\$1,850,000	\$1,850,000	\$1,850,000	Department of Public Safety and Correctional Services. SF revenues also increase by \$154,000 in FY 2020.
	SF	(\$50,000,000)	\$0	\$0	\$0	\$0	State Retirement and Pensions System Trust Fund and Postretirement Health Benefits Trust Fund.
	SF	\$15,000,000	\$15,000,000	\$15,000,000	\$15,000,000	\$15,000,000	Transportation Trust Fund.
	SF	\$0	\$0	\$0	\$0	\$0	Annuity Bond Fund revenues increase by \$62.0 million in FY 2020.
	SF	increase	increase	increase	increase	increase	State Department of Assessments and Taxation. Annuity Bond Fund revenues and reimbursements from local governments.
	SF	(\$3,500,000)	\$0	\$0	\$0	\$0	Maryland Health Benefit Exchange. SF expenditures correspondingly decrease.
SB 212/HB 233	Criminal Law – Assault in the First Degree – Strangulation (Ch. 120/Ch. 119)						
	GF	decrease	decrease	decrease	decrease	decrease	Minimal fine revenues.
SB 234/HB 280	Vehicle Laws - Suspension of Driver's License or Registration – Unpaid Citations or Judgments (Ch. 150/Ch. 149)						
	GF	decrease	decrease	decrease	decrease	decrease	Judiciary. Fine revenues.
	GF	increase	increase	increase	increase	increase	Potential general fund reversion from increased debt collections.
	SF	decrease	decrease	decrease	decrease	decrease	Disbursements from court costs and fine revenues to multiple agencies. SF expenditures likely correspond.

Legislation Affecting State Revenues (Continued)

	<u>Fund</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>Comments</u>
SB 234/HB 280	Vehicle Laws - Suspension of Driver's License or Registration – Unpaid Citations or Judgments (Continued)						
	SF	increase	increase	increase	increase	increase	Department of Budget and Management. Fee revenues. SF expenditures correspondingly increase.
SB 281	Renewable Energy Development and Siting (REDS) – Evaluations and Tax and Fee Exemptions (Ch. 544)						
	GF	decrease	decrease	decrease	decrease	decrease	Franchise tax revenues.
	SF	(\$45,000)	(\$60,000)	(\$60,000)	(\$60,000)	(\$60,000)	
SB 334/HB 455	Health Insurance – Mental Health Benefits and Substance Use Disorder Benefits – Reports on Nonquantitative Treatment Limitations and Data (Ch. 212/Ch. 211)						
	SF	\$0	increase	increase	increase	increase	Minimal fee and penalty revenues.
SB 344	University System of Maryland – Academic Facilities Bonding Authority (Ch. 550)						
	BOND	\$32,000,000	\$0	\$0	\$0	\$0	Anticipated in FY 2021 budget. Bond expenditures correspondingly increase.
SB 397	Sales and Use Tax and Personal Property Tax – Exemptions – Data Centers (Ch. 640)						
	GF	decrease	decrease	decrease	decrease	decrease	Potential significant sales and property tax revenues.
SB 425/HB 365	Debt Collection – Exemptions From Attachment and Execution (Ch. 184/Ch. 183)						
	GF	decrease	decrease	decrease	decrease	decrease	Potential significant income tax revenues.
SB 455/HB 547	Health – Maryland Children's Service Animal Program – Establishment (Ch. 248/Ch. 247)						
	SF	\$36,096	\$10,000	\$10,000	\$10,000	\$10,000	SF expenditures correspondingly increase in FY 2021.
SB 457/HB 539	Local Governments – Resilience Authorities – Authorization (Ch. 236/Ch. 235)						
	GF/SF	\$0	increase	increase	increase	increase	Income and property tax revenues.
SB 475	Health Insurance – Pediatric Autoimmune Neuropsychiatric Disorders – Coverage (Ch. 560)						
	SF	increase	\$0	\$0	\$0	\$0	Minimal fee revenues.

Legislation Affecting State Revenues (Continued)

	<u>Fund</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>Comments</u>
SB 477/HB 1462	Public Health – Emergency Use Auto-Injectable Epinephrine Program – Revisions (Ch. 479/Ch. 478)						
	GF	increase	increase	increase	increase	increase	Fee revenues.
SB 501/HB 998	Maryland Loan Assistance Repayment Program for Physicians and Physician Assistants – Administration and Funding (Ch. 403/Ch. 402)						
	SF	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	Maryland Department of Health. SF expenditures correspondingly increase.
	SF	(\$400,000)	(\$400,000)	(\$400,000)	(\$400,000)	(\$400,000)	Maryland Higher Education Commission. SF expenditures correspondingly decrease.
SB 502/HB 1208	Telehealth – Mental Health and Chronic Condition Management Services – Coverage and Pilot Program (Ch. 18/Ch. 17)						
	FF	increase	increase	increase	increase	increase	Potential significant Medicaid matching revenues beginning in FY 2020. FF expenditures correspondingly increase.
	SF	\$0	\$0	\$0	\$0	\$0	Minimal fee revenues in FY 2020.
SB 523	Income Tax – Pass-Through Entities and Corporations (Ch. 641)						
	GF	decrease	decrease	decrease	decrease	decrease	Income tax revenues decrease by less than \$5.0 million annually.
	SF	decrease	decrease	decrease	decrease	decrease	Potential Higher Education Investment Fund revenues.
	SF	decrease	decrease	decrease	decrease	decrease	Potential Transportation Trust Fund revenues.
SB 573	Peer-to-Peer Car Sharing – Sales Tax Sunset Extension and Study (Ch. 567)						
	GF	\$107,500	\$0	\$0	\$0	\$0	
SB 603/HB 928	Public Service Commission – Electricity and Gas Suppliers – Training and Educational Program (Ch. 374/Ch. 373)						
	SF	\$235,805	\$65,185	\$65,949	\$67,356	\$68,813	SF expenditures correspondingly increase.
SB 661/HB 852	Health Insurance – Prostate Cancer Screening Services – Prohibiting Cost-Sharing (Ch. 344/Ch. 343)						
	SF	increase	\$0	\$0	\$0	\$0	Minimal fee revenues.

Legislation Affecting State Revenues (Continued)

	<u>Fund</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>Comments</u>
SB 713/HB 566	Opportunity Zone Enhancement Program – Eligibility – Lead-Based Paint Affected Properties (Ch. 255/Ch. 254)						
	GF/SF	increase	increase	increase	increase	increase	Minimal income tax revenues.
SB 780/HB 1018	Labor and Employment – Economic Stabilization Act – Revisions (Ch. 407/Ch. 406)						
	GF	increase	increase	increase	increase	increase	Minimal fine revenues.
SB 802/HB 889	Property Tax – Exemption – Maryland Farm Bureau, Inc. (Ch. 635/Ch. 634)						
	SF	(\$1,389)	(\$1,389)	(\$1,389)	(\$1,389)	(\$1,389)	
SB 838/HB 934	Public Safety – 9-1-1 Emergency Telephone System (Ch. 376/Ch. 375)						
	SF	\$74,250	\$99,000	\$99,000	\$99,000	\$99,000	Impact duplicative of provision within Senate Bill 61/House Bill 6.
SB 843	Sales and Use Tax – Licensed Caterers – Exemption (Ch. 644)						
	GF	decrease	decrease	decrease	decrease	decrease	Potential significant sales tax revenues.
SB 851	Human Services – Department of Disabilities – Accessibility Programs (Ch. 586)						
	SF	\$16,273,895	\$2,673,895	\$2,673,895	\$2,673,895	\$2,673,895	Maryland Department of Disabilities.
	SF	(\$16,273,895)	(\$2,673,895)	(\$2,673,895)	(\$2,673,895)	(\$2,673,895)	Department of Information Technology.
SB 859/HB 200	Vehicle Laws – Registration Plate Frames and Borders – Enforcement (Ch. 107/Ch. 106)						
	GF	decrease	decrease	decrease	decrease	decrease	Minimal fine revenues.
SB 915/HB 978	Maryland Insurance Administration – Pharmacy Services Administrative Organizations – Regulation (Ch. 398/Ch. 399)						
	GF	\$0	increase	increase	increase	increase	Potential penalty revenues.
	SF	\$0	increase	increase	increase	increase	Minimal fee revenues.
SB 931/HB 652	Maryland Medical Assistance Program and Health Insurance – Specialty Drugs – Definition (Ch. 615/Ch. 614)						
	FF	increase	increase	increase	increase	increase	Potential Medicaid matching revenues. FF expenditures correspondingly increase.
	SF	\$0	\$0	\$0	\$0	\$0	Minimal fee revenues in FY 2020.
SB 938/HB 1571	Hospitals – Changes in Status – Hospital Employee Retraining and Placement (Ch. 489/Ch. 490)						
	SF	\$0	increase	increase	increase	\$0	Potential significant hospital remittance revenues.

Legislation Affecting State Revenues (Continued)

	<u>Fund</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>Comments</u>
SB 939/HB 1196	Financial Institutions – Check Cashing Services – Registration and Dissemination of Information (Ch. 444/Ch. 443)						
	SF	indeterminate	indeterminate	indeterminate	indeterminate	indeterminate	Minimal impact on fee revenues.
SB 987	Racing and Community Development Act of 2020 (Ch. 590)						
	BOND	\$0	\$335,825,000	\$0	\$0	\$0	
	GF	decrease	(\$600,000)	(\$2,100,000)	(\$2,225,000)	(\$2,400,000)	Income and sales tax revenues.
	SF	decrease	decrease	decrease	decrease	decrease	Property and transfer tax revenues.
	SF	\$0	\$17,557,609	\$17,674,859	\$18,213,427	\$18,463,873	State Lottery Agency. SF expenditures similarly increase.
	SF	\$44,167,701	\$17,000,000	\$17,000,000	\$17,000,000	\$17,000,000	Maryland Stadium Authority. SF expenditures similarly increase beginning in FY 2022.
SB 988/HB 781	Health Insurance – In Vitro Fertilization – Revisions (Ch. 325/Ch. 324)						
	SF	increase	\$0	\$0	\$0	\$0	Minimal fee revenues.
SB 1022	Board of Regents of the University System of Maryland – Tuition Waiver – Student Members (Ch. 593)						
	HE	(\$84,032)	(\$84,032)	(\$84,032)	(\$84,032)	(\$84,032)	
SB 1079	State Budget – Revenue Stabilization Account Transfers – Coronavirus (Ch. 12)						
	SF	\$0	\$0	\$0	\$0	\$0	SF revenues for multiple agencies may collectively increase by up to \$50.0 million in FY 2020 for COVID-19-related costs. Some impact may be delayed until FY 2021. SF expenditures correspondingly increase.
SB 1080/HB 1663	State Government – State of Emergency and Catastrophic Health Emergency – Authority of Governor and Unemployment Insurance Benefits (COVID-19 Public Health Emergency Protection Act of 2020) (Ch. 13/Ch. 14)						
	FF	increase	\$0	\$0	\$0	\$0	Potential significant Medicaid matching revenues beginning in FY 2020. FF expenditures correspondingly increase.

Legislation Affecting State Revenues (Continued)

	<u>Fund</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>Comments</u>
SB 1080/HB 1663	State Government – State of Emergency and Catastrophic Health Emergency – Authority of Governor and Unemployment Insurance Benefits (COVID-19 Public Health Emergency Protection Act of 2020) (Continued)						
	NB	increase	increase	increase	increase	increase	Potential Unemployment Insurance Trust Fund revenues beginning in FY 2020.
HB 6/SB 61	See entry for SB 61.						
HB 33	Criminal Law – Abuse or Neglect of a Vulnerable Adult – Causing Severe Emotional Distress (Ch. 34)						
	GF	increase	increase	increase	increase	increase	Minimal fine revenues.
HB 45	Economic Development – Opportunity Zone Incentives – Alteration of the More Jobs for Marylanders and Opportunity Zone Enhancement Programs (Ch. 38)						
	GF/SF	increase	increase	increase	increase	increase	Minimal tax and fee revenues.
HB 116/SB 164	See entry for SB 164.						
HB 123	Labor and Employment – Wage History and Wage Range (Ch. 67)						
	GF	increase	increase	increase	increase	increase	Minimal penalty revenues.
HB 133	Vehicle Emissions Inspection Program – Deployed Military Personnel – Exemption (Ch. 68)						
	SF	decrease	decrease	decrease	decrease	decrease	Minimal fee revenues.
HB 171	Crimes Against Animals – Interference With Equines (Ch. 93)						
	GF	increase	increase	increase	increase	increase	Minimal fine revenues.
HB 172	Real Property – Ground Leases – Repeal of Registration Fees (Ch. 94)						
	SF	\$809	\$1,078	\$1,078	\$1,078	\$1,078	
HB 177	Environment – Water Infrastructure Assets – Authorization of Emergency Actions (Ch. 97)						
	SF	increase	increase	increase	increase	increase	Reimbursement revenues.
HB 200/SB 859	See entry for SB 859.						
HB 233/SB 212	See entry for SB 212.						

Legislation Affecting State Revenues (Continued)

	<u>Fund</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>Comments</u>
HB 271	Vehicle Laws – Certificate of Title Fee – Trailer Gifted to Family Member (Ch. 146)						
	SF	(\$7,950)	(\$10,600)	(\$10,600)	(\$10,600)	(\$10,600)	
HB 275	Prince George’s County – Speed Monitoring Systems – Maryland Route 210 (Indian Head Highway) PG 306-20 (Ch. 147)						
	SF	decrease	decrease	decrease	decrease	\$0	Criminal Injuries Compensation Fund fine revenues decrease beginning in FY 2020. SF expenditures correspondingly decrease.
	SF	increase	increase	increase	increase	\$0	Transportation Trust Fund fine revenues increase beginning in FY 2020. SF expenditures correspondingly increase.
HB 276	Income Tax – Subtraction Modification – Maryland-National Capital Park Police and Washington Suburban Sanitary Commission Police Force PG/MC 105-20 (Ch. 631)						
	GF	(\$21,000)	(\$21,000)	(\$21,000)	(\$21,000)	(\$21,000)	
HB 280/SB 234	See entry for SB 234.						
HB 314	Real Property – Lien Priority of Refinance Mortgages – Exception for Government Junior Mortgages (Ch. 163)						
	SF	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	
HB 315	Public Ethics Violations and Crimes – Prohibitions and Penalties (Ch. 164)						
	GF	increase	increase	increase	increase	increase	Minimal fine revenues.
HB 365/SB 425	See entry for SB 425.						
HB 407/SB 137	See entry for SB 137.						
HB 455/SB 334	See entry for SB 334.						
HB 465	Election Law – Campaign Material – Disclosure of the Use of Bots (Ch. 216)						
	SF	increase	increase	increase	increase	increase	Potential penalty revenues.
HB 539/SB 457	See entry for SB 457.						

Legislation Affecting State Revenues (Continued)

	<u>Fund</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>Comments</u>
HB 547/SB 455	See entry for SB 455.						
HB 566/SB 713	See entry for SB 713.						
HB 620	Baltimore-Washington International Thurgood Marshall Airport – Security Screening Checkpoint – Charitable Donations (Ch. 278)						
	SF	increase	increase	increase	increase	increase	Minimal donation pass-through revenues. SF expenditures similarly increase.
HB 646	Vehicle Registration – Special Plates for Veterans – Fees (Ch. 286)						
	SF	increase	increase	increase	increase	increase	Transportation Trust Fund. Minimal fee revenues.
	SF	\$22,500	\$10,000	\$10,000	\$10,000	\$10,000	Maryland Veterans Trust Fund. SF expenditures likely correspond.
HB 652/SB 931	See entry for SB 931.						
HB 781/SB 988	See entry for SB 988.						
HB 852/SB 661	See entry for SB 661.						
HB 870	Natalie M. LaPrade Medical Cannabis Commission – Compassionate Use Fund – Revisions (The Fakiza Rahman Act) (Ch. 352)						
	SF	increase	increase	increase	increase	increase	Potential significant fee revenues. SF expenditures correspondingly increase.
HB 889/SB 802	See entry for SB 802.						
HB 928/SB 603	See entry for SB 603.						
HB 934/SB 838	See entry for SB 838.						
HB 978/SB 915	See entry for SB 915.						
HB 998/SB 501	See entry for SB 501.						

Legislation Affecting State Revenues (Continued)

	<u>Fund</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>Comments</u>
HB 1018/SB 780	See entry for SB 780.						
HB 1083	Criminal Organizations – Penalties and Procedure (Ch. 422)						
	GF	increase	increase	increase	increase	increase	Minimal fine revenues.
HB 1196/SB 939	See entry for SB 939.						
HB 1208/SB 502	See entry for SB 502.						
HB 1311	Natural Resources – Tree Expert License – Eligibility Criteria (Ch. 456)						
	SF	increase	increase	\$0	\$0	\$0	Potential fee revenues.
HB 1326	Sales and Use Tax – Exemption for Artificial Hearing Device Earmolds, Equipment, and Parts (Ch. 637)						
	GF	decrease	decrease	decrease	decrease	decrease	Potential significant sales tax revenues.
HB 1420	Hospitals – Financial Assistance Policies and Bill Collections (Ch. 470)						
	FF	increase	increase	increase	increase	increase	Potential significant Medicaid matching revenues. FF expenditures correspondingly increase.
	SF	increase	increase	increase	increase	increase	Potential fine revenues.
HB 1462/SB 477	See entry for SB 477.						
HB 1510	Income Tax – Subtraction Modification – Rental Subsidy Under the Howard County “Live Where You Work” Program Ho. Co. 20-20 (Ch. 482)						
	GF	decrease	decrease	decrease	decrease	decrease	Minimal income tax revenues.
HB 1571/SB 938	See entry for SB 938.						
HB 1663/SB 1080	See entry for SB 1080.						

Totals by Fund Type/Summary of Quantifiable Revenue Effects

<u>Fund Type</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>
GF	\$303,091,065	\$289,362,083	\$226,394,666	\$154,880,281	\$137,816,406
SF	(\$276,545,474)	(\$212,072,782)	(\$110,004,801)	(\$28,748,492)	\$8,565,337
BOND	\$32,000,000	\$335,825,000	\$0	\$0	\$0
NB	(\$33,333,333)	(\$33,333,333)	(\$33,333,333)	(\$23,333,333)	(\$23,333,333)
HE	(\$84,032)	(\$84,032)	(\$84,032)	(\$84,032)	(\$84,032)

Legislation Affecting State Expenditures

	<u>Fund</u>	<u>Agency</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>Comments</u>
SB 4	Expansion of Commercial Gaming – Sports and Event Wagering Referendum and Minority Business Enterprise Disparity Study (Ch. 492)							
	SF	Transportation	\$120,000	\$0	\$0	\$0	\$0	
SB 47	Commission to Advance Next Generation 9-1-1 Across Maryland – Extension and Alteration (Ch. 506)							
	SF	Public Safety & Correctional Services	\$100,000	\$100,000	\$0	\$0	\$0	
SB 60/HB 77	Anne Arundel County – Illegal Dumping and Litter Control Law – Adoption of Local Ordinance (Ch. 43/Ch. 42)							
	GF	Judiciary	\$8,500	\$0	\$0	\$0	\$0	
SB 61/HB 6	Public Safety – 9-1-1 Fees – Audits (Ch. 605/Ch. 604)							
	GF	Comptroller	\$125,910	\$129,378	\$132,961	\$137,576	\$141,704	GF expenditures also increase by \$42,122 in FY 2020.
SB 77	Important Documents and Identification Cards – Inmates (Ch. 514)							
	SF	Transportation	increase	increase	increase	increase	increase	Program costs.
SB 81	State Government – Emergency Management – Continuity Planning (Ch. 516)							
	GF	Emergency Management	\$0	\$0	\$160,785	\$156,232	\$161,642	
SB 114	Natural Resources – Nuisance Organisms – Pilot Projects and Northern Snakeheads (Ch. 528)							
	FF	Natural Resources	increase	increase	increase	increase	increase	Potential project costs. FF revenues correspondingly increase.
SB 121	Sales and Use Tax – Aircraft Parts and Equipment – Exemption (Ch. 638)							
	GF	Comptroller	\$81,300	\$0	\$0	\$0	\$0	Likely duplicative of notification costs within Senate Bill 397.
SB 137/HB 407	Harford County – State’s Attorney’s Office and Child Support Administration – Transfer of Personnel (Ch. 197/Ch. 196)							
	GF	Human Services	\$355,469	\$323,808	\$331,220	\$342,325	\$353,818	Included in FY 2021 budget.

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>Comments</u>
SB 145/HB 37	Election Law – Absentee Voting – References in Public Communications and Prepaid Postage for Return of Ballots (Ch. 37/Ch. 36)							
	GF	Election Board	\$75,500	\$20,500	\$54,000	\$32,000	\$80,500	
SB 164/HB 116	Home Builder Guaranty Fund – Award Limitations – Revisions (Ch. 59/Ch. 58)							
	NB	Attorney General’s Office	increase	increase	increase	increase	increase	Potential acceleration of claim payments. NB revenues similarly accelerate.
SB 166/HB 512	Drugs and Devices – Electronic Prescriptions – Controlled Dangerous Substances (Ch. 229/Ch. 230)							
	GF	Health	\$0	\$10,000	increase	increase	increase	Minimal program costs (in addition to amount shown).
SB 185	Sales and Use Tax Exemption – Qualified Opportunity Zones in Baltimore County and Target Redevelopment Areas in Washington County (Ch. 639)							
	GF	Comptroller	\$81,300	\$0	\$0	\$0	\$0	Likely duplicative of notification costs within Senate Bill 397.
SB 192	Budget Reconciliation and Financing Act of 2020 (Ch. 538)							
	FF	All or Multiple Agencies	\$0	\$0	\$180,000	\$190,000	\$200,000	
	FF	Health	\$0	\$0	\$0	\$0	\$0	FF expenditures decrease by \$287,500 in FY 2020. FF revenues correspondingly decrease.
	FF	MHBE	decrease	\$0	\$0	\$0	\$0	Program spending reflects reduced mandated appropriation. FF revenues correspondingly decrease.
	GF	All or Multiple Agencies	(\$50,000,000)	\$0	\$1,930,000	\$2,020,000	\$2,100,000	Included in FY 2021 budget.

Legislation Affecting State Expenditures (Continued)

<u>Fund</u>	<u>Agency</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>Comments</u>
SB 192 Budget Reconciliation and Financing Act of 2020 (Continued)							
GF	Comptroller	(\$317,772,482)	(\$33,333,333)	(\$33,333,333)	(\$33,333,333)	(\$33,333,333)	Included in FY 2021 budget.
GF	Budget & Management	decrease	decrease	decrease	decrease	decrease	Minimal printing costs.
GF	Legislative Services	decrease	\$0	\$0	\$0	\$0	Minimal contractual/legal costs.
GF	Natural Resources	(\$32,685,387)	\$0	\$10,368,750	\$5,648,479	\$2,000,000	
GF	Information Technology	\$0	\$0	\$0	\$0	\$0	GF expenditures decrease by \$234,387 in FY 2020.
GF	Public Safety & Correctional Services	(\$1,300,000)	(\$1,300,000)	(\$1,300,000)	(\$1,300,000)	(\$1,300,000)	Included in FY 2021 budget. GF expenditures also decrease by \$2.5 million in FY 2020. (\$250,000) included in FY 2021 budget.
GF	Gov. Office of Crime Prevention, Youth, & Victim Services	\$21,799,569	\$21,799,569	\$21,799,569	\$22,049,569	\$22,049,569	GF expenditures also decrease by \$156,500 in FY 2020.
GF	Judiciary	\$0	(\$14,641,321)	(\$14,641,321)	(\$14,641,321)	(\$14,641,321)	
GF	Agriculture	(\$5,485,062)	\$0	\$2,131,250	\$1,161,020	\$0	GF expenditures also decrease by \$216,253 in FY 2020.
GF	Health	(\$10,750,000)	(\$35,750,000)	(\$60,000,000)	(\$85,000,000)	(\$110,000,000)	Included in FY 2021 budget. GF expenditures also decrease by \$287,500 in FY 2020.
GF	Higher Education Commission	(\$21,435,089)	decrease	decrease	decrease	decrease	GF expenditures also decrease by \$3.0 million in FY 2020. Potential program costs beginning in FY 2022.
GF	Education	(\$22,049,569)	(\$22,049,569)	(\$22,049,569)	(\$22,049,569)	(\$22,049,569)	
GF	MARBIDCO	\$0	(\$140,000)	(\$140,000)	(\$140,000)	\$2,735,000	
GF/SF	Assessments & Taxation	increase	increase	increase	increase	increase	Implementation costs.

Legislation Affecting State Expenditures (Continued)

<u>Fund</u>	<u>Agency</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>Comments</u>
SB 192 Budget Reconciliation and Financing Act of 2020 (Continued)							
GF	Higher Education Commission	\$0	decrease	decrease	decrease	decrease	PAYGO. Potential program funding offset by GO bond spending.
REIM	Gov. Office of Crime Prevention, Youth, & Victim Services	\$1,800,000	\$1,800,000	\$1,800,000	\$1,800,000	\$1,800,000	
REIM	Education	(\$1,800,000)	(\$1,800,000)	(\$1,800,000)	(\$1,800,000)	(\$1,800,000)	
REIM	Election Board	\$0	\$0	\$0	\$0	\$0	Reimbursable expenditures decrease by \$234,387 in FY 2020. Reimbursable revenues correspondingly decrease.
SF	All or Multiple Agencies	(\$62,000,000)	\$0	\$180,000	\$190,000	\$200,000	SF expenditures also increase by \$100.0 million in FY 2020.
SF	Comptroller	(\$33,333,333)	(\$33,333,333)	(\$33,333,333)	(\$33,333,333)	(\$33,333,333)	
SF	Natural Resources	(\$70,091,045)	\$0	\$10,368,750	\$5,648,479	\$2,000,000	SF revenues correspond.
SF	Public Safety & Correctional Services	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	
SF	Judiciary	\$0	\$14,641,321	\$14,641,321	\$14,641,321	\$14,641,321	SF revenues correspond beginning in FY 2022.
SF	Agriculture	(\$11,940,354)	\$0	\$2,131,250	\$1,161,020	\$0	SF revenues correspond.
SF	Health	\$10,750,000	\$35,750,000	\$60,000,000	\$85,000,000	\$110,000,000	SF revenues similarly correspond.
SF	MHBE	(\$3,500,000)	\$0	\$0	\$0	\$0	Included in FY 2021 budget. SF revenues correspondingly decrease.
SF	Higher Education Commission	\$400,000	\$0	\$0	\$0	\$0	Included in FY 2021 budget.

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>Comments</u>
SB 192	Budget Reconciliation and Financing Act of 2020 (Continued)							
	SF	Insurance Administration	\$0	decrease	decrease	decrease	decrease	Reflects reallocated premium tax distributions.
	SF	Education	\$0	\$0	\$0	\$0	\$0	SF expenditures decrease by \$5,971,992 in FY 2020.
	SF	Election Board	\$0	\$0	\$0	\$0	\$0	SF expenditures decrease by \$234,388 in FY 2020. SF revenues correspondingly decrease.
SB 206/HB 242	Criminal Procedure – Motion to Vacate Judgment – Human Trafficking (True Freedom Act of 2020) (Ch. 127/Ch. 126)							
	GF	Judiciary	\$44,302	\$0	\$0	\$0	\$0	
SB 207/HB 206	Unaccompanied Minors in Need of Shelter and Supportive Services (Ch. 109/Ch. 108)							
	GF	Housing and Community Development	\$20,000	\$0	\$0	\$0	\$0	
SB 210/HB 248	Protective Orders – Relief Eligibility – Rape and Sexual Offenses (Ch. 133/Ch. 132)							
	GF	Judiciary	\$74,934	\$0	\$0	\$0	\$0	
SB 212/HB 233	Criminal Law – Assault in the First Degree – Strangulation (Ch. 120/Ch. 119)							
	GF	Public Safety & Correctional Services	increase	increase	increase	increase	increase	Minimal incarceration costs.
SB 219/HB 143	State Boat Act – Abandoned or Sunken Vessels – Removal (Ch. 76/Ch. 75)							
	GF	Natural Resources	increase	increase	increase	increase	increase	Potential vessel removal costs.
SB 227/HB 250	Peace Orders and Protective Orders – Extension (Ch. 135/Ch. 134)							
	GF	Judiciary	\$64,229	\$0	\$0	\$0	\$0	

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>Comments</u>
SB 231/HB 246	Sexual Solicitation of a Minor – Solicitation Through Parent, Guardian, or Custodian – Prohibition and Penalties (Ch. 129/Ch. 128)							
	GF	Public Safety & Correctional Services	increase	increase	increase	increase	increase	Minimal incarceration costs.
SB 234/HB 280	Vehicle Laws – Suspension of Driver’s License or Registration – Unpaid Citations or Judgments (Ch. 150/Ch. 149)							
	GF	Judiciary	\$1,486,645	\$1,686,461	\$1,724,958	\$1,784,815	\$1,846,779	
	SF	All or Multiple Agencies	decrease	decrease	decrease	decrease	decrease	SF expenditures likely correspond with decreased disbursements from court costs and fine revenues.
	SF	Budget & Management	increase	increase	increase	increase	increase	Administrative costs. SF revenues correspondingly increase.
	SF	Transportation	\$172,770	\$0	\$0	\$0	\$0	
SB 246/HB 499	Criminal Procedure – Cell Site Simulator (Ch. 223/Ch. 222)							
	GF	Judiciary	increase	increase	increase	increase	increase	Minimal compliance costs.
SB 282/HB 362	Maryland National Guard – Tuition Assistance Program – Modifications (Ch. 181/Ch. 180)							
	GF	Military Dept.	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	Included in FY 2021 budget.
SB 305	Public Safety – Crisis Intervention Team Center of Excellence (Ch. 547)							
	GF	Gov. Office of Crime Prevention, Youth, & Victim Services	\$182,991	\$216,505	\$221,559	\$229,231	\$237,172	
SB 307/HB 415	Higher Education – Maryland Community College Promise Scholarship – Revisions (Ch. 201/Ch. 200)							
	GF	Higher Education Commission	\$52,000	\$0	\$0	\$0	\$0	

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>Comments</u>
SB 329/HB 187	Public Institutions of Higher Education – Outbreak Response Plan (Olivia’s Law) (Ch. 99/Ch. 98)							
	HE	All or Multiple Agencies	increase	increase	increase	increase	increase	Potential significant planning and implementation costs.
SB 334/HB 455	Health Insurance – Mental Health Benefits and Substance Use Disorder Benefits – Reports on Nonquantitative Treatment Limitations and Data (Ch. 212/Ch. 211)							
	SF	Insurance Administration	\$0	\$55,095	\$51,522	\$53,168	\$54,868	
SB 344	University System of Maryland – Academic Facilities Bonding Authority (Ch. 550)							
	BOND	Univ. Sys. Of Maryland	\$32,000,000	\$0	\$0	\$0	\$0	Anticipated in FY 2021 budget. Bond revenues correspondingly increase.
	HE	Univ. Sys. Of Maryland	\$0	\$2,700,000	\$2,700,000	\$2,700,000	\$2,700,000	
SB 363/HB 421	State Government – Open Meetings – Requirements and Application of Open Meetings Act (Maryland State Agency Transparency Act) (Ch. 203/Ch. 202)							
	NB	Transportation	\$5,000	\$0	\$0	\$0	\$0	
	NB	Stadium Authority	\$7,500	\$0	\$0	\$0	\$0	
	SF	Public Safety & Correctional Services	\$7,500	\$0	\$0	\$0	\$0	
SB 397	Sales and Use Tax and Personal Property Tax – Exemptions – Data Centers (Ch. 640)							
	GF	Comptroller	\$101,300	\$0	\$0	\$0	\$0	
SB 420/HB 619	Environment – Use of Fire-Fighting Foam and PFAS Chemicals (Ch. 277/Ch. 276)							
	GF	Environment	\$46,635	\$49,400	\$10,739	\$0	\$0	
SB 442	Minority Business Enterprise Program – Public-Private Partnerships, Offshore Wind Projects, and Video Lottery Terminals (Ch. 553)							
	SF	Transportation	\$75,000	\$0	\$150,000	\$0	\$0	

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>Comments</u>
SB 455/HB 547	Health – Maryland Children’s Service Animal Program – Establishment (Ch. 248/Ch. 247)							
	GF	Health	\$26,096	increase	\$0	\$0	\$0	Potential administrative costs.
	SF	Health	\$36,096	\$9,990	increase	increase	increase	SF revenues correspondingly increase in FY 2021. Potential significant additional program costs.
SB 477/HB 1462	Public Health – Emergency Use Auto-Injectable Epinephrine Program – Revisions (Ch. 479/Ch. 478)							
	GF	Health	\$117,846	\$49,079	\$50,127	\$51,888	\$53,712	
SB 501/HB 998	Maryland Loan Assistance Repayment Program for Physicians and Physician Assistants – Administration and Funding (Ch. 403/Ch. 402)							
	GF	Health	\$143,145	\$37,301	\$38,019	\$39,369	\$40,767	
	SF	Health	\$400,000	\$1,000,000	\$400,000	\$400,000	\$400,000	SF revenues correspondingly increase in most years.
	SF	Higher Education Commission	(\$400,000)	(\$400,000)	(\$400,000)	(\$400,000)	(\$400,000)	SF revenues correspondingly decrease.
SB 502/HB 1208	Telehealth – Mental Health and Chronic Condition Management Services – Coverage and Pilot Program (Ch. 18/Ch. 17)							
	GF/FF	Health	increase	increase	increase	increase	increase	Potential significant Medicaid expenditures beginning in FY 2020. FF matching revenues correspondingly increase with FF expenditures.
SB 504	Office of the Attorney General – Special Education Ombudsman (Ch. 562)							
	GF	Attorney General’s Office	\$260,992	\$314,936	\$322,232	\$332,698	\$343,529	

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>Comments</u>
SB 523	Income Tax – Pass-Through Entities and Corporations (Ch. 641)							
	GF	Comptroller	\$226,163	\$99,666	\$101,785	\$105,339	\$109,019	
	SF	Transportation	decrease	decrease	decrease	decrease	decrease	Potential Transportation Trust Fund expenditures.
SB 530/HB 231	Housing Opportunities Made Equal Act (Ch. 117/Ch. 116)							
	GF	Comm. on Civil Rights	increase	increase	increase	increase	increase	Potential staffing costs.
SB 534/HB 637	Courts – Discovery – In-Custody Witness Testimony (Ch. 281/Ch. 282)							
	GF	Gov. Office of Crime Prevention, Youth, & Victim Services	\$366,467	\$79,124	\$81,003	\$83,803	\$86,701	
SB 583/HB 521	Maryland Small Business Innovation Research Technical Assistance Program – Establishment (Ch. 232/Ch. 231)							
	GF	TEDCO	\$460,000	\$460,000	\$460,000	\$460,000	\$460,000	
SB 584/HB 669	Health and Human Services Referral System – Modifications (Ch. 295/Ch. 294)							
	GF	Health	\$76,453	\$91,818	\$94,053	\$97,297	\$100,655	
SB 587/HB 588	State Police Retirement System and Law Enforcement Officers’ Pension System – Member Contributions (Ch. 266/Ch. 265)							
	FF	All or Multiple Agencies	\$0	\$46,000	\$52,000	\$54,000	\$56,000	
	GF	All or Multiple Agencies	\$0	\$138,000	\$156,000	\$162,000	\$168,000	
	SF	All or Multiple Agencies	\$0	\$46,000	\$52,000	\$54,000	\$56,000	
SB 603/HB 928	Public Service Commission – Electricity and Gas Suppliers – Training and Educational Program (Ch. 374/Ch. 373)							
	SF	Public Service Commission	\$235,805	\$65,185	\$65,949	\$67,356	\$68,813	SF revenues correspondingly increase.
SB 604/HB 617	Public and Nonpublic Schools – Medical Cannabis – Policy for Administration During School Hours and Events (Connor and Raina’s Law) (Ch. 625/Ch. 624)							
	SF	Health	\$75,664	\$0	\$0	\$0	\$0	

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>Comments</u>
SB 639	State Medical, Nursing, and Security Personnel – Compensation (Ch. 572)							
	GF	Health	\$4,653,043	\$4,699,573	\$4,831,161	\$4,995,421	\$5,165,265	
SB 661/HB 852	Health Insurance – Prostate Cancer Screening Services – Prohibiting Cost-Sharing (Ch. 344/Ch. 343)							
	SF	Insurance Administration	increase	\$0	\$0	\$0	\$0	Contractual support costs.
SB 693	State Personnel – Maryland Department of Health – Pay Rates and Staffing Requirements (Ch. 576)							
	GF	Health	\$10,119,051	\$25,774,242	\$26,495,920	\$27,396,782	\$28,328,272	
SB 751	Apprenticeship Start-Up Act of 2020 (Ch. 643)							
	GF	Labor	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	
SB 780/HB 1018	Labor and Employment – Economic Stabilization Act – Revisions (Ch. 407/Ch. 406)							
	GF	Labor	\$40,344	\$52,101	\$53,242	\$55,120	\$57,065	
SB 838/HB 934	Public Safety – 9-1-1 Emergency Telephone System (Ch. 376/Ch. 375)							
	SF	Public Safety & Correctional Services	\$400,130	\$120,000	\$120,000	\$120,000	\$120,000	
SB 843	Sales and Use Tax – Licensed Caterers – Exemption (Ch. 644)							
	GF	Comptroller	\$81,300	\$0	\$0	\$0	\$0	Likely duplicative of notification costs within Senate Bill 397.
SB 851	Human Services – Department of Disabilities – Accessibility Programs (Ch. 586)							
	SF	Disabilities	\$3,981,573	\$3,944,916	\$3,944,916	\$3,944,916	\$3,944,916	
	SF	Information Technology	(\$3,981,573)	(\$3,944,916)	(\$3,944,916)	(\$3,944,916)	(\$3,944,916)	
SB 911/HB 900	Alcohol and Tobacco Commission – Clarifications (Ch. 360/Ch. 359)							
	GF	Alcohol & Tobacco Commission	decrease	\$0	\$0	\$0	\$0	Delayed staffing and agency transfer costs.
SB 915/HB 978	Maryland Insurance Administration – Pharmacy Services Administrative Organizations – Regulation (Ch. 398/Ch. 399)							
	SF	Insurance Administration	\$37,015	\$134,750	\$135,255	\$139,777	\$144,458	

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>Comments</u>
SB 931/HB 652	Maryland Medical Assistance Program and Health Insurance – Specialty Drugs – Definition (Ch. 615/Ch. 614)							
	GF/FF	Health	increase	increase	increase	increase	increase	Potential Medicaid expenditures beginning in FY 2020. FF matching revenues correspondingly increase with FF expenditures.
SB 938/HB 1571	Hospitals – Changes in Status – Hospital Employee Retraining and Placement (Ch. 489/Ch. 490)							
	SF	Labor	increase	increase	increase	increase	\$0	Potential significant program costs.
SB 987	Racing and Community Development Act of 2020							
	BOND	Stadium Authority	\$0	increase	increase	increase	increase	Potential administrative costs.
	GF	Stadium Authority	\$0	\$0	\$0	\$5,000,000	\$5,135,000	
	SF	Labor	increase	increase	increase	increase	increase	Balance transfers to new special funds.
	SF	Stadium Authority	increase	\$16,997,575	\$16,996,486	\$16,996,838	\$16,998,069	Potential staffing costs beginning in FY 2021 (in addition to amount shown). SF revenues similarly increase beginning in FY 2022.
	SF	Lottery Agency	\$0	\$17,000,000	\$17,000,000	\$17,000,000	\$17,000,000	SF revenues similarly increase beginning in FY 2022.
SB 988/HB 781	Health Insurance – In Vitro Fertilization – Revisions (Ch. 325/Ch. 324)							
	GF/SF/FF	Budget & Management	increase	increase	increase	increase	increase	Potential significant employee health care costs.
	SF	Insurance Administration	increase	\$0	\$0	\$0	\$0	Contractual support costs.

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>Comments</u>
SB 1079	State Budget – Revenue Stabilization Account Transfers – Coronavirus (Ch. 12)							
	SF	All or Multiple Agencies	\$0	\$0	\$0	\$0	\$0	SF expenditures increase by up to \$50.0 million in FY 2020. SF revenues correspondingly increase.
SB 1080/HB 1663	State Government – State of Emergency and Catastrophic Health Emergency – Authority of Governor and Unemployment Insurance Benefits (COVID-19 Public Health Emergency Protection Act of 2020) (Ch. 13/Ch. 14)							
	FF	Health	increase	\$0	\$0	\$0	\$0	Potential significant Medicaid expenditures beginning in FY 2020. FF matching revenues correspondingly increase.
	GF	Health	increase	\$0	\$0	\$0	\$0	Potential significant public health costs and Medicaid expenditures beginning in FY 2020.
	GF/SF/FF	All or Multiple Agencies	increase	\$0	\$0	\$0	\$0	Potential reimbursement costs beginning in FY 2020.
	NB	Labor	increase	\$0	\$0	\$0	\$0	Potential significant unemployment insurance benefit payments beginning in FY 2020.
HB 6/SB 61	See entry for SB 61.							
HB 33	Criminal Law – Abuse or Neglect of a Vulnerable Adult – Causing Severe Emotional Distress (Ch. 34)							
	GF	Public Safety & Correctional Services	increase	increase	increase	increase	increase	Minimal incarceration costs.
HB 37/SB 145	See entry for SB 145.							

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>Comments</u>
HB 49	Criminal Procedure – Pretrial Release – Pretrial Risk Scoring Instruments (Ch. 41)							
	GF	Public Safety & Correctional Services	\$0	\$50,000	\$0	\$0	\$0	
HB 56	Chesapeake Bay Bridge – Reconstruction Advisory Group and Transportation Facilities Projects (Ch. 611)							
	NB	Transportation	\$64,000	\$64,000	\$64,000	\$64,000	\$64,000	NB expenditures also increase by \$8,000 in FY 2020.
HB 77/SB 60	See entry for SB 60.							
HB 116/SB 164	See entry for SB 164.							
HB 123	Labor and Employment – Wage History and Wage Range (Ch. 67)							
	GF	Labor	\$220,305	\$142,042	\$104,375	\$106,321	\$108,336	
HB 143/SB 219	See entry for SB 219.							
HB 171	Crimes Against Animals – Interference With Equines (Ch. 93)							
	GF	Public Safety & Correctional Services	decrease	decrease	decrease	decrease	decrease	Minimal incarceration costs.
HB 177	Environment – Water Infrastructure Assets – Authorization of Emergency Actions (Ch. 97)							
	SF	Treasurer	decrease	decrease	decrease	decrease	decrease	Potential claim payments.
HB 187/SB 329	See entry for SB 329.							
HB 206/SB 207	See entry for SB 207.							
HB 231/SB 530	See entry for SB 530.							
HB 233/SB 212	See entry for SB 212.							
HB 242/SB 206	See entry for SB 206.							

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Effect of the 2020 Legislative Program on the Financial Condition of the State

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>Comments</u>
HB 455/SB 334	See entry for SB 334.							
HB 465	Election Law – Campaign Material – Disclosure of the Use of Bots (Ch. 216)							
	GF	State Prosecutor	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000	GF expenditures also increase by \$7,000 in FY 2020.
HB 499/SB 246	See entry for SB 246.							
HB 512/SB 166	See entry for SB 166.							
HB 521/SB 583	See entry for SB 583.							
HB 547/SB 455	See entry for SB 455.							
HB 588/SB 587	See entry for SB 587.							
HB 596	Edward T. and Mary A. Conroy Memorial, Jean B. Cryor Memorial, and Veterans of the Afghanistan and Iraq Conflicts Scholarships – Alterations (Ch. 267)							
	GF	Higher Education Commission	\$811,000	\$750,000	\$750,000	\$750,000	\$750,000	\$750,000 included in FY 2021 budget.
HB 617/SB 604	See entry for SB 604.							
HB 619/SB 420	See entry for SB 420.							
HB 620	Baltimore-Washington International Thurgood Marshall Airport – Security Screening Checkpoint – Charitable Donations (Ch. 278)							
	SF	Transportation	increase	increase	increase	increase	increase	Minimal donation expenditures and equipment costs. SF revenues similarly increase.
HB 637/SB 534	See entry for SB 534.							

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Effect of the 2020 Legislative Program on the Financial Condition of the State

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>Comments</u>
HB 978/SB 915	See entry for SB 915.							
HB 998/SB 501	See entry for SB 501.							
HB 1017	Public Health – Cottage Food Product Labels – Identification Number (Ch. 405)							
	GF	Health	\$74,326	\$31,824	\$23,638	\$24,488	\$25,370	
HB 1018/SB 780	See entry for SB 780.							
HB 1026	Economic Development Programs – Data Collection, Tracking, and Reporting Requirements – Alteration (Ch. 408)							
	GF	Commerce	\$100,686	\$93,607	\$96,383	\$99,707	\$103,146	
HB 1083	Criminal Organizations – Penalties and Procedure (Ch. 422)							
	GF	Public Safety & Correctional Services	increase	increase	increase	increase	increase	Minimal incarceration costs.
HB 1100	Prescription Drug Affordability Board – Meetings, Legal Advisor, Reports, and Technical Changes (Ch. 425)							
	GF	Attorney General’s Office	\$105,931	\$97,179	\$99,565	\$102,997	\$106,548	
	SF	Health	decrease	decrease	decrease	decrease	decrease	Staffing costs.
HB 1120	Health Care Providers – Discrimination in Provision of Services (Ch. 428)							
	GF	Comm. on Civil Rights	increase	increase	increase	increase	increase	Potential staffing costs.
	GF	Health	increase	increase	increase	increase	increase	Potential staffing costs.
HB 1122	State Government – Protection of Personally Identifiable Information – Public Institutions of Higher Education (Ch. 429)							
	GF/HE	All or Multiple Agencies	increase	increase	increase	increase	increase	Despite the bill’s FY 2025 effective date, significant planning and implementation costs begin as early as FY 2021.

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>Comments</u>
HB 1150	State Health and Welfare Benefits Program – Maryland Competitive Pharmacy Benefits Manager Marketplace Act (Ch. 434)							
	GF/SF/FF	Budget & Management	indeterminate	indeterminate	indeterminate	indeterminate	indeterminate	Potential implementation costs may be fully offset by decrease in employee health care costs.
HB 1181	Property Tax – Tax Sales – Data Collection (Ch. 440)							
	GF	Assessments and Taxation	\$70,578	\$63,473	\$64,913	\$67,167	\$69,501	
HB 1208/SB 502	See entry for SB 502.							
HB 1222	State Board of Elections – Campaign Finance Enforcement and Compliance – New State Positions (Ch. 449)							
	GF	Election Board	\$161,565	\$146,401	\$149,830	\$155,017	\$160,386	
HB 1307	Pharmacy Benefits Managers – Credentialing and Reimbursement (Ch. 455)							
	SF	Insurance Administration	increase	\$0	\$0	\$0	\$0	Contractual support costs.
HB 1326	Sales and Use Tax – Exemption for Artificial Hearing Device Earmolds, Equipment, and Parts (Ch. 637)							
	GF	Comptroller	\$81,300	\$0	\$0	\$0	\$0	Likely duplicative of notification costs within Senate Bill 397.
HB 1363	Human Services – Two Generation Family Economic Security Commission (Ch. 460)							
	GF	Human Services	increase	increase	increase	increase	increase	Potential commission costs.
HB 1420	Hospitals - Financial Assistance Policies and Bill Collections (Ch. 470)							
	GF/FF	Health	increase	increase	increase	increase	increase	Potential significant Medicaid expenditures. FF matching revenues correspondingly increase with FF expenditures.
	SF	Health	\$372,513	\$86,809	\$88,903	\$91,973	\$95,149	

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>Comments</u>
HB 1462/SB 477	See entry for SB 477.							
HB 1510	Income Tax – Subtraction Modification – Rental Subsidy Under the Howard County “Live Where You Work” Program Ho. Co. 20-20 (Ch. 482)							
	GF	Comptroller	\$56,000	\$0	\$0	\$0	\$0	
HB 1571/SB 938	See entry for SB 938.							
HB 1629	Office of the Attorney General – Firearm Crime, Injuries, Fatalities, and Crime Firearms – Study (Ch. 491)							
	GF	Attorney General’s Office	\$200,000	\$0	\$0	\$0	\$0	Included in FY 2021 budget.
HB 1663/SB 1080	See entry for SB 1080.							

Quantifiable Expenditures by Agency

<u>Agency</u>	<u>Fund</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>
Agriculture						
	GF	(\$5,485,062)	\$0	\$2,131,250	\$1,161,020	\$0
	SF	(\$11,940,354)	\$0	\$2,131,250	\$1,161,020	\$0
All or Multiple Agencies						
	GF	(\$50,000,000)	\$138,000	\$2,086,000	\$2,182,000	\$2,268,000
	SF	(\$62,000,000)	\$46,000	\$232,000	\$244,000	\$256,000
	FF	\$0	\$46,000	\$232,000	\$244,000	\$256,000
Assessments & Taxation						
	GF	\$70,578	\$63,473	\$64,913	\$67,167	\$69,501
Attorney General's Office						
	GF	\$566,923	\$412,115	\$421,797	\$435,695	\$450,077
Comptroller						
	GF	(\$317,263,109)	(\$33,104,289)	(\$33,098,587)	(\$33,090,418)	(\$33,082,610)
	SF	(\$33,333,333)	(\$33,333,333)	(\$33,333,333)	(\$33,333,333)	(\$33,333,333)
Department of Commerce						
	GF	\$100,686	\$93,607	\$96,383	\$99,707	\$103,146
Department of Information Technology						
	SF	(\$3,981,573)	(\$3,944,916)	(\$3,944,916)	(\$3,944,916)	(\$3,944,916)
Disabilities						
	GF	\$86,084	\$104,116	\$106,662	\$110,295	\$114,053
	SF	\$3,981,573	\$3,944,916	\$3,944,916	\$3,944,916	\$3,944,916
Education						
	GF	(\$21,949,569)	(\$22,049,569)	(\$22,049,569)	(\$22,049,569)	(\$22,049,569)
	REIM	(\$1,800,000)	(\$1,800,000)	(\$1,800,000)	(\$1,800,000)	(\$1,800,000)

Quantifiable Expenditures by Agency (Continued)

<u>Agency</u>	<u>Fund</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>
Election Board						
	GF	\$237,065	\$166,901	\$203,830	\$187,017	\$240,886
Emergency Management Agency						
	GF	\$0	\$0	\$160,785	\$156,232	\$161,642
Environment						
	GF	\$46,635	\$49,400	\$10,739	\$0	\$0
Governor's Office of Crime Prevention, Youth, and Victim Services						
	GF	\$22,349,027	\$22,095,198	\$22,102,131	\$22,362,603	\$22,373,442
	REIM	\$1,800,000	\$1,800,000	\$1,800,000	\$1,800,000	\$1,800,000
Higher Education Commission						
	GF	(\$20,572,089)	\$750,000	\$750,000	\$750,000	\$750,000
	SF	\$0	(\$400,000)	(\$400,000)	(\$400,000)	(\$400,000)
Housing & Community Development						
	GF	\$20,000	\$0	\$0	\$0	\$0
	SF	(\$1,200)	(\$1,200)	(\$1,200)	(\$1,200)	(\$1,200)
Human Services						
	GF	\$355,469	\$323,808	\$331,220	\$342,325	\$353,818
Insurance Administration						
	SF	\$37,015	\$189,845	\$186,777	\$192,945	\$199,326
Judiciary						
	GF	\$1,753,024	(\$12,954,860)	(\$12,916,363)	(\$12,856,506)	(\$12,794,542)
	SF	\$0	\$14,641,321	\$14,641,321	\$14,641,321	\$14,641,321

Quantifiable Expenditures by Agency (Continued)

<u>Agency</u>	<u>Fund</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>
Labor						
	GF	\$760,649	\$694,143	\$657,617	\$661,441	\$665,401
	SF	\$145,644	\$174,535	\$238,238	\$259,801	\$268,428
Lottery Agency						
	SF	\$0	\$17,000,000	\$17,000,000	\$17,000,000	\$17,000,000
Maryland Department of Health						
	GF	\$4,611,855	(\$4,971,311)	(\$28,370,204)	(\$52,304,853)	(\$76,183,377)
	SF	\$11,634,273	\$36,846,799	\$60,488,903	\$85,491,973	\$110,495,149
MHBE						
	SF	(\$3,500,000)	\$0	\$0	\$0	\$0
Military Department						
	GF	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000
Natural Resources						
	GF	(\$32,685,387)	\$0	\$10,368,750	\$5,648,479	\$2,000,000
	SF	(\$70,091,045)	\$0	\$10,368,750	\$5,648,479	\$2,000,000
Other (MARBIDCO)						
	GF	\$0	(\$140,000)	(\$140,000)	(\$140,000)	\$2,375,000
Public Safety & Correctional Services						
	GF	(\$1,300,000)	(\$1,250,000)	(\$1,300,000)	(\$1,300,000)	(\$1,300,000)
	SF	\$1,807,630	\$1,520,000	\$1,420,000	\$1,420,000	\$1,420,000
Public Service Commission						
	SF	\$235,805	\$65,185	\$65,949	\$67,356	\$68,813

Quantifiable Expenditures by Agency (Continued)

<u>Agency</u>	<u>Fund</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>
Stadium Authority						
	GF	\$0	\$0	\$0	\$5,000,000	\$5,135,000
	NB	\$7,500	\$0	\$0	\$0	\$0
	SF	\$0	\$16,997,575	\$16,996,486	\$16,996,838	\$16,998,069
State Prosecutor						
	GF	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000
TEDCO						
	GF	\$460,000	\$460,000	\$460,000	\$460,000	\$460,000
Transportation						
	SF	\$367,770	\$0	\$150,000	\$0	\$0
	NB	\$69,000	\$64,000	\$64,000	\$64,000	\$64,000
University System of Maryland						
	HE	\$0	\$2,700,000	\$2,700,000	\$2,700,000	\$2,700,000
	BOND	\$32,000,000	\$0	\$0	\$0	\$0
Veterans Affairs						
	SF	\$22,500	\$10,000	\$10,000	\$10,000	\$10,000

Totals by Fund Type/Summary of Quantifiable Expenditure Effects

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<u>Fund Type</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>
GF	(\$417,430,221)	(\$48,712,268)	(\$57,515,646)	(\$81,710,365)	(\$107,123,132)
SF	(\$166,615,295)	\$53,756,727	\$90,195,141	\$109,399,200	\$129,622,573
FF	\$0	\$46,000	\$232,000	\$244,000	\$256,000
BOND	\$32,000,000	\$0	\$0	\$0	\$0
HE	\$0	\$2,700,000	\$2,700,000	\$2,700,000	\$2,700,000
NB	\$76,500	\$64,000	\$64,000	\$64,000	\$64,000

Effect of the 2020 Legislative Program on the Financial Conditions of the State

Quantifiable Regular Positions Needed by Agency

<u>Agency</u>	<u>Fund</u>	<u>Beginning in FY 2021</u>	<u>Beginning in FY 2022</u>
Attorney General's Office	GF	3.5	0
Comptroller ¹	GF	2.0	0
Department of Commerce	GF	1.0	0
Department of Information Technology	SF	(6.0)	0
Disabilities	GF	1.0	0
	SF	6.0	0
Election Board	GF	2.0	0
Governor's Office of Crime Prevention, Youth, and Victim Services	GF	4.0	0
Human Services	GF	12.0	0
Insurance Administration	SF	1.0	1.0
Judiciary	GF	26.0	0
Labor	GF	1.0	0
	SF	4.0	0
Maryland Department of Health	GF	3.0	(0.75)
	SF	1.0	0
	GF/SF	0.5	(0.5)
Other (Prescription Drug Advisory Board)	SF	(1.0)	0

Quantifiable Regular Positions Needed by Agency (Continued)

<u>Agency</u>	<u>Fund</u>	<u>Beginning in FY 2021</u>	<u>Beginning in FY 2022</u>
Public Services Commission	SF	0.5	0
State Department of Assessments and Taxation	GF	1.0	0
Total²		62.5	(0.25)

¹ In addition, two positions associated with Senate Bill 61/House Bill 6 are assumed to begin in FY 2020.

² The 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 reliably 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>
Environment	GF	1.0	0
Insurance Administration	SF	0	1.0
Labor	GF	1.5	(0.5)
Maryland Department of Health	GF	2.0	(2.0)
	SF	1.0	(1.0)
Total¹		5.5	(2.5)

¹ The 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 \$8.5 billion in fiscal 2021, representing a \$310.5 million, or 3.8%, increase over fiscal 2020. Direct aid will increase by \$329.0 million, and State funding for retirement payments will decrease by \$18.5 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 2020 and 2021.

Exhibit 4.1
State Aid to Local Governments
Fiscal 2020-2021
(\$ in Millions)

	<u>2020</u>	<u>2021</u>	<u>Difference</u>	<u>% Difference</u>
Public Schools	\$6,236.1	\$6,466.4	\$230.3	3.7%
Libraries	62.3	63.6	1.3	2.1%
Community Colleges	285.0	321.8	36.8	12.9%
Local Health	59.1	60.0	0.9	1.6%
County/Municipal	709.9	769.6	59.6	8.4%
Subtotal – Direct Aid	\$7,352.5	\$7,681.5	\$329.0	4.5%
Retirement Payments	\$834.4	\$815.9	-\$18.5	-2.2%
Total	\$8,186.9	\$8,497.4	\$310.5	3.8%

Source: Department of Legislative Services

House Bill 1300 (passed), the Blueprint for Maryland’s Future – Implementation, substantially alters State aid and State policy for public schools. Policy and accountability recommendations of the Commission on Innovation and Excellence in Education are established in law. Funding for existing education formulas is altered and new funding formulas are established. Other grants and programs are also established, repealed, and altered. Local government school funding requirements are also altered. On May 7, 2020, the Governor vetoed the bill due to concerns regarding the economic challenges resulting from the COVID-19 pandemic.

Changes by Program

State aid for Baltimore City and all counties increases in fiscal 2021. **Exhibit 4.2** summarizes the distribution of direct aid by governmental unit and shows the estimated State retirement payments for local government employees. **Exhibit 4.3** shows total State aid in fiscal 2020 and 2021 by program. A more detailed discussion of the changes in State aid in fiscal 2021 follows the exhibits.

Exhibit 4.2
State Aid to Local Governments
Fiscal 2021 Legislative Appropriation
(\$ in Thousands)

County	County – Municipal	Community Colleges	<i>Direct State Aid</i>				Retirement	Total	Change Over FY 2020	Percent Change
			Public Schools	Libraries	Health	Subtotal				
Allegany	\$16,596	\$7,628	\$88,244	\$859	\$2,024	\$115,351	\$8,417	\$123,768	\$1,668	1.4%
Anne Arundel	47,012	36,294	413,693	2,516	4,792	504,306	69,621	573,927	21,206	3.8%
Baltimore City	297,842	0	910,178	9,549	8,747	1,226,316	63,039	1,289,355	3,881	0.3%
Baltimore	27,130	52,400	753,241	6,541	5,770	845,083	102,059	947,142	36,020	4.0%
Calvert	5,612	3,083	92,218	546	862	102,320	14,262	116,582	1,322	1.1%
Caroline	6,365	2,022	63,484	345	1,001	73,218	4,922	78,140	2,151	2.8%
Carroll	6,955	10,153	142,138	1,107	2,265	162,617	21,628	184,245	3,657	2.0%
Cecil	10,154	7,370	112,343	890	1,591	132,347	14,240	146,587	1,603	1.1%
Charles	4,811	10,105	201,601	1,211	2,001	219,728	23,039	242,767	3,323	1.4%
Dorchester	7,209	1,383	49,571	317	957	59,437	3,963	63,400	2,286	3.7%
Frederick	10,897	14,012	278,251	1,623	2,663	307,446	35,791	343,237	13,233	4.0%
Garrett	6,581	4,498	23,564	176	975	35,793	3,417	39,210	1,005	2.6%
Harford	8,575	14,801	232,898	1,820	3,005	261,098	31,083	292,182	8,254	2.9%
Howard	8,874	25,028	292,353	1,062	2,268	329,585	62,449	392,033	12,076	3.2%
Kent	1,435	562	10,279	111	936	13,324	1,836	15,160	30	0.2%
Montgomery	33,490	56,452	802,044	3,459	4,223	899,667	170,961	1,070,628	38,227	3.7%
Prince George's	111,091	39,288	1,269,872	7,641	6,819	1,434,712	119,406	1,554,118	58,255	3.9%
Queen Anne's	2,365	2,377	37,853	206	835	43,635	6,368	50,003	1,204	2.5%
St. Mary's	3,521	3,577	115,950	841	1,316	125,206	13,892	139,098	1,496	1.1%
Somerset	8,390	1,193	36,317	321	886	47,106	2,995	50,101	1,714	3.5%
Talbot	2,973	2,154	16,415	121	668	22,331	3,928	26,259	1,485	6.0%
Washington	14,184	11,668	198,105	1,460	2,508	227,924	18,241	246,165	11,610	4.9%
Wicomico	18,114	6,676	165,490	1,166	1,820	193,267	12,958	206,225	6,504	3.3%
Worcester	8,355	2,609	21,299	170	1,115	33,547	7,396	40,944	581	1.4%
Unallocated	101,029	6,506	139,028	19,535	0	266,099	0	266,099	77,683	41.2%
Total	\$769,559	\$321,839	\$6,466,428	\$63,593	\$60,044	\$7,681,462	\$815,913	\$8,497,375	\$310,475	3.8%

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

Exhibit 4.2 (Cont.)
State Aid to Local Governments
Fiscal 2020 Working Appropriation
(\$ in Thousands)

County	<i>Direct State Aid</i>						Retirement	Total
	County – Municipal	Community Colleges	Public Schools	Libraries	Health	Subtotal		
Allegany	\$16,615	\$6,594	\$87,303	\$840	\$1,997	\$113,350	\$8,750	\$122,100
Anne Arundel	46,564	31,777	396,775	2,432	4,714	482,262	70,459	552,721
Baltimore City	294,678	0	908,042	9,501	8,593	1,220,815	64,659	1,285,474
Baltimore	26,927	45,505	725,008	6,407	5,668	809,515	101,607	911,122
Calvert	5,809	2,809	90,655	515	851	100,638	14,621	115,260
Caroline	6,202	1,789	61,582	334	988	70,895	5,094	75,989
Carroll	6,814	9,158	139,256	1,069	2,234	158,531	22,056	180,587
Cecil	9,727	6,822	111,618	867	1,570	130,604	14,380	144,985
Charles	4,698	9,373	198,743	1,163	1,974	215,950	23,494	239,444
Dorchester	5,589	1,203	48,930	309	945	56,976	4,138	61,113
Frederick	10,497	12,352	267,090	1,563	2,625	294,128	35,876	330,004
Garrett	6,441	4,124	22,960	169	963	34,656	3,549	38,205
Harford	8,399	12,660	226,122	1,749	2,962	251,891	32,037	283,928
Howard	8,725	21,773	281,169	1,028	2,236	314,930	65,027	379,957
Kent	1,406	555	10,266	105	926	13,259	1,871	15,130
Montgomery	33,201	52,380	762,967	3,388	4,148	856,085	176,317	1,032,401
Prince George's	110,228	33,404	1,215,084	7,628	6,701	1,373,045	122,819	1,495,863
Queen Anne's	2,332	2,180	36,733	192	824	42,261	6,538	48,799
St. Mary's	3,431	3,315	114,348	807	1,296	123,197	14,405	137,602
Somerset	7,861	911	35,379	314	875	45,340	3,048	48,388
Talbot	2,928	1,825	15,410	119	659	20,940	3,833	24,773
Washington	8,405	9,838	193,513	1,417	2,474	215,647	18,908	234,555
Wicomico	16,352	5,905	161,135	1,132	1,796	186,320	13,401	199,722
Worcester	8,263	2,410	20,912	165	1,102	32,851	7,512	40,363
Unallocated	57,817	6,375	105,127	19,097	0	188,415	0	188,415
Total	\$709,909	\$285,038	\$6,236,127	\$62,308	\$59,119	\$7,352,500	\$834,400	\$8,186,900

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

Exhibit 4.2 (Cont.)
State Aid to Local Governments
Dollar Difference Between Fiscal 2021 Legislative Appropriation and Fiscal 2020 Working Appropriation
(\$ in Thousands)

County	<i>Direct State Aid</i>						Retirement	Total
	County – Municipal	Community Colleges	Public Schools	Libraries	Health	Subtotal		
Allegany	-\$19	\$1,034	\$940	\$19	\$26	\$2,001	-\$332	\$1,668
Anne Arundel	447	4,517	16,918	84	78	22,044	-838	21,206
Baltimore City	3,164	0	2,136	48	154	5,502	-1,620	3,881
Baltimore	204	6,896	28,233	134	101	35,568	452	36,020
Calvert	-197	274	1,563	31	11	1,682	-360	1,322
Caroline	164	233	1,902	10	14	2,323	-172	2,151
Carroll	141	995	2,881	38	31	4,086	-428	3,657
Cecil	426	548	725	23	21	1,743	-140	1,603
Charles	113	732	2,858	48	27	3,778	-455	3,323
Dorchester	1,620	180	641	9	12	2,461	-175	2,286
Frederick	400	1,660	11,161	60	38	13,318	-85	13,233
Garrett	140	374	604	7	12	1,136	-131	1,005
Harford	176	2,141	6,776	72	43	9,207	-954	8,254
Howard	149	3,255	11,184	34	32	14,655	-2,579	12,076
Kent	29	7	13	6	10	65	-35	30
Montgomery	289	4,071	39,077	71	74	43,583	-5,356	38,227
Prince George's	862	5,884	54,788	13	118	61,667	-3,412	58,255
Queen Anne's	32	197	1,120	14	11	1,374	-170	1,204
St. Mary's	91	262	1,602	34	20	2,009	-513	1,496
Somerset	529	282	938	7	11	1,766	-53	1,714
Talbot	45	329	1,005	3	9	1,391	94	1,485
Washington	5,779	1,830	4,592	43	34	12,277	-667	11,610
Wicomico	1,762	771	4,355	34	24	6,947	-443	6,504
Worcester	92	199	387	5	13	696	-115	581
Unallocated	43,213	131	33,901	439	0	77,683	0	77,683
Total	\$59,650	\$36,801	\$230,301	\$1,286	\$925	\$328,962	-\$18,487	\$310,475

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

Exhibit 4.2 (Cont.)
State Aid to Local Governments
Percent Change: Fiscal 2021 Legislative Appropriation over Fiscal 2020 Working Appropriation

County	Direct State Aid						Retirement	Total
	County – Municipal	Community Colleges	Public Schools	Libraries	Health	Subtotal		
Allegany	-0.1%	15.7%	1.1%	2.3%	1.3%	1.8%	-3.8%	1.4%
Anne Arundel	1.0%	14.2%	4.3%	3.5%	1.7%	4.6%	-1.2%	3.8%
Baltimore City	1.1%	n/a	0.2%	0.5%	1.8%	0.5%	-2.5%	0.3%
Baltimore	0.8%	15.2%	3.9%	2.1%	1.8%	4.4%	0.4%	4.0%
Calvert	-3.4%	9.8%	1.7%	6.0%	1.3%	1.7%	-2.5%	1.1%
Caroline	2.6%	13.0%	3.1%	3.0%	1.4%	3.3%	-3.4%	2.8%
Carroll	2.1%	10.9%	2.1%	3.5%	1.4%	2.6%	-1.9%	2.0%
Cecil	4.4%	8.0%	0.6%	2.6%	1.3%	1.3%	-1.0%	1.1%
Charles	2.4%	7.8%	1.4%	4.1%	1.4%	1.7%	-1.9%	1.4%
Dorchester	29.0%	15.0%	1.3%	2.8%	1.2%	4.3%	-4.2%	3.7%
Frederick	3.8%	13.4%	4.2%	3.8%	1.4%	4.5%	-0.2%	4.0%
Garrett	2.2%	9.1%	2.6%	4.4%	1.2%	3.3%	-3.7%	2.6%
Harford	2.1%	16.9%	3.0%	4.1%	1.5%	3.7%	-3.0%	2.9%
Howard	1.7%	14.9%	4.0%	3.4%	1.4%	4.7%	-4.0%	3.2%
Kent	2.0%	1.3%	0.1%	5.9%	1.1%	0.5%	-1.9%	0.2%
Montgomery	0.9%	7.8%	5.1%	2.1%	1.8%	5.1%	-3.0%	3.7%
Prince George's	0.8%	17.6%	4.5%	0.2%	1.8%	4.5%	-2.8%	3.9%
Queen Anne's	1.4%	9.0%	3.0%	7.3%	1.3%	3.3%	-2.6%	2.5%
St. Mary's	2.6%	7.9%	1.4%	4.3%	1.5%	1.6%	-3.6%	1.1%
Somerset	6.7%	30.9%	2.7%	2.3%	1.2%	3.9%	-1.7%	3.5%
Talbot	1.5%	18.0%	6.5%	2.3%	1.4%	6.6%	2.5%	6.0%
Washington	68.8%	18.6%	2.4%	3.0%	1.4%	5.7%	-3.5%	4.9%
Wicomico	10.8%	13.1%	2.7%	3.0%	1.4%	3.7%	-3.3%	3.3%
Worcester	1.1%	8.3%	1.8%	3.0%	1.2%	2.1%	-1.5%	1.4%
Unallocated	74.7%	2.1%	32.2%	2.3%	n/a	41.2%	-100.0%	41.2%
Total	8.4%	12.9%	3.7%	2.1%	1.6%	4.5%	-2.2%	3.8%

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

Exhibit 4.3
Total State Aid to Local Governments
Fiscal 2020-2021

<u>Program</u>	<u>2020</u>	<u>2021</u>	<u>Difference</u>
Foundation Aid	\$3,140,366,550	\$3,218,368,959	\$78,002,409
Supplemental Program	46,620,083	46,620,083	0
Geographic Cost of Education Index	145,450,405	149,532,468	4,082,063
Net Taxable Income Education Grant	65,300,825	69,732,482	4,431,657
Tax Increment Financing Education Grants	1,036,180	1,312,728	276,548
Foundation – Special Grants	11,931,278	9,487,532	-2,443,746
Declining Enrollment Education Grants	18,895,647	7,633,437	-11,262,210
Compensatory Education	1,330,428,825	1,364,738,738	34,309,913
Student Transportation – Regular	275,737,654	282,192,610	6,454,956
Student Transportation – Special Education	27,307,000	27,994,000	687,000
Special Education – Formula	303,250,297	314,871,453	11,621,156
Special Education – Nonpublic Placements	123,470,000	123,899,400	429,400
Special Education – Infants and Toddlers	10,389,104	10,389,104	0
Limited English Proficiency Grants	311,079,529	348,240,587	37,161,058
Guaranteed Tax Base	43,684,957	41,232,314	-2,452,643
Prekindergarten Expansion Program	26,644,000	72,202,350	45,558,350
Prekindergarten Supplemental Grants	21,131,425	0	-21,131,425
School Safety Grants	16,630,295	10,600,000	-6,030,295
Kirwan – Concentration of Poverty	48,522,435	65,194,246	16,671,811
Kirwan – Mental Health Coordinators	2,000,000	2,000,000	0
Kirwan – Prekindergarten	31,677,733	64,032,481	32,354,748
Kirwan – Special Education	65,468,589	65,468,589	0
Kirwan – Teacher Salary Incentives	75,000,001	75,000,001	0
Kirwan – Transitional Supplemental Instruction	23,000,000	23,000,000	0
Food Service	12,996,664	14,086,664	1,090,000
SEED School	10,715,642	10,844,230	128,588
Judy Hoyer Centers	10,575,000	10,575,000	0
Teacher Development	4,520,000	4,520,000	0
Next Generation Scholars	5,000,000	5,000,000	0
Public School Opportunities	3,000,000	3,000,000	0
Out-of-county Foster Placements	2,000,000	1,900,000	-100,000
Head Start	3,000,000	3,000,000	0
Other Education Aid	19,296,727	19,758,503	461,776
Total Primary and Secondary Education	\$6,236,126,845	\$6,466,427,959	\$230,301,114
Library Formula	\$43,211,040	\$44,058,137	\$847,097
Library Network	19,096,631	19,535,167	438,536
Total Libraries	\$62,307,671	\$63,593,304	\$1,285,633

<u>Program</u>	<u>2020</u>	<u>2021</u>	<u>Difference</u>
Community College Formula	\$249,720,042	\$286,113,142	\$36,393,100
Optional Retirement	17,000,000	17,000,000	0
Grants for ESOL Programs	5,223,910	4,918,896	-305,014
Small College Grants	6,118,140	6,700,589	582,449
Other Community College Aid	6,975,430	7,106,162	130,732
Total Community Colleges	\$285,037,522	\$321,838,789	\$36,801,267
Highway User Revenue	\$255,931,515	\$264,193,665	\$8,262,150
Elderly and Disabled Transportation Aid	4,305,908	4,305,908	0
Paratransit Grants	1,508,450	1,508,450	0
Total Transportation	\$261,745,873	\$270,008,023	\$8,262,150
Police Aid	\$74,848,737	\$74,518,472	-\$330,265
Fire and Rescue Aid	15,000,000	15,000,000	0
9-1-1 Grants	14,400,000	58,042,886	43,642,886
Baltimore City Direct Police Grant	9,180,113	9,180,113	0
Baltimore City Technology Improvements	4,600,000	0	-4,600,000
Safe Streets Program	3,600,000	3,600,000	0
State's Attorney Grants	3,478,839	3,228,839	-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	5,789,746	5,789,746	0
Police Recruitment and Retention	3,000,000	3,000,000	0
Rape Kit Testing Grant Fund	3,500,000	0	-3,500,000
Other Public Safety Aid	5,436,509	6,186,509	750,000
Total Public Safety	\$148,227,063	\$183,939,684	\$35,712,621
Wastewater Treatment – Nutrient Removal	\$7,000,000	\$8,000,000	1,000,000
Critical Area Grants	175,500	175,500	0
Total Recreation/Environment	\$7,175,500	\$8,175,500	\$1,000,000
Local Health Formula	\$59,119,375	\$60,043,926	\$924,551
Disparity Grant	\$146,172,853	\$158,321,523	\$12,148,670
Gaming Impact Grants	\$93,745,698	\$95,009,377	1,263,679
Teachers Retirement Supplemental Grants	27,658,661	27,658,661	0
Adult Education	8,011,986	8,011,986	0
Statewide Voting Systems	3,123,036	3,442,793	319,757
Revenue Equity Program	3,543,430	3,593,152	49,722
Payments in Lieu of Taxes (PILOT)	1,664,051	1,818,870	154,819
PILOT – Park Service	2,300,000	2,300,000	0
PILOT – Forest Service	144,708	144,708	0
Instant Bingo	2,631,588	2,370,000	-261,588
Behavioral Health Crisis Response	3,000,000	4,000,000	1,000,000
Senior Citizens Activities Center	764,238	764,238	0
Total Other Direct Aid	\$146,587,396	\$149,113,785	\$2,526,389
Total Direct Aid	\$7,352,500,098	\$7,681,462,493	\$328,962,395

<u>Program</u>	<u>2020</u>	<u>2021</u>	<u>Difference</u>
Retirement – Teachers	\$767,888,790	\$750,289,290	-\$17,599,500
Retirement – Libraries	20,878,222	20,245,183	-633,039
Retirement – Community Colleges	45,632,754	45,378,132	-254,622
Total Payments-in-behalf	\$834,399,766	\$815,912,605	-\$18,487,161
Total State Aid	\$8,186,899,864	\$8,497,375,098	\$310,475,234

ESOL: English for Speakers of Other Languages

Kirwan: Commission on Innovation and Excellence in Education

SEED: School of Education Evaluation and Development

Primary and Secondary Education

Several of the education funding formulas and grant programs as described below were impacted by **House Bill 1300**. As noted above, the Governor vetoed the bill due to concerns regarding the economic challenges resulting from the COVID-19 pandemic.

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. State aid under the foundation program will total \$3.2 billion in fiscal 2021, a \$78.0 million, or 2.5%, increase from the prior year. The increase is attributable to a statewide enrollment growth of 1.3% and a 1.2% inflationary increase in the per pupil foundation amount, from \$7,244 to \$7,331. The 1.2% 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 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%. **House Bill 1300** specifies per pupil funding increases for fiscal 2022 through 2033. In addition, \$46.6 million in supplemental grants will be provided to nine local school systems in fiscal 2021. The fiscal 2021 budget also includes a total of \$9.5 million in discretionary foundation funding, with most (\$7.7 million) of this additional funding allocated to Baltimore City.

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 2021, receiving a total increase of \$4.1 million, or 2.8%, over the prior year. Fiscal 2021 funding totals \$149.5 million. Under **House Bill 1300**, GCEI funding is repealed after fiscal 2023 and replaced by Comparable Wage Index funding in fiscal 2024.

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 2021 funding of NTI grants totals \$69.7 million, a \$4.4 million, or 6.8%, increase compared to fiscal 2020. NTI grants are repealed beginning in fiscal 2022, under **House Bill 1300**.

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 \$1.3 million in fiscal 2021 benefit Baltimore City and Prince George's County. Under **House Bill 1300**, tax increment financing grants are repealed. However, specified tax increment wealth is subtracted within the definition of local wealth used for education funding formulas.

Declining Enrollment Grants: Chapters 6 and 607 of 2017 created grants in fiscal 2018 through 2020 for local school systems with declining enrollment. Chapter 771 of 2019 extended this program into fiscal 2021. 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. Nine local school systems qualify for this grant in fiscal 2021, totaling \$7.6 million. The majority of this funding (\$5.0 million) is for Baltimore City.

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 \$41.2 million in fiscal 2021, a decrease of \$2.5 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 \$1.4 billion in fiscal 2021. The \$34.3 million increase in fiscal 2021 is based on modest increases in both inflation and student counts. Currently, 42% of students statewide qualify for compensatory education funding. **House Bill 1300** alters per pupil funding beginning in fiscal 2022 and specifies future changes to the enrollment count for the program.

Concentration of Poverty School Grant Program: This program 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 \$65.2 million in fiscal 2021, an increase of \$16.7 million over fiscal 2020. **House Bill 1300** alters the program and extends the program indefinitely.

Transitional Supplemental Instruction: This program provides additional academic support using evidence-based programs and strategies that meet the expectations of strong or moderate evidence as defined in the federal Every Student Succeeds Act. In fiscal 2020 and 2021, the State must distribute to local boards of education funds totaling \$23.0 million. Transitional supplemental instruction includes one-on-one and small-group tutoring with a certified teacher, a teaching assistant, or any other trained professional; cross-age peer tutoring; and screening, identifying, and addressing literacy deficits. Struggling learners are students who perform below grade level in English/language arts or reading in kindergarten through grade 3. The program is extended and enhanced under **House Bill 1300** through fiscal 2024, but funding phases downward in fiscal 2025 and 2026 and is repealed after fiscal 2026.

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. State formula funding for public special education programs will total \$314.9 million in fiscal 2021, an \$11.6 million, or 3.8%, increase over the prior year. Chapter 771 provides an additional \$65.5 million for public school special education in fiscal 2021. **House Bill 1300** specifies per pupil formula funding through fiscal 2033.

Funding for nonpublic placements totals \$123.9 million in fiscal 2021, a \$0.4 million, or 0.3% increase. 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 2021, the same annual amount that has been provided since fiscal 2009. **House Bill 1300** increases annual funding through fiscal 2030. However, funding above the \$10.4 million level in fiscal 2021 is at the Governor's discretion.

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 2021 funding totals \$348.2 million. The \$37.2 million increase represents an 11.9% increase over the fiscal 2020 level and is based on a 10.9% increase in the number of LEP students. **House Bill 1300** alters per pupil funding beginning in fiscal 2022.

Prekindergarten Funding: Under Chapter 361 of 2018, beginning in fiscal 2020, mandatory annual State funding for prekindergarten expansion grants increased to \$26.6 million. However, fiscal 2021 funding totaling \$72.2 million substantially exceeds this requirement. Also, prekindergarten supplemental grants for four-year-olds enrolled in full-day prekindergarten total \$64.0 million in fiscal 2021. Under **House Bill 1300**, prekindergarten supplemental grants are extended by one year through fiscal 2022. Beginning in fiscal 2023, a new publicly funded full-day prekindergarten program for voluntary full-day prekindergarten for four-year-olds and three-year-olds from low-income families is phased-in. The prekindergarten expansion grant program is modified and funds appropriated to the Prekindergarten Expansion Fund are consolidated into the new full-day prekindergarten formula after fiscal 2025.

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 2021 budget includes \$10.6 million for Judy Hoyer programs and \$3.0 million for the Ulysses Currie Head Start program. **House Bill 1300** increases the number of Judy Centers and provides increased funding annually through fiscal 2030. However, funding above the \$10.6 million level in fiscal 2021 is at the Governor's discretion.

Teacher Development and Salary Incentives: State aid for teacher development totals \$4.5 million in fiscal 2021, level with fiscal 2020 funding. This 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. It also includes funds totaling \$3.8 million for Quality Teacher Incentives, which are used to recruit and retain quality teachers by providing stipends to teachers achieving National Board Certification.

Incentive grants of \$75.0 million are provided 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 \$27.8 million in fiscal 2021, an increase of \$461,800 over the prior year. This increase is due to a \$100,000 increase for the Robotics program and a \$361,800 increase for the Pathways in Technology Early College High School program. Fiscal 2021 funding includes full funding (\$9.0 million) for three programs: 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 2021 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. **House Bill 1300** increases State funding for school-based health centers to \$9.0 million annually beginning in fiscal 2021; however, funding above the \$2.6 million level in fiscal 2021 is at the Governor's discretion.

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 2021 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 2021 budget includes \$282.2 million for regular transportation services and \$28.0 million for special transportation services. This represents a \$7.1 million, or 2.4%, increase from the prior year. This modest growth is due largely to a 1% increase in the inflation factor used in the funding formula.

School Safety Grants: The fiscal 2021 budget includes \$10.6 million in State funding for public school safety grants, \$6.0 million less than fiscal 2020 funding.

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. The fiscal 2021 budget includes \$14.1 million in State aid for food and nutrition services, an increase of \$1.1 million.

Teachers' Retirement Payments: State retirement costs for public school teachers and other professional public school personnel will total an estimated \$750.3 million in fiscal 2021, a decrease of \$17.6 million (2.3%) compared to fiscal 2020 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 2021 funding totals \$41.1 million, an \$847,100 increase compared to fiscal 2020. In addition, Baltimore City will receive \$3.0 million to support expanded operations throughout the library system. This annual support of \$3.0 million terminates after fiscal 2022.

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 2021 State library network funding totals \$19.5 million, an increase of \$438,500 over fiscal 2020.

Retirement Payments: The State pays 100% of the retirement costs for local library employees. Fiscal 2021 funding totals \$20.2 million, a decrease of \$633,000 compared to fiscal 2020.

Community Colleges

Senator John A. Cade Formula Funding: The Cade funding formula aid is based on a percentage (25% in fiscal 2021) of the current year's State funding per FTE for 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 community college based on the previous year's direct grant, enrollment, and a small-size factor. Fiscal 2021 funding totals \$286.1 million, an increase of \$36.4 million, or 14.6%, over fiscal 2020 funding.

Special Programs: State funding in fiscal 2021 will total \$6.7 million for small college grants and \$600,000 for Allegany/Garrett counties unrestricted grants. Funding for statewide and regional programs will total \$6.5 million. The English as a Second Language Program will receive \$4.9 million.

Retirement Payments: Fiscal 2021 funding totals \$45.4 million, a decrease of \$254,600 compared to fiscal 2020. However, State funding for the optional retirement program totaling \$17.0 million will remain level in fiscal 2021.

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 2021 budget includes \$60.0 million for local health grants, which is a 1.6% increase over the fiscal 2020 amount.

County and Municipal Governments

Approximately 9.1% 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 \$769.6 million in fiscal 2021, an increase of \$59.6 million over fiscal 2020 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 2021 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 2021 budget includes a total of \$264.2 million for local highway funding, which is an \$8.3 million increase from fiscal 2020. Baltimore City will receive \$162.4 million, county governments will receive \$62.6 million, and municipal governments will receive \$39.1 million.

Special Transportation Grants: State funding for elderly/disabled transportation grants will total \$4.3 million in fiscal 2021, and State funding for paratransit grants will total \$1.5 million, both of which are the same amounts as were provided in fiscal 2020.

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 2021 totals \$74.5 million, a decrease of 0.4% from fiscal 2020, resulting primarily from a decrease in the number of sworn officers in some municipalities.

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 2021 funding totals \$15.0 million, which is the same as the fiscal 2020 amount.

9-1-1 Emergency Systems Grants: The State 9-1-1 system is supported by a State and a local fee 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. Chapters 301 and 302 of 2019 doubled the State 9-1-1 fee, allowed counties to double their 9-1-1 fees, and required the fee to be assessed on each phone line on a customer account as opposed to being assessed once per account. As a result, State funding to local 9-1-1 emergency systems will increase from \$14.4 million in fiscal 2020 to \$58.0 million in fiscal 2021.

Targeted Public Safety Grants: State funding for targeted public safety grants will total \$34.5 million in fiscal 2021, representing a \$7.6 million decrease from the prior year. Funding for fiscal 2021 includes \$15.5 million in targeted grants for Baltimore City and \$4.8 million in targeted grants for Prince George's County. This funding also includes \$14.3 million for several statewide initiatives (i.e., the Maryland Criminal Intelligence Network, police recruitment and retention, 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 2021 include \$750,000 for pretrial services grants, which were previously funded at \$1.0 million in fiscal 2019 but not funded in fiscal 2020.

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 2021, the same amount that was provided in fiscal 2020.

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 2021 budget includes \$8.0 million in funding, which is a \$1.0 million increase over the fiscal 2020 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. Of these jurisdictions, seven currently impose the maximum 3.2% local income tax rate. Two of the jurisdictions (Dorchester and Washington) increased their local income tax rate this year as a way to receive additional State funding, with Caroline County increasing its income tax rate in the previous year. The fiscal 2021 budget includes \$158.3 million for disparity grants, a \$12.1 million increase from the prior year. Of this amount, \$7.6 million is due to the enhanced minimum grant amount for jurisdictions with a 3.2% local income tax rate.

House Bill 737 (passed) alters the enhanced State funding provided under the disparity grant program to jurisdictions with a local income tax rate of 3.2% by (1) increasing the minimum grant amount from 67.5% to 75% and (2) repealing the termination date for the enhanced funding. As a result, eligible jurisdictions will receive at least 75% of their formula allocation under the disparity grant program beginning in fiscal 2022. On May 7, 2020, the Governor vetoed the bill due to concerns regarding the economic challenges resulting from the COVID-19 pandemic.

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 \$95.0 million in fiscal 2021, an increase of \$1.3 million, or 1.3%, over fiscal 2020 levels.

Teacher Retirement Supplemental Grants: 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 payments replace payment in lieu of taxes (PILOT) in the affected counties. The fiscal 2021 budget includes total payments of

\$3.6 million to Allegany, Dorchester, Garrett, and Somerset counties, which is an increase of \$49,700 over the fiscal 2020 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 both fiscal 2020 and 2021, 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 to meet criteria related to economic distress. The fiscal 2021 budget includes \$764,200 for the program, which is the same amount that was included for fiscal 2020.

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 2021 budget includes \$8.0 million for adult education programs in fiscal 2021, level with fiscal 2020 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 to provide funds to local jurisdictions to establish and expand community behavioral health crisis response systems. The fiscal 2021 budget includes \$4.0 million for the fund, as required by Chapters 209 and 210, an increase of \$1.0 million over the fiscal 2020 amount.

Summary of State Mandates	
Community Colleges	2
Elections	1
Finances and Taxes	2
Public Hearing/Data Accessibility Requirements	2
Public Safety	2
Public Schools	1
Workers' Compensation	1
Total	11

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 177/HB 46	Motor Vehicle Administration – Authority to Suspend Registration for Violations Recorded by Traffic Control Signal Monitoring Systems and Speed Monitoring Systems – Repeal (Ch. 40/Ch. 39)	Potential delay in fine revenues.	No
SB 192	Budget Reconciliation and Financing Act of 2020 (Ch. 538)	Income tax revenues increase by \$3.2 million annually. Highway user revenues increase by \$2.0 million annually. Program Open Space and related funding decreases by \$9.5 million in FY 2021. Potential property tax revenues beginning in FY 2021. Grant revenues increase/decrease commensurately with changes in funding for Program Open Space and related programs.	No
SB 212/HB 233	Criminal Law – Assault in the First Degree – Strangulation (Ch. 120/Ch. 119)	Minimal decrease in fine revenues.	No
SB 231/HB 246	Sexual Solicitation of a Minor – Solicitation Through Parent, Guardian, or Custodian – Prohibition and Penalties (Ch. 129/Ch. 128)	Minimal fine revenues.	No
SB 234/HB 280	Vehicle Laws – Suspension of Driver’s License or Registration – Unpaid Citations or Judgments (Ch. 150/Ch. 149)	Potential delay in fine revenues.	No
SB 397	Sales and Use Tax and Personal Property Tax – Exemptions – Data Centers (Ch. 640)	Potential significant decrease in property tax revenues.	No
SB 402/HB 448	Health Care Practitioners – Telehealth and Shortage (Ch. 16/Ch. 15)	Potential significant local health department revenues from telehealth services.	No
SB 417/HB 257	Property Tax – Credit for Disabled Veterans (Ch. 630/Ch. 629)	Potential significant decrease in property tax revenues.	No

Legislation Affecting Local Government Revenues (Continued)

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Effect of the 2020 Legislative Program on the Financial Condition of the State

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
SB 425/HB 365	Debt Collection – Exemptions From Attachment and Execution (Ch. 184/Ch. 183)	Income tax revenues decrease.	No
SB 457/HB 539	Local Governments – Resilience Authorities – Authorization (Ch. 236/Ch. 235)	Potential bond revenues. Potential income and property tax and fee revenues beginning in FY 2022.	No
SB 523	Income Tax – Pass-Through Entities and Corporations (Ch. 641)	Potential decrease in local highway user revenues.	No
SB 604/HB 617	Public and Nonpublic Schools – Medical Cannabis – Policy for Administration During School Hours and Events (Connor and Raina’s Law) (Ch. 625/Ch. 624)	Potential decrease in federal fund revenues.	No
SB 700	Property Tax Credit – Disabled Military Personnel and Surviving Spouses (Ch. 642)	Potential significant decrease in property tax revenues.	No
SB 705	Maryland Transit Administration – Disabled Reduced Fare Program – Opioid Treatment Program Patients (Ch. 577)	Potential program revenues for local health departments. Expenditures correspondingly increase.	No
SB 838/HB 934	Public Safety – 9-1-1 Emergency Telephone System (Ch. 376/Ch. 375)	Potential reimbursement revenues for eligible 9-1-1 administration and staffing costs.	No
SB 987	Racing and Community Development Act of 2020 (Ch. 590)	Baltimore City grant revenues decrease by \$3.5 million annually beginning in FY 2022. Anne Arundel County revenues increase upon conveyance of Laurel Park. Anne Arundel County and Baltimore City recordation and transfer tax revenues decrease upon conveyance of Laurel Park and Pimlico Race Course.	No
HB 33	Criminal Law – Abuse or Neglect of a Vulnerable Adult – Causing Severe Emotional Distress (Ch. 34)	Minimal fine revenues.	No

Legislation Affecting Local Government Revenues (Continued)

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
HB 45	Economic Development – Opportunity Zone Incentives – Alteration of the More Jobs for Marylanders and Opportunity Zone Enhancement Programs (Ch. 38)	Minimal local highway user revenues.	No
HB 46/SB 177	See entry for SB 177.		No
HB 49	Criminal Procedure – Pretrial Release – Pretrial Risk Scoring Instruments (Ch. 41)	Potential grant revenues.	No
HB 78	Bay Restoration Fund – Authorized Uses (Ch. 44)	Potential reallocation of bay restoration funding.	No
HB 233/SB 212	See entry for SB 212.		No
HB 246/SB 231	See entry for SB 231.		No
HB 257/SB 417	See entry for SB 417.		No
HB 276	Income Tax – Subtraction Modification – Maryland-National Capital Park Police and Washington Suburban Sanitary Commission Police Force PG/MC 105-20 (Ch. 631)	Income tax revenues decrease by \$14,000 annually.	No
HB 280/SB 234	See entry for SB 234.		No
HB 315	Public Ethics Violations and Crimes – Prohibitions and Penalties (Ch. 164)	Minimal fine revenues.	No
HB 365/SB 425	See entry for SB 425.		No
HB 448/SB 402	See entry for SB 402.		No
HB 539/SB 457	See entry for SB 457.		No

Legislation Affecting Local Government Revenues (Continued)

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<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
HB 617/SB 604	See entry for SB 604.		No
HB 621	County Tax Fairness Act (Ch. 632)	Income tax revenues in certain jurisdictions increase by \$181.3 million in FY 2021 through 2026 and decrease by a corresponding amount in FY 2027 through 2041.	No
HB 748	Transportation – Kim Lamphier Bikeways Network Program (Ch. 310)	Potential grant revenues.	No
HB 934/SB 838	See entry for SB 838.		No
HB 999	Member-Regulated Cooperatives – Establishment (Rural Broadband for the Eastern Shore Act of 2020) (Ch. 606)	Potential significant impact on fee and tax revenues for certain jurisdictions.	No
HB 1035	Bay Restoration Fund – Use of Funds – Municipal Wastewater Facilities (Ch. 413)	Potential reallocation of bay restoration funding.	No
HB 1083	Criminal Organizations – Penalties and Procedure (Ch. 422)	Minimal fine revenues.	No
HB 1200	Property Tax – Credit to Offset Increases in Local Income Tax Revenues – Eligibility (Ch. 445)	Potential property tax revenues beginning in FY 2023, likely only applicable in Montgomery County.	No
HB 1500	Special Taxing Districts – Eastern Shore Code Counties – Authorization (Ch. 481)	Potential tax revenues for certain counties.	No

Effect of the 2020 Legislative Program on the Financial Condition of the State

Legislation Affecting Local Government Revenues (Continued)

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
Legislation Affecting Local Governments by Subdivision			
<i>Anne Arundel County</i>			
SB 239/HB 554	Anne Arundel County – Alcoholic Beverages – Small Yacht Club License (Ch. 251/Ch. 250)	Minimal license fee revenues.	No
SB 288/HB 544	City of Annapolis – Housing Authority – Prohibitions Against Exceptions to Local Laws (Ch. 242/Ch. 241)	Potential decrease in fee and fine revenues for the City of Annapolis.	No
SB 361	Anne Arundel County – Alcoholic Beverages – Barbershop and Beauty Salon License (Ch. 551)	Minimal license fee revenues.	No
SB 525/HB 714	Anne Arundel County – Alcoholic Beverages – Gift Basket Permit (Ch. 307/Ch. 306)	Minimal permit fee revenues.	No
SB 802/HB 889	Property Tax – Exemption – Maryland Farm Bureau, Inc. (Ch. 635/Ch. 634)	Property tax revenues decrease by \$11,600 annually.	Yes
HB 544/SB 288	See entry for SB 288.		No
HB 554/SB 239	See entry for SB 239.		No
HB 714/SB 525	See entry for SB 525.		No
HB 889/SB 802	See entry for SB 802.		Yes
<i>Baltimore City</i>			
SB 63	Baltimore City – Property Tax Credit for Newly Constructed Dwellings – Reauthorization and Modification (Ch. 509)	Property tax revenues decrease by approximately \$1.2 million in FY 2021 and by \$3.9 million in FY 2025.	No

Legislation Affecting Local Government Revenues (Continued)

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Effect of the 2020 Legislative Program on the Financial Condition of the State

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
SB 69	Baltimore City – Alcoholic Beverages – Class A, A-2, and A-7 Licenses – Surveillance System (Ch. 510)	Minimal license fee revenues.	No
SB 73/HB 228	Baltimore City – 45th District – Alcoholic Beverages – Class B-D-7 License (Ch. 113/Ch. 112)	License fee revenues increase by \$1,920 in FY 2021 and by \$1,370 annually thereafter.	No
HB 228/SB 73	See entry for SB 73.		No
HB 924	Baltimore City – Alcoholic Beverages – Distance Restrictions, Extension Fee, and Class D License (Ch. 372)	Permit fee revenues decrease.	No
HB 954	Baltimore City – Alcoholic Beverages – Class B and Class C Beer, Wine, and Liquor Licenses (Ch. 389)	License fee revenues increase by \$1,150 in FY 2021 and by \$600 annually thereafter.	No
<i>Baltimore County</i>			
SB 41	Baltimore County – Vehicle Height Monitoring Systems (Ch. 504)	Potential fine revenues.	No
HB 505	Baltimore County – Property Tax – Credit for Seniors to Offset Property Tax Rate Increase (Ch. 226)	Potential decrease in property tax revenues.	No
<i>Calvert County</i>			
SB 343	Calvert County – Public Facilities Bond (Ch. 326)	Bond revenue proceeds increase by a maximum of \$36.9 million.	No
<i>Carroll County</i>			
SB 461	Carroll County – Public Facilities Bond (Ch. 285)	Bond revenue proceeds increase by a maximum of \$38.25 million.	No

Legislation Affecting Local Government Revenues (Continued)

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
<i>Charles County</i>			
SB 431/HB 345	Charles County – Tax Increment Financing and Special Taxing Districts (Ch. 174/Ch. 175)	Potential bond and/or tax revenues.	No
HB 345/SB 431	See entry for SB 431.		No
<i>Frederick County</i>			
SB 215/HB 145	Frederick County – Alcoholic Beverages – Repeal of Quota for Class B Licenses (Ch. 79/Ch. 78)	Potential impact on license fee revenues.	No
HB 145/SB 215	See entry for SB 215.		No
HB 322	Frederick County – Alcoholic Beverages – Cinema/Theater License (Ch. 167)	Minimal license fee revenues.	No
HB 1062	Frederick County – Alcoholic Beverages – Municipal Golf Course License (Ch. 416)	Minimal license fee revenues.	No
<i>Garrett County</i>			
SB 354/HB 787	Garrett County – Overdue Property Tax – Interest Rate (Ch. 328/Ch. 327)	Property tax revenues increase by \$250,000 annually.	No
SB 643	Garrett County – Alcoholic Beverages Act of 2020 (Ch. 573)	Minimal license and permit fee revenues.	No
HB 787/SB 354	See entry for SB 354.		No

Legislation Affecting Local Government Revenues (Continued)

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Effect of the 2020 Legislative Program on the Financial Condition of the State

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
<i>Harford County</i>			
SB 375/HB 864	Harford County – Alcoholic Beverages – Hotel Lobby License (Ch. 351/Ch. 350)	Minimal license fee revenues.	No
SB 376/HB 971	Harford County – Alcoholic Beverages – Class GCR (Golf Course Restaurant) Beer, Wine, and Liquor License (Ch. 395/Ch. 394)	Minimal license fee revenues.	No
SB 385/HB 923	Harford County – Alcoholic Beverages – Class MT (Movie Theater) License (Ch. 371/Ch. 370)	Minimal license fee revenues.	No
SB 496/HB 963	Harford County – Alcoholic Beverages – On-Sale License Record Keeping and Enforcement (Ch. 392/Ch. 391)	Potential fine revenues.	No
HB 864/SB 375	See entry for SB 375.		No
HB 923/SB 385	See entry for SB 385.		No
HB 963/SB 496	See entry for SB 496.		No
HB 971/SB 376	See entry for SB 376.		No
HB 1318	Harford County – Alcoholic Beverages – Place of Worship Restrictions – Exemptions and Waivers (Ch. 458)	Potential license fee revenues.	No
<i>Howard County</i>			
HB 1454	Howard County – Transfer Tax – Rate Increase Authorization Ho. Co. 26-20 (Ch. 477)	Potential transfer tax revenues.	No

Legislation Affecting Local Government Revenues (Continued)

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
HB 1510	Income Tax – Subtraction Modification – Rental Subsidy Under the Howard County "Live Where You Work" Program Ho. Co. 20-20 (Ch. 482)	Minimal decrease in income tax revenues.	No
<i>Kent County</i>			
SB 792/HB 777	Kent County Alcohol Act of 2020 (Ch. 323/Ch. 322)	Minimal license fee revenues.	No
HB 777/SB 792	See entry for SB 792.		No
<i>Montgomery County</i>			
HB 377	Montgomery County – Alcoholic Beverages – Consumption Only Marketplace License MC 11-20 (Ch. 186)	Minimal license fee revenues.	No
HB 848	Montgomery County – Agricultural Land Transfer Tax – Alterations MC 7-20 (Ch. 342)	Potential increase in transfer tax revenues. Montgomery County general fund revenues decrease by at least \$500,000 annually; special fund revenues for county agricultural land preservation increase by the same amount.	No
HB 860	Montgomery County – Alcoholic Beverages – Town of Kensington MC 15-20 (Ch. 349)	Minimal license fee revenues.	No
<i>Prince George's County</i>			
HB 434	Prince George's County – Payment in Lieu of Taxes Agreements – Multiphase Economic Development Projects and Sunset Repeal PG 408-20 (Ch. 206)	Property tax revenues may continue to decrease beyond FY 2022.	No

Legislation Affecting Local Government Revenues (Continued)

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
HB 845	Prince George's County – Alcoholic Beverages – Carillon Development PG 315-20 (Ch. 340)	License fee revenues increase by \$6,050 in FY 2021 and by a maximum of \$30,250 annually thereafter.	No
HB 1401	Prince George's County – School Facilities Surcharge – Foundation for Applied Construction Technology for Students PG 413-20 (Ch. 466)	Minimal decrease in school facilities surcharge revenues.	No
<i>St. Mary's County</i>			
HB 97	St. Mary's County – Public Facilities Bond (Ch. 596)	Bond revenue proceeds increase by a maximum of \$33.0 million.	No
HB 414	St. Mary's County – Property Tax Credit for Improvements to Commercial Real Property and Transfer Tax Sunset Extension (Ch. 199)	Potential decrease in property tax revenues. Annual transfer tax revenues of \$6.2 million continue through FY 2024; transfer tax revenues of \$1.3 million continue in FY 2025.	No
<i>Somerset County</i>			
SB 352/HB 761	Somerset County – Property Tax Exemption for Manufacturing Property – Eastern Shore Forest Products, Inc. (Ch. 318/Ch. 317)	Property tax revenues decrease by approximately \$106,900 annually.	No
HB 761/SB 352	See entry for SB 352.		No
<i>Washington County</i>			
HB 789	Washington County – Alcoholic Beverages – Wineries – Special Event Permits (Ch. 609)	Minimal permit fee revenues beginning in FY 2020.	No
HB 1161	Washington County – Mobile Home Tax – Authorization (Ch. 435)	Mobile home tax revenues decrease by \$282,700 annually.	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 77	Important Documents and Identification Cards – Inmates (Ch. 514)	Potential administrative costs.	Yes
SB 145/HB 37	Election Law – Absentee Voting – References in Public Communications and Prepaid Postage for Return of Ballots (Ch. 37/Ch. 36)	Absentee voting expenditures increase by at least \$ 75,500 in FY 2021 and by varying amounts in future fiscal years.	Yes
SB 166/HB 512	Drugs and Devices – Electronic Prescriptions – Controlled Dangerous Substances (Ch. 229/Ch. 230)	Minimal compliance costs for local health departments.	No
SB 192	Budget Reconciliation and Financing Act of 2020 (Ch. 538)	Information technology project expenditures decrease by \$234,388 in FY 2020. Potential cost reimbursement expenditures. Expenditures increase/decrease commensurately with changes in funding for Program Open Space and related programs.	No
SB 207/HB 206	Unaccompanied Minors in Need of Shelter and Supportive Services (Ch. 109/Ch. 108)	Potential homeless services costs.	No
SB 246/HB 499	Criminal Procedure – Cell Site Simulator (Ch. 223/Ch. 222)	Minimal circuit court costs.	No
SB 281	Renewable Energy Development and Siting (REDS) – Evaluations and Tax and Fee Exemptions (Ch. 544)	Potential decrease in clean/renewable energy costs.	No
SB 329/HB 187	Public Institutions of Higher Education – Outbreak Response Plan(Olivia’s Law) (Ch. 99/Ch. 98)	Potential significant community college expenditures.	Yes
SB 457/HB 539	Local Governments – Resilience Authorities – Authorization (Ch. 236/Ch. 235)	Potential economic development and debt service expenditures in future years.	No

Legislation Affecting Local Government Expenditures (Continued)

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<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
SB 475	Health Insurance – Pediatric Autoimmune Neuropsychiatric Disorders – Coverage (Ch. 560)	Potential employee health care costs.	No
SB 502/HB 1208	Telehealth – Mental Health and Chronic Condition Management Services – Coverage and Pilot Program (Ch. 18/Ch.17)	Potential employee health care costs.	No
SB 587/HB 588	State Police Retirement System and Law Enforcement Officers’ Pension System – Member Contributions (Ch. 266/Ch. 265)	Minimal pension costs for participating governmental units beginning in FY 2022.	No
SB 604/HB 617	Public and Nonpublic Schools – Medical Cannabis – Policy for Administration During School Hours and Events (Connor and Raina’s Law) (Ch. 625/Ch. 624)	Potential significant school system and local health department costs.	No
SB 661/HB 852	Health Insurance – Prostate Cancer Screening Services – Prohibiting Cost-Sharing (Ch. 344/Ch. 343)	Potential employee health care costs.	No
SB 705	Maryland Transit Administration – Disabled Reduced Fare Program – Opioid Treatment Program Patients (Ch. 577)	Potential program costs for local health departments. Revenues likely correspondingly increase.	No
SB 760	Public Schools – Student Meal Programs and Policies (Ch. 581)	Potential significant school system costs.	Yes
SB 805/HB 387	Tri-County Council for Southern Maryland – Funding (Ch. 192/Ch. 191)	Expenditures for Calvert, Charles, and St. Mary’s counties each increase by up to \$30,800 annually for mandatory council contributions.	Yes
SB 838/HB 934	Public Safety – 9-1-1 Emergency Telephone System (Ch. 376/Ch. 375)	9-1-1 system administration and staffing costs may be partially offset by reimbursement revenues.	No

Effect of the 2020 Legislative Program on the Financial Condition of the State

Legislation Affecting Local Government Expenditures (Continued)

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
SB 931/HB 652	Maryland Medical Assistance Program and Health Insurance – Specialty Drugs – Definition (Ch. 615/Ch. 614)	Potential employee health care costs.	No
SB 988/HB 781	Health Insurance – In Vitro Fertilization – Revisions (Ch. 325/Ch. 324)	Potential employee health care costs.	No
SB 1080/HB 1663	State Government – State of Emergency and Catastrophic Health Emergency – Authority of Governor and Unemployment Insurance Benefits(COVID-19 Public Health Emergency Protection Act of 2020) (Ch. 13/Ch. 14)	Potential expenditures to reimburse the Unemployment Insurance Trust Fund in FY 2020 and 2021.	No
HB 33	Criminal Law – Abuse or Neglect of a Vulnerable Adult – Causing Severe Emotional Distress (Ch. 34)	Minimal incarceration costs. Potential staffing costs for Montgomery County.	No
HB 37/SB 145	See entry for SB 145.		Yes
HB 49	Criminal Procedure – Pretrial Release – Pretrial Risk Scoring Instruments (Ch. 41)	Potential compliance costs may be offset by grant funding in initial years.	Yes
HB 78	Bay Restoration Fund – Authorized Uses (Ch. 44)	Expenditures are affected correspondingly with any reallocation of bay restoration funding.	No
HB 123	Labor and Employment – Wage History and Wage Range (Ch. 67)	Potential impact on recruiting/hiring costs.	No
HB 171	Crimes Against Animals – Interference With Equines (Ch. 93)	Minimal incarceration costs.	No
HB 187/SB 329	See entry for SB 329.		Yes

Legislation Affecting Local Government Expenditures (Continued)

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<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
HB 206/SB 207	See entry for SB 207.		No
HB 387/SB 805	See entry for SB 805.		Yes
HB 499/SB 246	See entry for SB 246.		No
HB 512/SB 166	See entry for SB 166.		No
HB 539/SB 457	See entry for SB 457.		No
HB 588/SB 587	See entry for SB 587.		No
HB 617/SB 604	See entry for SB 604.		No
HB 652/SB 931	See entry for SB 931.		No
HB 722	Labor and Occupational Safety and Health – Heat Stress Standards (Ch. 308)	Potential compliance costs beginning in FY 2023.	No
HB 748	Transportation – Kim Lamphier Bikeways Network Program (Ch. 310)	Potential grant expenditures and matching grant expenditures.	No
HB 781/SB 988	See entry for SB 988.		No
HB 852/SB 661	See entry for SB 661.		
HB 934/SB 838	See entry for SB 838.		No
HB 999	Member-Regulated Cooperatives – Establishment (Rural Broadband for the Eastern Shore Act of 2020) (Ch. 606)	Potential significant impact on broadband infrastructure expenditures for certain jurisdictions.	No
HB 1035	Bay Restoration Fund – Use of Funds – Municipal Wastewater Facilities (Ch. 413)	Expenditures are affected correspondingly with any reallocation of bay restoration funding.	No

Effect of the 2020 Legislative Program on the Financial Condition of the State

Legislation Affecting Local Government Expenditures (Continued)

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
HB 1083	Criminal Organizations – Penalties and Procedure (Ch. 422)	Minimal incarceration costs.	No
HB 1122	State Government – Protection of Personally Identifiable Information – Public Institutions of Higher Education (Ch. 429)	Despite bill's FY 2025 effective date, community college expenditures likely increase significantly beginning in FY 2021.	Yes
HB 1150	State Health and Welfare Benefits Program – Maryland Competitive Pharmacy Benefits Manager Marketplace Act (Ch. 434)	Potential decrease in employee health care costs.	No
HB 1181	Property Tax – Tax Sales – Data Collection (Ch. 440)	Minimal data collection and reporting costs.	No
HB 1208/SB 502	See entry for SB 502.		No
HB 1500	Special Taxing Districts – Eastern Shore Code Counties – Authorization (Ch. 481)	Potential infrastructure improvement costs for certain counties.	No
HB 1663/SB 1080	See entry for SB 1080.		No

Legislation Affecting Local Governments by Subdivision

Anne Arundel County

SB 141/HB 461	Anne Arundel County – Alcoholic Beverages – Salaries of Inspectors (Ch. 214/Ch. 213)	Salary expenditures increase by \$22,000 annually.	No
SB 163/HB 285	Anne Arundel County – Alcoholic Beverages – Board Meetings (Ch. 153/Ch. 152)	Potential significant compliance costs.	Yes

Legislation Affecting Local Government Expenditures (Continued)

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<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
SB 180/HB 329	Anne Arundel County – Alcoholic Beverages – Notice of License Application (Ch. 171/Ch. 170)	Advertising costs decrease by \$20,000 annually.	No
SB 221/HB 758	Anne Arundel County – Alcoholic Beverages – Board of License Commissioners Staff and Compensation (Ch. 313/Ch. 312)	Salary expenditures increase by a minimum of \$81,000 annually.	No
SB 288/HB 544	City of Annapolis – Housing Authority – Prohibitions Against Exceptions to Local Laws (Ch. 242/Ch. 241)	Potential decrease in Housing Authority expenditures for the City of Annapolis.	No
HB 285/SB 163	See entry for SB 163.		Yes
HB 329/SB 180	See entry for SB 180.		
HB 461/SB 141	See entry for SB 141.		No
HB 544/SB 288	See entry for SB 288.		
HB 758/SB 221	See entry for SB 221.		No
<i>Baltimore City</i>			
SB 714/HB 490	Baltimore City – Orphans’ Court Judges – Compensation (Ch. 221/Ch. 220)	Potential increase/decrease in salary expenditures.	No
HB 490/SB 714	See entry for SB 714.		No
<i>Baltimore County</i>			
SB 41	Baltimore County – Vehicle Height Monitoring Systems (Ch. 504)	Minimal installation costs and annual salary expenditures of approximately \$150,000, likely beginning in FY 2022.	No

Effect of the 2020 Legislative Program on the Financial Condition of the State

Legislation Affecting Local Government Expenditures (Continued)

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
HB 598	Baltimore County Board of Education – Student Member – Scholarship (Ch. 268)	Board compensation costs increase by \$6,500 annually.	No
<i>Calvert County</i>			
SB 343	Calvert County – Public Facilities Bond (Ch. 326)	Debt service expenditures increase by \$2.8 million annually over a 15-year period.	No
<i>Carroll County</i>			
SB 461	Carroll County – Public Facilities Bond (Ch. 285)	Debt service expenditures increase by \$2.3 million annually over a 20-year period.	No
<i>Charles County</i>			
SB 429/HB 384	Charles County – Illegal Disposal of Bulky Items – Penalties (Ch. 190/Ch. 189)	Potential decrease in maintenance costs.	No
SB 431/HB 345	Charles County – Tax Increment Financing and Special Taxing Districts (Ch. 174/Ch. 175)	Potential economic development expenditures. Potential debt service expenditures in future years.	No
HB 345/SB 431	See entry for SB 431.		No
HB 384/SB 429	See entry for SB 429.		No
<i>Frederick County</i>			
SB 264/HB 353	Frederick County – Elderly or Disabled Renters – Grants (Ch. 179/Ch. 178)	Grant expenditures may increase by approximately \$38,700 annually.	No
SB 744/HB 909	Frederick County – Board of Education – Compensation (Ch. 364/Ch. 363)	Board compensation costs increase by up to \$28,000 annually beginning in FY 2023.	No

Legislation Affecting Local Government Expenditures (Continued)

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<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
HB 353/SB 264	See entry for SB 264.		No
HB 909/SB 744	See entry for SB 744.		No
<i>Harford County</i>			
SB 137/HB 407	Harford County – State’s Attorney’s Office and Child Support Administration – Transfer of Personnel (Ch. 197/Ch. 196)	Child support enforcement costs decrease by approximately \$514,000 annually. Pension costs in FY 2021.	No
SB 599/HB 1177	Sheriff of Harford County – Salary (Ch. 439/Ch. 438)	Salary expenditures increase by approximately \$14,400 in FY 2023 and by \$25,200 annually thereafter.	No
HB 407/SB 137	See entry for SB 137.		No
HB 685	Harford County – Workers’ Compensation – Permanent Partial Disability – Detention and Correctional Officers and Deputy Sheriffs (Ch. 303)	Significant workers’ compensation costs.	Yes
HB 1177/SB 599	See entry for SB 599.		No
<i>Montgomery County</i>			
HB 795	Montgomery County – Authority of County Council Over Inspector General – Montgomery County Public Schools MC 14-20 (Ch. 329)	Potential significant school system expenditures.	No
HB 800	Montgomery County – Housing Opportunities Commission – Alterations MC 02-20 (Ch. 330)	Data reporting and open meetings compliance costs increase by \$7,750 in FY 2021, by \$78,000 in FY 2022, and by \$14,250 annually thereafter.	Yes

Effect of the 2020 Legislative Program on the Financial Condition of the State

Legislation Affecting Local Government Expenditures (Continued)

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
<i>Prince George's County</i>			
SB 987	Racing and Community Development Act of 2020 (Ch. 590)	City of Bowie expenditures increase for site remediation and maintenance related to the Bowie Race Course Training Center property.	No
<i>St. Mary's County</i>			
HB 97	St. Mary's County – Public Facilities Bond (Ch. 596)	Debt service expenditures increase by \$2.0 million annually over a 20-year period.	No
<i>Wicomico County</i>			
HB 1319	Wicomico County – Alcoholic Beverages – Board of License Commissioners (Ch. 459)	Salary expenditures increase by \$8,000 annually.	No
<i>Worcester County</i>			
SB 878/HB 1493	Worcester County – Special Event Zones – Prohibitions (Ch. 623/Ch. 622)	Minimal incarceration costs.	No
HB 1493/SB 878	See entry for SB 878.		No

Chapter 5. Vetoed Legislation

- Vetoed Legislation
- Summary of Quantified Impacts of Vetoed Legislation

Vetoed Legislation

Of the 2020 legislation passed by the General Assembly, 42 bills were vetoed by the Governor for policy reasons; a number of these bills were vetoed due to concerns regarding the economic challenges resulting from the COVID-19 pandemic. The fiscal effect of vetoed 2020 legislation cannot be fully quantified due to certain impacts that could not be reliably estimated. The impacts of the vetoed legislation that have been quantified in fiscal and policy notes would have increased general fund revenues by \$99.1 million in fiscal 2021 and increased general fund expenditures by \$9.9 million, an overall positive general fund impact of \$89.2 million. However, quantified impacts of vetoed 2020 legislation would have had a significant negative net general fund impact beginning in fiscal 2022 and continued through fiscal 2025. Specifically, a negative net general fund impact of \$48.0 million in fiscal 2022 would have increased to \$545.2 million in fiscal 2025. The net impact on special funds as quantified in vetoed 2020 legislation would have been negative beginning in fiscal 2021 and continued through fiscal 2025, in the range of \$38 million to \$965 million each year.

The following are the 2020 bills that were vetoed by the Governor for policy reasons. The fiscal impact of the legislation is described below, followed by a summary of quantifiable effects on State revenues and expenditures.

SB 148/HB 125	Board of Public Works – Land Acquisition – Requirements
	<i>The bills may have delayed or disrupted the State’s land acquisition process. General and special fund expenditures may have increased to conduct required analyses. State revenues would not have been affected.</i>
SB 184/HB 310	University of Maryland, Baltimore – Study on the Health Effects of Air Traffic Noise
	<i>General fund expenditures would have increased by \$100,000 in FY 2022 for the required study, assuming that the bills’ funding mandate would have been met with general funds. State revenues would not have been affected.</i>
SB 208/HB 4	Public Safety – Rifles and Shotguns – Sales, Rentals, and Transfers
	<i>General fund and local government revenues and expenditures may have increased minimally due to the bills’ penalty provisions.</i>
SB 226	Highways – Prohibition on Outdoor Signs Along Expressways – Modification
	<i>Federal fund revenues for the State Highway Administration and Transportation Trust Fund expenditures may have been</i>

significantly impacted. The bill would have jeopardized as much as \$66.2 million annually in federal highway funding and may have required the State to repay \$2.0 million in federal highway funding already received.

SB 300

Pesticides – Use of Chlorpyrifos – Prohibition

General fund expenditures would have increased by at least \$63,200 in FY 2021, by \$62,700 in FY 2022, by \$63,900 in FY 2023, and by an indeterminate amount in FY 2024 to capitalize the Pesticide Transition Fund; special fund revenues and expenditures would have increased correspondingly. Special fund revenues for the Maryland Department of Agriculture from pesticide registration fees would have decreased by up to \$4,700 annually from FY 2022 through 2024; fee revenues may have also decreased minimally in FY 2021.

SB 314

Juveniles Charged as Adults – Confidentiality of Records

General fund expenditures for the Judiciary would have increased by \$55,100 in FY 2021 for one-time programming changes. State revenues would not have been affected.

SB 398/HB 514

Maryland Small Business Innovation Research and Technology Transfer Incentive Program

General fund expenditures for the Maryland Technology Development Corporation (TEDCO) would have increased by approximately \$1.3 million annually beginning in FY 2021 for the Maryland Small Business Innovation Research and Technology Transfer Incentive Program established by the bills. Special fund revenues and expenditures for TEDCO would have increased correspondingly and may have increased further due to investment proceeds beginning in FY 2023.

SB 407

Office of the Attorney General – Senior and Vulnerable Adult Asset Recovery Unit

General fund expenditures for the Office of the Attorney General (OAG) would have increased by \$250,000 annually beginning in FY 2022 for the Senior and Vulnerable Adult Asset Recovery Unit established by the bill. Special fund revenues for OAG would have increased minimally beginning in FY 2022 from the collection of any costs awarded to OAG by the courts.

SB 452 Family Investment Program – Temporary Cash Assistance – Funding

General fund expenditures would have increased by an estimated \$792,200 in FY 2022, by \$818,100 in FY 2023, by \$828,300 in FY 2024, and by \$818,600 in FY 2025 due to increased benefits to the Temporary Cash Assistance caseload and the associated impact on the Temporary Disability Assistance Program. State revenues would not have been affected.

SB 465 Maryland E-Nnovation Initiative Program and Admissions and Amusement Tax Distributions – Extensions and Alterations

Special fund revenues of at least \$8.5 million annually for the E-Nnovation Initiative Fund and other distributions of State Admissions and Amusement Tax revenues would have continued beyond FY 2021; general fund revenues would have decreased by the same amount. Town of Chesapeake Beach revenues would have increased by \$300,000 annually beginning in FY 2021.

SB 493 Small Business Development Center Network Fund – Minimum Appropriation

General fund expenditures for the Small Business Development Center (SBDC) Network Fund would have increased by \$200,000 annually beginning in FY 2022; SBDC special fund revenues and expenditures would have increased correspondingly and may have increased further from additional federal or other matching funds.

SB 524/HB 1000 Building Lifelong Library Learners Act

General fund expenditures would have increased by approximately \$1.3 million in FY 2022, by \$1.6 million in FY 2023, and by \$1.9 million annually in FY 2024 and 2025, based on per capita aid and population increases. Total State capital spending would not have been affected. State revenues would not have been affected.

Local library system revenues would have decreased beginning in FY 2021 due to foregone fee and fine revenues. Beginning in FY 2022, that decrease would have been offset by direct State library aid increases (estimated at approximately \$1.0 million annually). Local revenues would have further increased for county library capital projects by \$2.5 million annually beginning in FY 2022. It is assumed that local expenditures would have increased commensurately for related projects and matching grants.

SB 669/HB 1095

Public Health – Prescription Drug Affordability Board and Fund

Special fund fee revenues for the Prescription Drug Affordability Board would have increased by \$2.0 million annually beginning in FY 2021. Board special fund expenditures would have increased by \$250,000 annually in FY 2021 through 2023 to repay the Maryland Health Care Commission (MHCC); MHCC special fund revenues would have increased by the same amount.

SB 684

Correctional Services – Prerelease Unit for Women – Facilities and Services (Gender-Responsive Prerelease Act)

General fund expenditures for the Department of Public Safety and Correctional Services would have increased significantly, likely in excess of \$3.4 million annually, for personnel costs beginning in FY 2021. Capital expenditures incurred as a result of the bill would not have affected total State capital spending. State revenues would not have been affected.

SB 708

Maryland Violence Intervention and Prevention Program Fund and Advisory Council – Alterations

General fund expenditures would have increased by at least \$3.0 million annually to reflect appropriations to the Maryland Violence Intervention and Prevention Program Fund; special fund revenues and expenditures would have increased correspondingly. Local grant revenues and expenditures would have increased significantly beginning in FY 2022.

SB 796

Developmental Disabilities Administration – Program Changes and Required Reports

General fund expenditures for the Maryland Department of Health would have increased by \$2.4 million in FY 2021; some general fund expenditures may have been offset to the extent federal support would have been available. Federal fund revenues may have decreased due to possible noncompliance penalties.

SB 845

Higher Education – Maryland Corps Program Fund – Alterations

General fund expenditures for the Maryland Corps Program Fund would have increased by \$150,000 annually beginning in FY 2021. Special fund revenues and expenditures would have increased correspondingly.

SB 877

Underground Facilities Damage Prevention – Revision

Nonbudgeted revenues and expenditures for the Maryland Underground Facilities Damage Prevention Authority may have increased minimally from additional fees and administrative processes. Special fund expenditures may have increased for additional operating support. Transportation Trust Fund expenditures may have increased for State Highway Administration staff overtime costs. Other impacts on State finances would have been unclear, as discussed in the fiscal and policy note. Local expenditures may have increased.

SB 907

Public Safety – Crime Plan and Law Enforcement Councils (Maryland State Crime Plan)

General fund expenditures for the Department of State Police and the Governor’s Office of Crime Prevention, Youth, and Victim Services would have increased by a total of \$560,200 in FY 2020 for salaries, equipment, and other operating expenses, and by approximately \$1.4 million annually thereafter for ongoing costs. State revenues would not have been affected. Local government expenditures may have increased minimally to work with the Law Enforcement Coordinating Council and regional councils.

SB 929

Public Safety – Baltimore City – P.R.O.T.E.C.T. (Public Resources Organizing to End Crime Together) Program

General fund expenditures for the Department of Public Safety and Correctional Services, the Department of Juvenile Services, and the Governor’s Office of Crime Prevention, Youth, and Victim Services would have increased by a total of \$0.5 million in FY 2020 and by at least \$3.0 million annually thereafter. State revenues would not have been affected. The bill may have had a significant operational impact for Baltimore City and other local governments.

SB 985/HB 1488

Certified Local Farm Enterprise Program and Certified Local Farm Enterprise Food Aggregation Grant Fund – Establishment

General fund expenditures would have increased by \$140,000 in FY 2021 and by similar amounts annually thereafter for the Maryland Department of Agriculture to hire staff in accordance with the bills. State revenues would not have been affected.

SB 1065/HB 1658

Economic Development – Baltimore Symphony Orchestra – Funding and Reporting

General fund expenditures would have increased by \$1.5 million in FY 2022, by \$1.3 million in FY 2023, by \$1.1 million in FY 2024, by \$0.9 million in FY 2025, and by \$0.7 million in FY 2026. State revenues would not have been affected.

HB 83

Criminal Procedure – Charge of Possession of Marijuana – Removal from Case Search

General fund expenditures for the Judiciary would have increased by \$120,800 in FY 2021 for one-time computer reprogramming. State revenues would not have been affected.

HB 86

Transportation – Maryland Metro/Transit Funding Act – Alterations

Transportation Trust Fund expenditures may have increased. State revenues would not have been affected.

HB 498

Department of Aging – Grants for Aging-in-Place Programs – Funding

General fund expenditures for the Maryland Department of Aging would have increased by at least \$25,800 in FY 2021 for program development costs and by \$100,000 in FY 2022 and annually thereafter for program grants and ongoing administration. State revenues would not have been affected. Local government grant revenues and expenditures may have increased.

HB 732

Taxation – Tobacco Tax, Sales and Use Tax, and Digital Advertising Gross Revenues Tax

General fund revenues would have increased by \$100.1 million in FY 2021 and by between \$92.2 million and \$80.5 million annually between FY 2022 and 2025 due to additional cigarette, other tobacco products, and net sales tax revenues. Blueprint for Maryland's Future Fund revenues may have increased significantly beginning in FY 2021 from digital advertising tax revenues. Special fund expenditures for the Comptroller's Office would have increased by \$1.6 million in FY 2021, by \$667,500 in FY 2022, and by similar amounts annually thereafter. General fund expenditures for the Tobacco Use Prevention and Cessation Program would have increased by \$8.3 million annually beginning in FY 2022. Local

health departments may have received additional funding beginning in FY 2022.

HB 737

Local Governments – Income Tax Disparity Grants – Amounts

General fund expenditures for income tax disparity grants would have increased by \$15.6 million in FY 2022 and by similar amounts annually thereafter. Local government revenues would have increased correspondingly. State revenues would not have been affected.

HB 932

21st-Century Economy Fairness Act

Blueprint for Maryland's Future Fund (BMFF) revenues would have increased significantly beginning in FY 2021 from sales taxes collected from the sale of digital products and codes. To the extent that such revenues would have been transferred to the Revenue Stabilization Account and the expenditure accounts of appropriate units of State government to fund costs associated with COVID-19, revenues to and expenditures from those accounts would have increased in FY 2021, and BMFF revenues would have been less. General fund expenditures for the Comptroller's Office would have increased by \$463,000 in FY 2021, by \$111,800 in FY 2022, and by similar amounts annually thereafter.

HB 1121

Maryland Mental Health and Substance Use Disorder Registry and Referral System

General fund expenditures for the Maryland Department of Health would have increased by at least \$255,900 in FY 2021, by approximately \$1.9 million in FY 2022, and by a minimum of \$754,600 annually thereafter. State revenues would not likely have been affected.

HB 1236

Transit – Maryland Area Regional Commuter Train – Expansion of Service

Transportation Trust Fund expenditures would have increased by as much as \$1.5 million annually in FY 2021 and 2022. State revenues would not have been affected.

HB 1260

Historically Black Colleges and Universities – Funding

General fund expenditures would have increased by \$58.9 million in FY 2022, contingent on the final settlement of a specified lawsuit

relating to historically black colleges and universities (HBCU). In subsequent years (through FY 2031 for the HBCU settlement funds), general fund expenditures would have increased by approximately \$58.5 million annually. HBCU revenues and expenditures would have increased correspondingly. Special fund revenues and expenditures would likely have increased.

HB 1300

Blueprint for Maryland's Future – Implementation

Special fund expenditures would have increased by \$37.0 million in FY 2021 and by \$390.2 million in FY 2022, after accounting for mandated spending under current law, and would have increased to \$866.9 million by FY 2025. General fund expenditures would have increased by \$2.4 million in FY 2023, by \$377.7 million in FY 2024, and by \$471.8 million in FY 2025. However, if general fund revenue estimates had decreased by more than 7.5% in a calendar year, then required annual increases in education funding would have been limited to inflation, as specified, beginning as early as FY 2022.

Local school systems would have received State aid increases of \$11.3 million in FY 2021 and \$691.7 million in FY 2022, after accounting for mandated funding in current law, and \$1.2 billion in by FY 2025. County government expenditures would have increased statewide by an estimated \$69.9 million in FY 2022 and by \$158.1 million in FY 2025. Most counties would not have been required to increase appropriations above current law projections. Local retirement costs would have increased beginning in FY 2024.

Although House Bill 1 (Built to Learn Act of 2020) was not vetoed, the bill was contingent on the enactment of either Senate Bill 1000 (which did not pass) or House Bill 1300. Thus, the veto of House Bill 1300 voids the provisions of House Bill 1 and the associated fiscal impacts. General fund expenditures would have increased by at least \$230,000 annually for program administration. Pay-as-you-go general fund expenditures would have increased by \$30.0 million in FY 2022 and by \$40.0 million annually beginning in FY 2023, with special fund revenues and expenditures increasing commensurately. General fund revenues would have decreased by \$2.4 million in FY 2022, by \$4.8 million in FY 2023, and by \$5.9 million annually thereafter through FY 2030.

Local revenues for public school construction projects would have increased by an estimated \$2.0 billion over several years beginning in FY 2022. Local expenditures for the local share of school

construction projects would have increased. An additional \$20.0 million would have been authorized for projects in Baltimore City under an existing program. Local expenditures may have also increased to conduct required capacity studies.

HB 1336

Criminal Procedure – Partial Expungement, Maryland Judiciary Case Search, and Expungement of Misdemeanor Conviction

General fund expenditures for the Judiciary and the Governor's Office of Crime Prevention, Youth, and Victim Services would have increased by a total of \$240,500 in FY 2021 only. General fund revenues may have increased minimally from filing fees.

HB 1659

Maryland Stadium Authority – Youth and Amateur Sports Grants Program and Michael Erin Busch Sports Fund

General fund revenues would have decreased by \$1.0 million annually beginning in FY 2021; special fund revenues and expenditures for the Maryland Stadium Authority would have increased by the same amount. Local grant revenues and expenditures may have increased beginning in FY 2021.

Summary of Quantified Impacts of Vetoed Legislation

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<u>Fund Type</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>
Summary of Quantifiable Revenue Effects of Vetoed Legislation					
GF	\$99,123,000	\$80,312,000	\$73,813,000	\$68,826,000	\$65,157,000
SF	\$4,788,500	\$46,487,934	\$56,489,154	\$56,175,270	\$56,180,000
Summary of Quantifiable Expenditure Effects of Vetoed Legislation					
GF	\$9,893,049	\$128,314,138	\$139,757,439	\$515,861,119	\$610,313,149
SF	\$42,890,063	\$428,365,375	\$1,021,861,012	\$884,078,516	\$913,329,124
Net Impacts of Vetoed Legislation					
GF	\$89,229,951	(\$48,002,138)	(\$65,944,439)	(\$447,035,119)	(\$545,156,149)
SF	(\$38,101,563)	(\$381,877,441)	(\$965,371,858)	(\$827,903,246)	(\$857,149,124)

Effect of the 2020 Legislative Program on the Financial Condition of the State