

EFFECT OF THE 2023 LEGISLATIVE PROGRAM ON THE FINANCIAL CONDITION OF THE STATE



DEPARTMENT OF LEGISLATIVE SERVICES 2023

Effect of the 2023 Legislative Program on the Financial Condition of the State

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

June 2023

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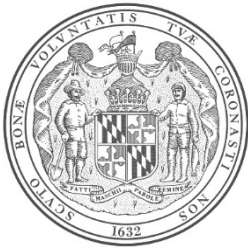
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DEPARTMENT OF LEGISLATIVE SERVICES
OFFICE OF POLICY ANALYSIS
MARYLAND GENERAL ASSEMBLY

Victoria L. Gruber
Executive Director

Ryan Bishop
Director

June 2023

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

Dear President Ferguson, Speaker Jones, and Members:

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. In accordance with this requirement, we are pleased to submit the following report, *Effect of the 2023 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 2024 operating budget (**House Bill 200/Chapter 101**).

Chapter 2 summarizes the fiscal 2024 capital budget program, including the 2023 capital budget bill (**House Bill 201/Chapter 102**).

Chapter 3 identifies enacted legislation from the 2023 session other than **House Bill 200** and **House Bill 201** 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 2023 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 2023 bills vetoed by the Governor for policy reasons and the bills' associated fiscal impact if they had been enacted.

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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
MAIF	–	Maryland Automobile Insurance Fund
MEDCO	–	Maryland Economic Development Corporation
MHBE	–	Maryland Health Benefit Exchange
MIEMSS	–	Maryland Institute for Emergency Medical Services Systems
MSCCSP	–	Maryland State Commission on Criminal Sentencing Policy
NB	–	Nonbudgeted
PAYGO	–	pay-as-you-go
RF	–	Reimbursable Fund
SB	–	Senate Bill
SF	–	Special Fund
TEDCO	–	Maryland Technology Development Corporation
()	–	Indicates decrease

Fiscal Effects of the 2023 Legislative Program

The fiscal 2024 budget (operating budget bill), House Bill 200 (Chapter 101) of 2023, provides approximately \$63.1 billion in appropriations for fiscal 2024 – a decrease of approximately \$932.8 million (1.5%) from fiscal 2023, after accounting for a net \$2.3 billion in fiscal 2023 deficiency appropriations and an additional \$482 million in spending added across both years by supplemental budgets. The appropriations consist of 43% in general fund spending, 30% in federal fund spending, 18.9% in special fund spending, and 8.0% in higher education revenue spending. Federal funds continue to account for a large percentage of the budget despite a \$1.8 billion reduction in appropriated funds, while increased use of funds from the Blueprint for Maryland's Future Fund to support K-12 education enhancements contribute to the nearly 3 percentage point increase in the proportion of the budget supported by special funds. State agency operations constitute the largest area of spending, accounting for 42.2% of the total budget.

The Maryland Consolidated Capital Bond Loan (MCCBL) of 2023 (capital budget bill), House Bill 201 (Chapter 102), authorizes \$1.219 billion in general obligation (GO) bonds for capital spending. The overall capital budget program passed by the General Assembly for fiscal 2024 totals \$6.97 billion, consisting of the \$1.219 billion in GO bonds authorized under the MCCBL of 2023, \$2.73 billion for the transportation program, \$2.514 billion in pay-as-you-go (PAYGO) funding, \$447 million in Built to Learn revenue bonds, \$29.1 million funded with attained bond premium proceeds, and \$30.0 million in academic revenue bonds for the University System of Maryland authorized by House Bill 735 (Chapter 160).

Consistent with recommendations of the Spending Affordability Committee, the fiscal 2024 budget provides an estimated fiscal 2024 structural surplus of \$150 million and a \$367 million cash balance. An estimated balance of \$2.5 billion is projected for the Rainy Day Fund. The fiscal 2024 budget also allocates over \$1.2 billion in general fund PAYGO toward capital investments, \$900 million toward future education reform implementation costs, and \$100 million toward transportation needs.

While the overall fiscal effect of enacted legislation other than the fiscal 2024 operating and capital budget bills cannot be fully quantified due to certain fiscal impacts that could not be reliably estimated, the impacts of 2023 legislation that have been quantified in fiscal and policy notes total to a net decrease in general fund revenues of \$169.5 million and a net increase in general fund expenditures of \$273.1 million in fiscal 2024, for an overall negative general fund impact of \$442.6 million. Special fund revenues increase by a net amount of \$63.8 million, and special fund expenditures increase by a net amount of \$54.7 million in fiscal 2024. Federal fund revenues increase by a net of \$111.7 million, and federal fund expenditures increase by a net of \$114.0 million in fiscal 2024. In addition, fiscal and policy notes in which personnel impacts were able to be quantified include an overall net increase of 207.5 regular and contractual positions in fiscal 2024.

**Total of Quantified General Fund Impacts of 2023 Legislation
(Exclusive of the Operating and Capital Budget Bills)**

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>
General Fund					
Revenues	(\$169,543,571)	(\$188,851,713)	(\$178,549,212)	(\$121,416,723)	(\$132,130,750)
General Fund					
Expenditures	\$273,096,512	\$280,344,579	\$165,243,933	(\$338,309,032)	\$167,837,328
Net General					
Fund Impact	(\$442,640,083)	(\$469,196,292)	(\$343,793,145)	\$216,892,309	(\$299,968,078)

Most of the quantified expenditure impacts of enacted 2023 legislation are already reflected in the fiscal 2024 budget. However, of the impacts that have been quantified in fiscal and policy notes, \$40.8 million in general fund expenditure increases are not accounted for in the fiscal 2024 budget and may result in deficiency appropriations for the affected agencies in the next budget bill or 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 2024 Quantified Expenditure Increases Resulting from 2023 Legislation
Not Included in the Budget**

<u>General Funds</u>	<u>Special Funds</u>	<u>Federal Funds</u>
\$40,789,360	\$111,856,123	\$13,863,023

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 2023 legislation (aside from the operating and capital budget bills) 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 2023 other than the operating and capital budget bills. As shown in Chapter 4, State aid to local governments will total \$10.3 billion in fiscal 2024, which represents a \$888.5 million (9.4%) increase over fiscal 2023. Consistent with prior years, local school systems receive the largest portion of State aid.

Chapter 1. Operating Budget

- Overview
- Budget in Brief
- Framing the Session: 2022 Interim Activity
- Governor's Spending Plan as Introduced
- Legislative Consideration of the Budget
- By the Numbers

Overview

Higher than anticipated revenues continued to place the State in a strong fiscal position going in to the 2023 session. Cooperation between the Legislative and Executive branches was a theme that carried throughout the session, as the General Assembly sought to exercise its new constitutional authority to add to the executive budget. Recognizing that the sizable general fund balance was partially dependent on unreliable revenue sources and acknowledging the potential risks of high inflation and a possible recession, spending by both the Administration and the legislature during the 2023 session was focused on strategic investments in improving State services and the State workforce, capital infrastructure, and mitigating future demands on the general fund.

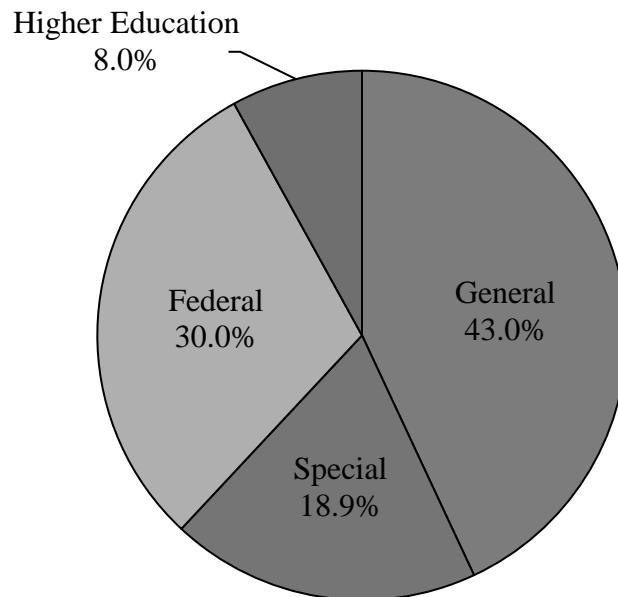
Governor Wes Moore introduced a fiscal 2024 budget that provided 4.3% general fund growth while maintaining a Revenue Stabilization Account (Rainy Day Fund) balance equal to 10% of general fund revenues. As part of his fiscal plan, the Governor proposed modest tax relief legislation and placed an emphasis on revitalizing the State employee workforce, investments in transportation and education, and a commitment to service. At the 2023 session, the legislature passed nearly \$206 million in tax relief for fiscal 2024 along with other legislation that reflected legislative priorities. The fiscal 2024 budget provides \$1.2 billion in capital investments, saves \$900 million to meet future commitments to implementing education reform, fulfills all mandates, and provides State employees with over \$1.0 billion in compensation enhancements. Final action on the budget leaves an estimated general fund cash balance of \$367 million at the end of fiscal 2024, in addition to \$2.5 billion in the Rainy Day Fund. The legislature once again met all the recommendations of the Spending Affordability Committee (SAC).

Budget in Brief

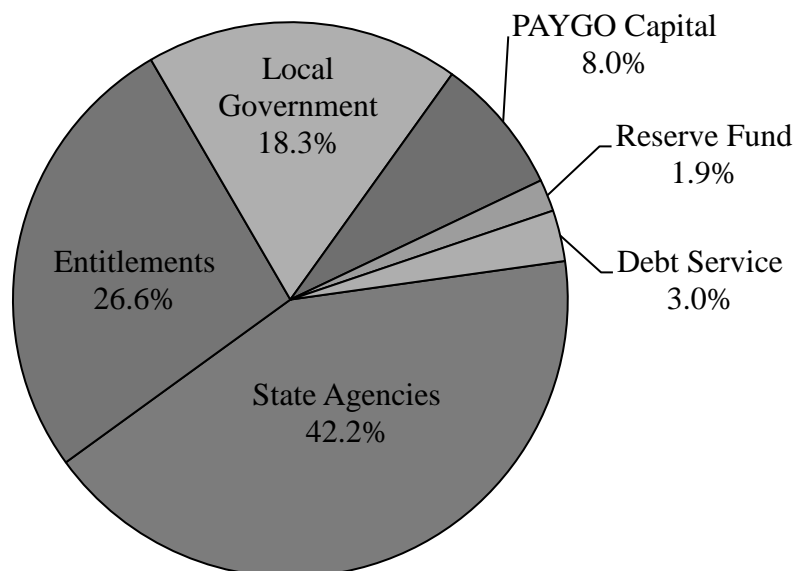
House Bill 200 (Chapter 101) provides approximately \$63.1 billion in appropriations for fiscal 2024 – a decrease of approximately \$932.8 million (1.5%) from fiscal 2023, after accounting for a net \$2.3 billion in fiscal 2023 deficiency appropriations and an additional \$482 million in spending added across both years by supplemental budgets. **Exhibit 1.1** illustrates fiscal 2024 spending by fund source and purpose. General funds constitute the largest portion of the State budget, accounting for 43%, or \$27.1 billion, of the total fiscal 2024 legislative appropriation. Federal funds continue to account for approximately 30% of all spending despite a \$1.8 billion reduction in appropriated funds. Increased use of funds from the Blueprint for Maryland's Future Fund to support K-12 education enhancements is a significant contributor to the nearly 3 percentage point increase in the proportion of the budget supported by special funds (18.9%). Higher education revenues provide the remaining 8.0% of the budget. State agency operations constitute the largest area of spending, accounting for 42.2% of the total budget, followed by entitlements (26.6%) and aid to local governments (18.3%). Remaining appropriations fund pay-as-you-go (PAYGO) capital spending, debt service on State general obligation (GO) bonds, and appropriations to the Reserve Fund.

Exhibit 1.1
Maryland's \$63.1 Billion Fiscal 2024 Budget

Where It Comes From: Budget by Fund Source



Where It Goes: Budget by Purpose



PAYGO: pay-as-you-go

Source: Department of Legislative Services

General fund appropriations decrease by \$884.9 million, or 3.2%, when compared to the fiscal 2023 adjusted working appropriation. The net reduction is driven by comparatively less cash available than in the current fiscal year, thus resulting in nearly \$1.1 billion less in spending for general fund PAYGO to support capital projects that would otherwise be funded through GO bonds and \$1.3 billion less appropriated to the State Reserve Fund accounts. Despite these significant decreases, general fund support for State agencies grows by \$791.5 million (7.9%), largely reflective of significant investments in personnel in an effort to revamp the State employee workforce through compensation enhancements and the addition of 735 positions, along with growth in provider rate increases for health care and other service providers, investments in behavioral health infrastructure, and the creation of two new executive agencies. Funding for the Medical Assistance Program (Medicaid) and other entitlements increases by nearly \$493 million, or 10.2%, primarily due to the need to backfill for the loss of enhanced federal funds received during the COVID-19 pandemic. Aid to local governments grows by \$248.8 million, or 3.1%, to fund statutory education formulas, increases for community colleges, and growth in disparity grant funding.

Special fund spending increases by nearly \$1.9 billion, or 18.7%, compared to the fiscal 2023 working appropriation. The increased use of special funds from the Blueprint for Maryland's Future Fund used to support education aid programs accounts for over \$620 million of the increase. Funding for the transportation program increases by nearly \$600 million, split between the operating and capital programs. Approximately one-third of the special fund growth reflects increases to nontransportation special fund PAYGO, including additional transfer tax revenues for environmental PAYGO projects and the availability of \$310 million from the Fiscal Responsibility Fund to support K-12 and higher education capital spending.

Federal fund spending reflected in the budget decreases by a net \$1.8 billion, or 8.7%, with reductions to federal support of entitlement programs accounting for nearly 91% of the decrease. The end of the federal enhanced Medicaid match provided during the COVID-19 pandemic and subsequent anticipated enrollment decline due to the redetermination process that will occur over the fiscal year is the primary driver of the \$1.6 billion in reduced federal entitlement spending in fiscal 2024. The \$431 million decrease in assistance payments is largely driven by the Pandemic Electronic Benefit Transfer benefits, which are not budgeted in fiscal 2024, and a lower benefit due to the end of enhanced pandemic benefits through the Supplemental Nutrition Assistance Program (SNAP). Approximately \$100 million is budgeted across fiscal 2023 and 2024 from the federal Infrastructure Investment and Jobs Act (IIJA), although the State anticipates receiving over \$8.0 billion through the legislation over the next five years. The transportation capital program accounts for more than \$6.7 billion of the spending between fiscal 2023 and 2028, including \$1.4 billion in enhancements; however, the majority of the spending is expected to occur in the out-years of the forecast. At the time of writing, anticipated State funds through the federal Inflation Reduction Act are indeterminate; as such, the fiscal 2024 budget does not acknowledge any funding enhancements available through that legislation.

Current unrestricted and current restricted funding for State public four-year institutions and Baltimore City Community College in the fiscal 2024 budget totals \$7.4 billion. This reflects a net increase of \$194.2 million compared to the fiscal 2023 working appropriation, largely the

result of an increase in State funding related to general salary increases. General fund support increases by \$291.6 million, or 14.2%, over fiscal 2023, and the budget assumes in-state tuition rates will rise by 2%.

With respect to personnel, the size of the regular State workforce increases by 735 positions to 82,582 regular positions in fiscal 2024. The budget provides most State employees a 2% cost-of-living adjustment (COLA) and increments effective July 1, 2023. Law enforcement union members are provided with a 5% COLA and increments effective July 1, 2023.

Framing the Session: 2022 Interim Activity

Fiscal 2022 closed with another year of extraordinary revenue generation, as shown in **Exhibit 1.2**, with final general fund revenues exceeding estimates by nearly \$1.6 billion, or 7%. Although three of the four major revenue sources overperformed, personal income tax revenues accounted for nearly two-thirds of the total overattainment, particularly nonwithholding income tax revenues from capital gains. The Board of Revenue Estimates (BRE) attributed the elevated revenues to the unprecedented federal stimulus funding provided in response to the COVID-19 pandemic and higher inflation leading to increased sales and use tax revenues. State agencies also contributed to the higher than anticipated closing balance by reverting nearly \$200 million at the close of the fiscal year.

Exhibit 1.2 Fiscal 2022 Closeout (\$ in Millions)

	<u>2022</u>
Estimated Closing Balance – End of 2022 Session	\$4,604
Revenue and Transfers	
Revenues Above Estimate	\$1,570
Transfers to Other Funds	-875
Spending	
Reversions Above Estimate	200
Estimated Closing Balance – December 2022	\$5,499

Source: Department of Legislative Services

Fiscal 2022 closeout was the first year of implementation for the revenue volatility cap calculation designed to protect the State against heavy reliance on nonwage revenue sources that can fluctuate significantly from year to year. Over \$870 million in nonwithholding overattainment in fiscal 2022 was redirected according to the statutory distributions detailed in **Exhibit 1.3**. The additional \$500 million distribution to the Rainy Day Fund increased the fiscal 2022 balance to approximately 7% of general fund revenues and provided an additional \$310 million in supplemental PAYGO funding in fiscal 2024.

Exhibit 1.3
Revenue Volatility Cap Implementation Distributions
Fiscal 2022
(\$ in Millions)

	<u>Amount</u>
Overattainment of Nonwithholding Income Tax Revenues	\$870.3
Distributions	
Set Aside for 4.5% Fiscal 2023 COLA for AFSCME Union Members	\$60.0
Rainy Day Fund Balance to 6% of General Fund Revenues	190.2
Remaining Balance Distributed 50% to Rainy Day Fund; 50% to FRF	
Rainy Day Fund	310.0
FRF Allocation to Support Education-related PAYGO	310.0

AFSCME: American Federation of State, County, and Municipal Employees

COLA: cost-of-living adjustment

FRF: Fiscal Responsibility Fund

PAYGO: pay-as-you-go

Note: Numbers may not sum to total due to rounding.

Source: Department of Legislative Services

SAC Recommendations

As described below, SAC's December 2022 report to the Governor made recommendations concerning the fiscal 2024 spending limit, use of fund balances, State employment, and the Transportation Trust Fund (TTF).

Spending Limit and Sustainability

Unprecedented levels of federal aid and stronger than anticipated revenues continued to put the State in a better than anticipated fiscal position going into the 2023 session, but the potential for a recession and a diminishing structural balance in the out-years remained of concern. As a result, the committee recommended that a \$100 million structural surplus be maintained in fiscal 2024 to allow for significant investment in State services and the State workforce while safeguarding against future uncertainty.

Fund Balances and Use of Surplus

The availability of significant cash surpluses after assuming a 10% balance in the Rainy Day Fund presented the opportunity for the State to continue to invest resources toward unmet needs and priorities; however, recognizing that the surplus was largely the result of an historically unreliable revenue source and the potential for an economic downturn, SAC recommended that a minimum balance of \$350 million be retained in the General Fund at the close of fiscal 2024 and that a balance equal to 10% of general fund revenues be retained in the Rainy Day Fund. Any remaining surplus funds should largely be directed toward one-time spending on capital infrastructure and one-time investments in the State workforce, education, and transportation needs.

Personnel

Historically high vacancy rates and understaffing for critical classes of positions despite recent salary increases led SAC to recommend that the Administration restaff and adequately fund State government.

Transportation

Chapters 27 and 563 of 2022 expanded the required annual SAC recommendations to include a recommended fund balance for TTF and a recommended minimum expenditure level for system preservation by the Maryland Department of Transportation (MDOT). The 2022 interim report was the first year of including such recommendations. With MDOT having identified a 10-year shortfall of nearly \$4 billion between programmed spending for state of good repair and needed spending, SAC recommended a target fiscal 2024 closing balance of \$200 million and that system preservation funding total at least \$1.2 billion.

Governor's Spending Plan as Introduced

As introduced, the Governor's budget plan for the current fiscal year assumed \$64.1 billion in total spending, including \$28.2 billion in general funds, which left an estimated closing general fund balance of \$2.3 billion in fiscal 2023. This spending included a net \$2.3 billion in deficiency appropriations, including \$2.0 billion in federal funds reflecting additional stimulus aid along with funding for SNAP assistance and other entitlement programs. General fund deficiencies added a

net \$186.1 million to the working appropriation, with added funding for debt service, general fund support for entitlements, employee salary increases, and costs associated with the implementation of legislation largely offset by nearly \$690 million in general fund savings associated with the continuation of the enhanced Medicaid match through fiscal 2023.

The fiscal 2024 budget plan proposed \$62.9 billion in total spending, reflecting a nearly \$1.1 billion (1.8%) decrease from the fiscal 2023 spending plan. General fund spending declined by more than \$1.2 billion, or 4.4%, largely due to the one-time \$2.3 billion appropriation to the Rainy Day Fund in fiscal 2023 that was not provided in the allowance. With the Rainy Day Fund balance maintained at 10% of general fund revenues in fiscal 2024, **House Bill 202 (Chapter 103)**, the Budget Reconciliation and Financing Act (BRFA), included a provision to eliminate the required fiscal 2024 appropriation. The Governor's budget plan redirected \$1.0 billion of the statutory appropriation to the Rainy Day Fund to instead be earmarked to support \$500 million in future education costs funded through the Blueprint for Maryland's Future Fund and \$500 million for investments in transportation capital projects. The remaining \$61.4 million of the required appropriation was contingently reduced and accounted for in the Administration's projected closing fund balance. Funding for K-12 education increased by over \$700 million in the allowance, attributable to an unexpected surge in the number of students qualifying for free and reduced-price meals (FRPM).

The Administration's legislative package proposed to have a net impact of \$204 million in reduced general fund revenue and \$243.6 million in increased general fund spending, with the most significant expense associated with accelerating planned rate increases for health care providers to align with an accelerated implementation of a \$15 minimum wage. Modest targeted tax relief consisted of two pieces of legislation proposing to exempt additional military retirement income from the income tax, establish a more robust child tax credit, and remove the sunset on temporary enhancements to the earned income tax credit scheduled to terminate after fiscal 2023. The combined \$204 million in lost revenues in fiscal 2024 was estimated to reach \$230 million by fiscal 2028.

The budget, as introduced, met all the SAC spending goals by providing an \$820 million closing general fund balance and the equivalent of 10% of general fund revenues in the Rainy Day Fund. The Governor's allowance also maintained structural balance by leaving an estimated surplus of \$337 million. **Exhibit 1.4** details the Governor's original general fund spending plan for fiscal 2023 and 2024.

Exhibit 1.4
Governor's Original Budget Plan – General Funds
Fiscal 2023-2024
(\$ in Millions)

	<u>2023</u>	<u>2024</u>
Opening Balance	\$5,499	\$2,316
BRE Revenues (Adjusted for Revenue Volatility Cap)	\$24,539	\$25,090
Transfer from the Rainy Day Fund	1,166	479
Chapter 33 of 2022 – Blueprint for Maryland's Future Fund Distribution	-800	
Earned Income and Child Tax Credits (House Bill 547 (Ch. 4)/Senate Bill 552 (Ch. 3))		-171
Military Retirement Income Tax Exemption (House Bill 553 (Ch 613)/Senate Bill 553 (Ch. 614))		-33
Additional Revenues	92	89
Subtotal	\$24,997	\$25,454
Appropriations/Deficiencies	\$28,351	\$26,750
Contingent Appropriations		305
Contingent Reductions		-62
Reversions	-171	-45
Subtotal	\$28,181	\$26,949
Adjusted Closing Balance	\$2,316	\$820

BRE: Board of Revenue Estimates

Source: Maryland Budget Highlights, Fiscal 2024

Legislative Consideration of the Budget

The 2023 session and legislative consideration of the fiscal 2024 budget was historic in being the first budget since 1915, following approval of a constitutional amendment in November 2020, that allowed the legislature to directly increase appropriations for Executive Branch agencies. With a new Administration in place, the legislature opted to implement its new authority by working closely with the Governor on its priorities. **Exhibit 1.5** summarizes final legislative action on the fiscal 2023 and 2024 budgets, which included submission of two supplemental budgets from the Administration, a revenue write-down, consideration of budget reconciliation and other legislation, and the implementation of the new process for reflecting

legislative priorities. The sum of these actions leaves an estimated closing general fund balance of nearly \$2.4 billion in fiscal 2023 and \$367 million in fiscal 2024.

Exhibit 1.5
Final Legislative Budget Action – General Funds
Fiscal 2023-2024
(\$ in Millions)

	<u>2023</u>	<u>2024</u>
Opening Balance	\$5,499	\$2,395
BRE Revenues (adjusted for Revenue Volatility Cap and March 2023 Revision)	\$24,462	\$24,690
Transfer from the Rainy Day Fund	1,166	479
Chapter 33 of 2022 – Blueprint for Maryland’s Future Fund Distribution	-800	
Tax Relief		-206
Additional Revenues/Other Legislation	92	148
Subtotal	\$24,919	\$25,111
Appropriations/Deficiencies	\$28,351	\$27,056
Supplemental Budgets	-7	194
Legislative Additions		1,128
Legislative Reductions	-148	-1,193
Reversions	-173	-46
Subtotal	\$28,023	\$27,139
Adjusted Closing Balance	\$2,395	\$367

BRE: Board of Revenue Estimate

Source: Department of Legislative Services

Legislative initiatives enacted during the 2023 session had a modest impact on fiscal 2024 general fund revenues. Actions on the Administration’s tax relief package result in a reduction in general fund revenues of approximately \$184 million in fiscal 2024, with additional legislation passed by the General Assembly providing select income tax credits further reducing revenues by \$22.2 million. Additionally, **House Bill 556 (Ch. 254)/Senate Bill 516 (Ch. 255)** are anticipated to generate approximately \$17.8 million in additional revenue through application of the sales and use tax on recreational cannabis. **House Bill 824 (Ch. 651)** is also expected to generate nearly \$5.3 million in additional revenue in fiscal 2024 from increased handgun permit fees.

Following submission of the budget in January 2023, the Governor submitted two supplemental budgets, summarized in **Exhibit 1.6**, which added a net of just over \$500 million across the current and budgeted fiscal years, including a net \$187.0 million in general fund spending.

Exhibit 1.6
Summary of Supplemental Budget Spending by Fund
(\$ in Millions)

<u>Supplemental Budget</u>	<u>General Funds</u>	<u>Special Funds</u>	<u>Federal Funds</u>	<u>Reimbursable Funds</u>	<u>Total</u>
No. 1	\$0.03	-\$41.8	\$11.4	\$1.1	-\$29.3
No. 2	187.0	112.0	213.6	19.0	531.6
Total	\$187.0	\$70.2	\$225.0	\$20.1	\$502.3

Source: Department of Legislative Services

Supplemental Budget No. 1 had minimal overall impact, with a net reduction in spending totaling \$29.3 million. The supplemental budget was largely needed to correct formulaic errors in the disparity grant and select education aid formulas impacted by revised net taxable income data. Supplemental Budget No. 2, with the provision of \$531.6 million in total spending and 271 new positions, was more reflective of the Administration further crafting funding initiatives supported by the Governor and supporting policies identified by the legislature during the course of the session, including the provision of \$32 million in general fund PAYGO for nonprofit organizations with capital needs, nearly \$70 million in additional salary increases for State employees, the realignment of funding for the Maryland Corps Program to the newly established Department of Service and Civic Innovation, and the relocation of the Maryland 529 program to the State Treasurer's Office.

BRE revised its fiscal 2023 and 2024 general fund revenue estimates in March 2023. In response to continued concerns regarding a potential recession and a faster than anticipated slowing of Maryland's economy and revenues, BRE revised the revenue estimates downward by a combined \$477.6 million across the two fiscal years. In recognition of this write-down, the Administration included \$39.3 million in general fund reductions in the submission of Supplemental Budget No. 2, and legislative actions resulted in \$147.5 million in general fund reductions to the working appropriation and nearly \$1.5 billion in total fund reductions to the fiscal 2024 budget, of which \$1.2 billion was general funds.

Legislative Priorities

As shown in **Exhibit 1.7**, the legislature reallocated more than \$1.1 billion to directly fund legislative priorities across the State in fiscal 2024. This included nearly \$385 million in general fund PAYGO spending for capital projects, including \$232.1 million shifted from the capital budget to create additional GO bond capacity for legislative priorities. The legislature also repurposed \$400 million of the \$500 million earmarked to fund future transportation projects to instead cover implementation costs associated with education reform. Actions in the budget continue to provide MDOT with \$100 million in set aside funds, plus the authority to utilize \$100 million in Rainy Day Fund balance, to support environmental studies and required State matches on federally funded projects. Approximately \$97.5 million of the \$1.1 billion in general fund additions is allocated to fund legislation enacted during the 2023 session. In response to concerns regarding shortfalls in funding used to support the State's emergency services network and trauma centers, the budget also provides \$25.5 million in one-time general fund support to the Maryland Emergency Medical System Operations Fund and \$9.5 million in assistance specifically for trauma centers, while the commission established through **House Bill 675 (Ch. 341)/Senate Bill 493 (Ch. 342)** explores the adequacy of current funding sources.

Exhibit 1.7 Legislative Budget Priorities (\$ in Millions)

General Funds

<u>Purpose</u>	<u>Total</u>
Increase Balance in Blueprint Fund	\$400.0
PAYGO Capital for Healthy School Facilities, Public School Construction Fund, and Court of Appeals – Shifted from General Obligation Bonds	232.1
PAYGO Capital Projects	152.7
Funds for Environmental Studies (Red Line and Southern Maryland Rapid Transit) and for State Match on Federal Transportation Funding Opportunities	100.0
Cannabis Business Assistance Fund	40.0
General Fund Support for the Maryland Emergency Medical System Operations Fund	25.5
Provision of a \$600 Match to Employees Participating in the State Supplemental Retirement Plan under Certain Circumstances	12.0
Teacher Development and Retention Fund	10.0
Grant to Baltimore City to Assist with K-12 Local Share Requirement	10.0
Funds to Assist Trauma Centers Experiencing Financial Challenges	9.5
Eliminate Senior Care Waitlist	8.5

<u>Purpose</u>	<u>Total</u>
Treasurer to Administer Maryland 529 and to Complete IT Upgrade	8.5
Shift Portion of Board of Nursing Costs to General Fund	8.0
Grant to Community Preservation Trust	7.9
MARBIDCO to Enhance Loan Programs	6.0
Additional Funds for End Waitlist Initiative	6.0
Comptroller for IT Upgrades	5.3
Immigration Resettlement Funding	5.0
Family Planning Grants and Medicaid Reimbursement Rates for Abortion Services	5.0
Hoffman Loan Assistance – Grasmick Teacher Award	5.0
Maryland Legal Services Corporation for Access to Counsel	3.6
Funds to Implement State’s Alzheimer’s Plan	3.5
Maryland Loan Assistance Program for Police Officers	3.5
Nonpublic Placements – Teacher Compensation Costs	3.0
Maryland Meals for Achievement In-classroom Breakfasts	2.3
Social Equity Partnership Grant Program	2.0
Department of Housing and Community Development for Emergency Rental Assistance	2.0
Equitech Growth Fund	2.0
Grant Upton Planning Committee for Parren J. Mitchell House	1.5
Grant to University of Baltimore’s Schaefer Center	1.5
UMD Medicine – Rural Residency Program to Address Primary Care Provider Shortage	1.5
Comptroller for Reclassification of Attorney Positions	1.3
Grant to Northbay	1.3
University of Maryland Eastern Shore to Match Federal Grants	1.2
Maryland Agricultural Fair Board for Full Funding of Fair and Show Grant	1.1
Grant to Water’s Edge	1.0
Grant to Olney Theatre Center	1.0
Prince George’s County Emergency Seniors Rental Assistance Fund	1.0
Grant to Roca for Expansion Around the State	1.0
Maryland Coalition Against Sexual Assault to Support Community Rape Crisis Centers	1.0
Grant to Maryland Network Against Domestic Violence	1.0
Grant to Strengthening Humanities in Nonprofit Equity	1.0
Maryland Center for History and Culture	1.0
Scholarships under the Pilot Program for Human Services Careers Scholarship	1.0

<u>Purpose</u>	<u>Total</u>
Maryland Public Television to Produce New Programming	1.0
Grant to Cal Ripken Senior Foundation for STEM Initiative	1.0
Prescription Drug Affordability Board	1.0
University of Maryland Global Campus – Scholarship Program	1.0
Grant to Sister States of Maryland to Explore Cultural Linkage Program	1.0
Grant to Maryland Alliance of Boys and Girls Clubs	1.0
Other Priorities under \$1.0 Million	25.2
Total General Fund Additions	\$1,128.2

Special Funds

Repairs to Natural Gas Infrastructure Funded from Washington Gas Settlement	\$9.3
Nonpublic Schools for Security, School Nurses, other Health Services, and Textbooks	2.5
Blueprint Coordinators	2.0
BOOST	1.0
Critical Infrastructure Cybersecurity Act – Public Service Commission	0.4
Total Special Fund Additions	\$15.2

BOOST: Broadening Options and Opportunities for Students Today

IT: information technology

MARBIDCO: Maryland's Agricultural and Resource-Based Industry Development Corporation

PAYGO: pay-as-you-go

STEM: science, technology, engineering, and mathematics

UMD: University of Maryland

Source: Department of Legislative Services

Final Actions Related to SAC

Maintaining Structural Balance

SAC had recommended that the fiscal 2024 general fund budget provide a closing structural surplus of \$100 million. Final revenue and spending actions by the General Assembly resulted in a structural surplus of \$150 million in fiscal 2024. **The structural budget goal for fiscal 2024 was met.**

General Fund and State Reserve Fund Balances

Per the recommendations to maintain a fiscal 2024 cash balance of at least \$350 million, a minimum of 10% balance in the Rainy Day Fund, and direct the use of cash surplus toward

one-time investments in capital infrastructure, education, and transportation, legislative actions resulted in (1) an estimated closing fund balance of \$367 million; (2) an estimated Rainy Day Fund balance of \$2.5 billion, or 10%, of estimated general fund revenues compared to the December 2022 revenue estimate; and (3) over \$1.2 billion in general fund PAYGO allocated to capital investments, \$900 million toward future education reform implementation costs, and \$100 million toward transportation needs. **Final action on the fiscal 2024 budget met the SAC recommendations.**

State Employment

In response to the recommendation acknowledging the challenges of recruiting and retaining State employees, the budget approved by the legislature includes \$929 million for the following salary actions:

- a 2% COLA effective July 1, 2023, and increments for most State employees;
- a 5% COLA and increments for employees represented by the State Law Enforcement Officers Labor Alliance effective July 1, 2023; and
- funding for annual salary reviews (ASR) that increased salaries for nearly 6,000 positions across State government in classifications with particularly high vacancy rates.

In addition, the budget as introduced by the Governor also included 576 new Executive Branch positions, Supplemental Budget No. 2 added 271 further positions, and legislative action added 12 positions, for a total of 859 new positions. **The personnel goals for fiscal 2024 were met.**

Transportation

The fiscal 2024 budget as enacted includes \$1.3 billion for system preservation and a target closing balance of \$325 million for TTF compared to the SAC goals of at least \$1.2 billion for system preservation and a \$200 million closing balance. The TTF forecast includes gradual increases in the target closing balance in response to increased federal aid for the transportation capital program, much of which is provided on a reimbursable basis. **The transportation goals for fiscal 2024 were met.**

Outlook for Future Budgets

As shown in **Exhibit 1.8**, fiscal 2024 is projected to end with a fund balance of \$367 million and ongoing revenues exceed ongoing spending by \$150 million. A \$418 million structural deficit is anticipated for fiscal 2025. Structural challenges prevail for the remainder of the forecast period culminating in a \$1.8 billion deficit in fiscal 2028. Between fiscal 2024 and 2028, ongoing revenues, which are projected to grow at an average annual rate of 3.3%, are outpaced by the increase in ongoing spending, which grows at an average annual rate of 5.1%. Cash shortfalls projected for fiscal 2026 and 2027 can be addressed by shifting planned PAYGO

capital to bonds and making modest reductions to planned operating spending or drawing the Rainy Day Fund below 5% of general fund revenues. The fiscal 2028 cash shortfall far exceeds the cash remaining in the Rainy Day Fund necessitating significant spending reductions and/or increased revenues.

Exhibit 1.8
General Fund Budget Outlook
Fiscal 2024-2028
(\$ in Millions)

	Leg. Approp. <u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	Avg. Annual Change <u>2024-2028</u>
Revenues						
Opening Fund Balance	\$2,395	\$367	\$0	\$0	\$0	
Transfers	479	691	575	15	4	
One-time Revenues	58	0	0	0	0	
One-time Revenues – Legislation	14	0	0	0	0	
Subtotal One-time Revenue	\$2,946	\$1,058	\$575	\$15	\$4	
Ongoing Revenues	\$24,760	\$25,479	\$25,959	\$26,859	\$28,081	
Revenue Adjustments – Legislation	-201	-189	-178	-122	-132	
Subtotal Ongoing Revenue	\$24,560	\$25,291	\$25,781	\$26,737	\$27,949	3.3%
Total Revenues and Fund Balance	\$27,506	\$26,349	\$26,356	\$26,752	\$27,953	0.4%
Ongoing Spending						
Operating Spending	\$24,608	\$25,591	\$26,212	\$26,930	\$29,621	
Ongoing (Reductions)/Additions	-197	23	24	24	24	
Ongoing Spending – Legislation	-1	94	117	111	125	
Subtotal Ongoing Spending	\$24,410	\$25,709	\$26,353	\$27,066	\$29,769	5.1%
One-time Spending	\$2,729	\$640	\$561	\$476	\$494	
Total Spending	\$27,139	\$26,349	\$26,914	\$27,542	\$30,264	2.8%
Ending Balance	\$367	\$0	-\$558	-\$789	-\$2,311	
Rainy Day Fund Balance	\$2,528	\$1,846	\$1,284	\$1,332	\$1,392	
Balance over 5% of General Fund Revenues	1,273	585	0	0	0	
As % of General Fund Revenues	10.1%	7.3%	5.0%	5.0%	5.0%	
Structural Balance	\$150	-\$418	-\$572	-\$328	-\$1,821	

Source: Department of Legislative Services

The cash and structural budget outlook deteriorates substantially in fiscal 2028 due to the costs of ongoing K-12 education enhancements outpacing the availability of special funds in the Blueprint Fund. The Blueprint Fund is expected to close fiscal 2024 with a fund balance approaching \$2.9 billion. This fund balance coupled with annual Blueprint revenues of about \$1.4 billion is sufficient to maintain current Blueprint support for K-12 education and fund most of the increases in K-12 costs for fiscal 2025 through 2027. By the end of fiscal 2027, the Blueprint Fund surplus is exhausted resulting in substantial K-12 costs shifting to the general fund in fiscal 2028.

Legislation passed during the 2023 session decreases revenues by \$884 million and increases spending by \$500 million for the five-year period ending with fiscal 2028. Legislation affecting revenues with a projected five-year impact of \$50 million or more includes:

- **Senate Bill 516/House Bill 556 (Chapters 254 and 255)** establish the regulatory framework for adult use cannabis and establish a sales and use tax applicable to adult-use cannabis. Under the Acts, general fund revenues increase by \$17.9 million in fiscal 2024 (Supplemental Budget No. 2 recognized \$15 million of this amount), \$31 million in fiscal 2025, \$51 million in fiscal 2026, \$68 million in fiscal 2027, and \$79 million in fiscal 2028.
- **House Bill 2 (Chapter 513)** authorizes a subtraction modification against the Maryland income tax for specified union dues paid by an individual during the taxable year. Under the Act, general fund revenues decrease between \$10 million and \$12 million each year.
- **Senate Bill 553/House Bill 554 (Chapters 613 and 614)** enhance the existing military retirement income tax subtraction modification by increasing the maximum amount of military retirement income received by an individual that may be exempted from Maryland income tax. Under the Acts, general fund revenues decrease between \$11 million and \$13 million each year.
- **Senate Bill 552/House Bill 547 (Chapters 3 and 4)** extend the temporary expansions to the Maryland earned income credit that were enacted in 2021 and also eliminate an existing limit on the value of the State refundable earned income credit for individuals without qualifying children. In addition, the Acts permanently extend and alter eligibility for the State child tax credit originally enacted in 2021. Under the Acts, general fund revenues decrease by \$172 million in fiscal 2024, \$176 million in fiscal 2025, \$179 million in fiscal 2026, \$183 million in fiscal 2027, and \$187 million in fiscal 2028.

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

- **Senate Bill 828/House Bill 988 (Chapters 258 and 259)** modify the Family and Medical Leave Insurance Program by altering key administrative deadlines, technical definitions, and components of the program's administration. The start dates for required contributions

and benefit payments are delayed by one year to October 1, 2024, and January 1, 2026, respectively. Under the Acts, general fund spending increases by \$22 million in fiscal 2025 and between \$36 million and \$39 million per year in fiscal 2026 to 2028.

Budget Reconciliation and Financing Legislation

As summarized in **Exhibit 1.9, House Bill 202 (Chapter 103)**, the BRFA, results in a net increase of \$8.5 million in total fund spending in the fiscal 2024 budget plan. General fund expenditures increase by \$49.3 million combined in fiscal 2023 and 2024, while special fund expenditures decrease by \$40.8 million.

Exhibit 1.9
Actions in Budget Reconciliation and Financing Act
Fiscal 2023-2024
(\$ in Millions)

	<u>2023</u>	<u>2024</u>
General Fund Appropriations and Reductions Contingent on the BRFA		
Reduce the Medicaid Deficit Assessment		\$50,000,000
Repay the Local Reserve Account in Fiscal 2023	\$7,287,513	-529,836
Other Reductions		
Reduce Fiscal 2023 Spending on Public Benefits due to Lower Caseloads	-7,500,000	
Special Fund Reductions and Appropriations Contingent on the BRFA		
Reduce the Medicaid Deficit Assessment		-50,000,000
Expand Use of the Maryland Gas Expansion Fund		9,250,000
Total Impact on Spending Plan	-\$212,487	\$8,720,164

BRFA: Budget Reconciliation and Financing Act

Source: Department of Legislative Services

Expenditure Impacts

Four provisions impact spending in the fiscal 2024 budget. The most substantial impact results from a provision that reduces, in fiscal 2024 only, the Medicaid deficit assessment by \$50 million. The Medicaid deficit assessment is imposed on hospitals and used as special funds to support the Medicaid program. Absent these funds, additional general funds are required to meet the anticipated expenditures in Medicaid. Two actions in the budget are contingent on the provision, including a special fund reduction of \$50 million and a general fund appropriation of the same amount. Although it is unusual for the BRFA to provide a net increase in spending, this is a part of a series of actions being undertaken to assist in bringing Maryland back in compliance with Medicare savings and expenditure growth targets required under the Total Cost of Care model.

Under Chapters 717 and 718 of 2021, refunds related to recalculated Homeowner's Tax Credits were paid from the Local Reserve Account. The Local Reserve Account was required to be repaid over a 15-year period under the chapters. A provision in the BRFA relieves this requirement. Instead, when combined with existing funding in the fiscal 2023 budget, a deficiency appropriation of \$7.3 million in general funds provides adequate funding to fully repay the Local Reserve Account. While increasing spending in fiscal 2023, over the 15-year period beginning in fiscal 2023, there is no net impact on spending as future expected repayments are no longer required. The deficiency appropriation and a fiscal 2024 general fund reduction of \$529,836 that represented the required second year of repayment funding are contingent on this provision.

An additional provision withdraws \$7.5 million in general funds in fiscal 2023 from the Department of Human Services for public benefits due to lower than anticipated caseloads.

The BRFA also authorizes the use of \$9.25 million of the Maryland Gas Expansion Fund for repair of existing natural gas infrastructure in the Washington Gas service territory. The fund was created as a required condition of the merger between Altagas Ltd. and Washington Gas Light Company and was to be used for the expansion of natural gas. Section 19 of **House Bill 200 (Chapter 101)** added a \$9.25 million special fund appropriation for this purpose to the Maryland Energy Administration.

Miscellaneous Provisions

The BRFA also contains four provisions that do not directly impact spending but authorize transfers or repurpose spending or clarify and alter requirements.

- Relieves the requirement to appropriate certain fiscal 2022 general fund surplus to the Rainy Day Fund. As introduced, the fiscal 2024 budget included a \$61.4 million general fund reduction to the appropriation for the Rainy Day Fund, as well as the transfer of \$500 million to the Blueprint for Maryland's Future Fund and \$500 million to the Dedicated Purpose Account (DPA) for future transportation projects, contingent on this provision. The General Assembly directly reduced the \$61.4 million in general funds, rather than the reduction being contingent on the provision. In addition, the

General Assembly deleted the funds that would have been transferred to the DPA for future transportation projects and instead added \$100 million directly to the DPA for certain transportation activities and an additional \$400 million to support future education costs. The initial \$500 million transfer to the Blueprint for Maryland's Future Fund remains contingent on this provision.

- Authorizes the Governor to transfer by budget amendment unexpended appropriation from fiscal 2023 initially intended for Baltimore County to acquire Stevenson University's Greenspring Campus to instead be used for two libraries (Woodlawn Library and Essex Library).
- Delays the date by which a portion of the Bainbridge Naval Training Center must be transferred to the Department of Natural Resources from June 1, 2023, to June 1, 2025.
- Provides flexibility in the specialties for which University School of Medicine faculty is required to be assigned to the University of Maryland Capital Region Medical Center for the purpose of providing clinical care.

By the Numbers

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

Exhibit 1.10, the fiscal note on the budget bill, depicts the Governor's allowance, funding changes made through two supplemental budgets, legislative additions and reductions, and final appropriations for fiscal 2023 and 2024 by fund source. The Governor's original request provided for \$62.9 billion in fiscal 2024 expenditures and \$2.4 billion in fiscal 2023 deficiencies.

Supplemental budgets provided a net of \$482.2 million in additional spending across fiscal 2023 and 2024, of which nearly \$187 million was general funds and \$225 million was federal funds. Legislative actions on the budget and BRFA resulted in a net reduction of \$450.2 million across both budget years. The legislature made nearly \$1.2 billion in general fund reductions to the fiscal 2024 allowance, adding back more than \$1.1 billion to fund targeted priorities. When all actions are considered, the fiscal 2024 legislative appropriation reflects a \$932.8 million decrease from the adjusted fiscal 2023 working appropriation. **Exhibit 1.11** through **Exhibit 1.15** provide detail for the budget changes by major expenditure category by fund.

Exhibit 1.10**Fiscal Note – Summary of the Fiscal 2024 Budget Bill – House Bill 200 (Ch. 101) and House Bill 202 (Ch. 103)**

	<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 2023 Budget	\$28,172,922,839	\$10,001,276,293	\$20,706,807,041	\$5,177,595,035	\$64,058,601,208	(1)
Fiscal 2024 Budget	26,961,206,916 (2)	11,945,706,367 (3)	18,981,612,554	5,060,885,543	62,949,411,380	
Supplemental Budget No. 1						
Fiscal 2023 Deficiencies	-\$50,943,639	\$3,209,485	\$5,128,526	\$0	-\$42,605,628	
Fiscal 2024 Budget	50,973,953	-45,057,232	6,284,112	0	12,200,833	
Subtotal	\$30,314	-\$41,847,747	\$11,412,638	\$0	-\$30,404,795	
Supplemental Budget No. 2						
Fiscal 2023 Deficiencies	\$44,174,450 (4)	\$38,354,511	\$28,833,361	\$0	\$111,362,322	
Fiscal 2024 Budget	142,812,597	73,645,071	184,782,769	0	401,240,437 (5)	
Subtotal	\$186,987,047	\$111,999,582	\$213,616,130	\$0	\$512,602,759	
Budget Reconciliation and Financing Act of 2023						
Fiscal 2023 Contingent Appropriations	\$7,287,513	\$0	\$0	\$0	\$7,287,513	
Fiscal 2023 Reductions	-7,500,000	\$0	\$0	\$0	-\$7,500,000	
Fiscal 2024 Contingent Reductions	-529,836	-50,000,000	0	0	-50,529,836	
Fiscal 2024 Contingent Appropriations	50,000,000	9,250,000	0	0	59,250,000	
Subtotal	\$49,257,677	-\$40,750,000	\$0	\$0	\$8,507,677	
Legislative Reductions						
Fiscal 2023 Deficiencies	-\$142,500,000 (6)	\$0	\$0	\$0	-\$142,500,000	
Fiscal 2024 Budget	-1,194,100,391 (7)	-15,181,532	-244,492,988	0	-1,453,774,911	
Total Reductions	-\$1,336,600,391	-\$15,181,532	-\$244,492,988	\$0	-\$1,596,274,911	
Legislative Additions						
Fiscal 2024 Budget	\$1,128,204,900	\$5,864,000	\$0	\$0	\$1,134,068,900 (8)	
Total Additions	\$1,128,204,900	\$5,864,000	\$0	\$0	\$1,134,068,900	
Appropriations						
Fiscal 2023 Budget	\$28,023,441,163	\$10,042,840,289	\$20,740,768,928	\$5,177,595,035	\$63,984,645,415	
Fiscal 2024 Budget	27,138,568,139	11,924,226,674	18,928,186,447	5,060,885,543	63,051,866,803	
Change	-\$884,873,024	\$1,881,386,385	-\$1,812,582,481	-\$116,709,492	-\$932,778,612	

- ⁽¹⁾ Reflects \$2.4 billion in proposed deficiencies, including \$281.6 million in general funds, \$124.4 million in special funds, \$2.0 billion in federal funds, \$2.6 million in current unrestricted funds, and \$2.1 million in current restricted funds. The proposed general fund deficiencies includes \$7.3 million that is contingent on the enactment of legislation. Assumes \$75.0 million in unspecified general fund reversions and includes \$95.5 million in targeted general fund reversions. Excludes \$1.1 billion in special funds that double counts general fund spending.
- ⁽²⁾ Includes \$248.2 million in contingent appropriations. Assumes \$45.0 million in unspecified general fund reversions.
- ⁽³⁾ Excludes \$198.4 million of special funds that double counts general fund spending.
- ⁽⁴⁾ Includes \$317,000 in appropriations that are contingent on legislation.
- ⁽⁵⁾ Includes \$18.7 million in appropriations that are contingent on legislation, including \$5.8 million in general funds and \$12.5 million in special funds, and \$0.5 million in federal funds. Includes \$1.0 million in special fund reductions that are contingent on legislation.
- ⁽⁶⁾ Includes \$2.5 million in a specified reversion from the Department of Service and Civic Innovation due to Chapter 99 of 2023.
- ⁽⁷⁾ Includes \$3.5 million of reductions that are contingent on legislation and \$1.0 million in a specified reversion from the Department of Service and Civic Innovation due to Chapter 99 of 2023.
- ⁽⁸⁾ Includes \$54.8 million in additions contingent on legislation, including \$54.4 million in general funds and \$364,000 in special funds. Two additions totaling \$575,500 failed to meet the contingency and are not included in totals.

Source: Department of Legislative Services

Exhibit 1.11
State Expenditures – General Funds
Fiscal 2022-2024
(\$ in Millions)

<u>Category</u>	<u>2022 Actual</u>	<u>2023 Working Appropriation</u>	<u>2024 Legislative Appropriation</u>	<u>\$ Change 2023 to 2024</u>	<u>% Change</u>
Debt Service	\$260.0	\$430.0	\$425.1	-\$4.9	-1.1%
County/Municipal	\$316.8	\$388.5	\$455.4	\$66.9	17.2%
Community Colleges	370.0	435.3	476.3	41.0	9.4%
Education/Libraries	6,590.5	7,124.8	7,251.2	126.4	1.8%
Health	47.8	101.3	115.8	14.5	14.3%
<i>Aid to Local Governments</i>	<i>\$7,325.1</i>	<i>\$8,049.9</i>	<i>\$8,298.7</i>	<i>\$248.8</i>	<i>3.1%</i>
Foster Care Payments	\$215.2	\$240.5	\$247.0	\$6.5	2.7%
Assistance Payments	66.6	127.1	120.8	-6.4	-5.0%
Medical Assistance	3,973.2	4,370.2	4,862.5	492.4	11.3%
Property Tax Credits	76.2	87.3	87.4	0.1	0.1%
<i>Entitlements</i>	<i>\$4,331.2</i>	<i>\$4,825.1</i>	<i>\$5,317.7</i>	<i>\$492.6</i>	<i>10.2%</i>
Health	\$1,757.6	\$2,169.4	\$2,503.6	\$334.2	15.4%
Human Services	440.1	463.5	483.4	19.9	4.3%
Juvenile Services	246.5	299.2	313.4	14.1	4.7%
Public Safety/Police	1,294.9	1,831.9	1,855.8	23.8	1.3%
Higher Education	1,638.0	2,106.3	2,244.8	138.5	6.6%
Transportation	0.0	0.0	0.9	0.9	n/a
Other Education	605.7	717.2	693.6	-23.7	-3.3%

Effect of the 2023 Legislative Program on the Financial Condition of the State

Category	2022 Actual	2023 Working Appropriation	2024 Legislative Appropriation	\$ Change 2023 to 2024	% Change
Agriculture/Natural Res./Environment	174.3	203.4	234.6	31.1	15.3%
Other Executive Agencies	943.0	1,416.2	1,673.6	257.4	18.2%
Judiciary	592.1	647.7	669.1	21.5	3.3%
Legislative	108.5	143.7	152.5	8.8	6.1%
Across-the-board Cuts	0.0	0.0	-35.0	-35.0	n/a
State Agencies	\$7,800.7	\$9,998.6	\$10,790.1	\$791.5	7.9%
Total Operating	\$19,716.9	\$23,303.6	\$24,831.7	\$1,528.1	6.6%
Capital ⁽¹⁾	\$437.2	\$2,270.0	\$1,173.0	-\$1,097.0	-48.3%
Subtotal	\$20,154.1	\$25,573.6	\$26,004.7	\$431.0	1.7%
Reserve Funds ⁽²⁾	\$879.6	\$2,527.3	\$1,179.9	-\$1,347.4	-53.3%
Appropriations	\$21,033.8	\$28,100.9	\$27,184.6	-\$916.4	-3.3%
Reversions ⁽³⁾	\$0.0	-\$77.5	-\$46.0	\$31.5	-40.6%
Grand Total	\$21,033.8	\$28,023.4	\$27,138.6	-\$884.9	-3.2%

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

⁽²⁾ The fiscal 2023 working appropriation for the Reserve Funds excludes \$378.8 million budgeted in the Dedicated Purpose Account (DPA). That amount is included in various other categories to reflect the purpose of the spending. It also excludes \$1.1 billion budgeted in the DPA for PAYGO capital spending, which is included in the Capital line on this chart.

⁽³⁾ Reversions include \$75 million in unspecified reversions in fiscal 2023 and \$45 million in unspecified reversions in fiscal 2024 as well as specified reversions of \$2.5 million in fiscal 2023 and \$1.0 million in fiscal 2024 from the Department of Service and Civic Innovation due to Chapter 99 of 2023.

Note: The fiscal 2023 working appropriation reflects \$134.9 million in deficiencies and supplemental deficiencies plus \$170.5 million in reversions including \$95.5 million in targeted reversions. In fiscal 2023, the General Assembly reduced the appropriation to the Revenue Stabilization Account by \$69 million but provided authorization for those funds to be used for a variety of purposes. The working appropriation reflects this reallocation.

Source: Department of Legislative Services

Exhibit 1.12
State Expenditures – Special and Higher Education Funds*
Fiscal 2022-2024
(\$ in Millions)

<u>Category</u>	<u>2022 Actual</u>	<u>2023 Working Appropriation</u>	<u>2024 Legislative Appropriation</u>	<u>\$ Change 2023 to 2024</u>	<u>% Change</u>
Debt Service	\$1,563.5	\$1,480.5	\$1,443.2	-\$37.3	-2.5%
County/Municipal	\$467.0	\$461.3	\$524.9	\$63.6	13.8%
Community Colleges	0.0	0.0	0.0	0.0	n/a
Education/Libraries	688.5	873.9	1,500.7	626.8	71.7%
Health	0.0	0.0	0.0	0.0	n/a
<i>Aid to Local Governments</i>	<i>\$1,155.5</i>	<i>\$1,335.2</i>	<i>\$2,025.5</i>	<i>\$690.3</i>	<i>51.7%</i>
Foster Care Payments	\$2.2	\$2.9	\$2.2	-\$0.7	-24.3%
Assistance Payments	12.4	13.7	15.6	1.9	14.0%
Medical Assistance	717.1	747.4	671.4	-76.0	-10.2%
Property Tax Credits	7.9	0.0	0.0	0.0	n/a
<i>Entitlements</i>	<i>\$739.6</i>	<i>\$764.0</i>	<i>\$689.2</i>	<i>-\$74.8</i>	<i>-9.8%</i>
Health	\$1,024.4	\$589.8	\$760.2	\$170.3	28.9%
Human Services	96.7	148.2	166.3	18.0	12.1%
Juvenile Services	1.7	2.5	4.2	1.7	71.2%
Public Safety/Police	135.4	176.2	204.5	28.3	16.1%
Higher Education	5,120.6	5,676.7	5,197.9	-478.8	-8.4%
Other Education	95.4	202.1	286.5	84.3	41.7%
Transportation	1,571.9	1,934.1	2,225.8	291.7	15.1%
Agriculture/Natural Res./Environment	271.4	351.0	351.5	0.6	0.2%
Other Executive Agencies	888.8	1,156.4	1,256.2	99.8	8.6%

Effect of the 2023 Legislative Program on the Financial Condition of the State

<u>Category</u>	<u>2022 Actual</u>	<u>2023 Working Appropriation</u>	<u>2024 Legislative Appropriation</u>	<u>\$ Change 2023 to 2024</u>	<u>% Change</u>
Judiciary	52.3	68.5	79.7	11.2	16.4%
Legislative	0.0	0.0	0.0	0.0	n/a
Across-the-board Cuts	0.0	0.0	-3.3	-3.3	n/a
State Agencies	\$9,258.5	\$10,305.6	\$10,529.4	\$223.8	2.2%
Total Operating	\$12,717.1	\$13,885.2	\$14,687.3	\$802.0	5.8%
Capital	\$2,017.4	\$1,335.2	\$2,297.8	\$962.6	72.1%
Transportation	1,520.2	1,036.1	1,336.8	300.7	29.0%
Environment	259.8	220.7	254.7	34.0	15.4%
Other	237.4	78.4	706.3	627.9	801.0%
Grand Total	\$14,734.5	\$15,220.4	\$16,985.1	\$1,764.7	11.6%

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

Note: The fiscal 2023 working appropriation reflects deficiencies and supplemental deficiencies of \$166.0 million. Fiscal 2023 excludes \$1.1 billion and 2024 excludes \$198.4 million that double counts general fund spending.

Source: Department of Legislative Services

Exhibit 1.13
State Expenditures – Federal Funds
Fiscal 2022-2024
(\$ in Millions)

Effect of the 2023 Legislative Program on the Financial Condition of the State

<u>Category</u>	<u>2022 Actual</u>	<u>2023 Working Appropriation</u>	<u>2024 Legislative Appropriation</u>	<u>\$ Change 2023 to 2024</u>	<u>% Change</u>
Debt Service	\$7.9	\$9.0	\$7.5	-\$1.5	-16.7%
County/Municipal	\$63.5	\$74.8	\$87.4	\$12.6	16.8%
Community Colleges	0.0	0.0	0.0	0.0	n/a
Education/Libraries	3,715.8	1,072.6	1,130.0	57.4	5.3%
Health	32.8	0.0	0.0	0.0	n/a
<i>Aid to Local Governments</i>	<i>\$3,812.1</i>	<i>\$1,147.4</i>	<i>\$1,217.4</i>	<i>\$70.0</i>	<i>6.1%</i>
Foster Care Payments	\$76.1	\$90.5	\$66.3	-\$24.2	-26.8%
Assistance Payments	2,963.8	2,670.4	2,239.0	-431.4	-16.2%
Medical Assistance	9,217.6	9,665.6	8,474.6	-1,191.0	-12.3%
Property Tax Credits	0.0	0.0	0.0	0.0	n/a
<i>Entitlements</i>	<i>\$12,257.5</i>	<i>\$12,426.5</i>	<i>\$10,779.9</i>	<i>-\$1,646.6</i>	<i>-13.3%</i>
Health	\$2,542.5	\$2,413.0	\$2,357.7	-\$55.3	-2.3%
Human Services	687.1	675.6	658.1	-17.5	-2.6%
Juvenile Services	6.2	7.0	5.8	-1.1	-16.0%
Public Safety/Police	425.8	43.9	41.6	-2.3	-5.3%
Higher Education	6.0	0.0	0.0	0.0	n/a
Other Education	615.8	424.8	367.1	-57.7	-13.6%
Transportation	715.4	460.7	248.2	-212.6	-46.1%
Agriculture/Natural Res./Environment	77.2	92.3	107.5	15.2	16.5%
Other Executive Agencies	2,623.8	1,198.6	1,540.2	341.7	28.5%

<u>Category</u>	<u>2022 Actual</u>	<u>2023 Working Appropriation</u>	<u>2024 Legislative Appropriation</u>	<u>\$ Change 2023 to 2024</u>	<u>% Change</u>
Judiciary	5.3	3.2	2.8	-0.4	-12.9%
Legislature	0.0	0.0	0.0	0.0	n/a
Across-the-board Cuts	0.0	0.0	-1.4	-1.4	n/a
State Agencies	\$7,705.2	\$5,319.0	\$5,327.6	\$8.6	0.2%
Total Operating	\$23,782.7	\$18,901.9	\$17,332.4	-\$1,569.5	-8.3%
Capital	\$1,320.9	\$1,838.9	\$1,595.8	-\$243.1	-13.2%
Transportation	988.9	1,270.8	1,333.1	62.2	4.9%
Environment	58.8	213.5	116.8	-96.7	-45.3%
Other	273.2	354.6	145.9	-208.7	-58.8%
Grand Total	\$25,103.6	\$20,740.8	\$18,928.2	-\$1,812.6	-8.7%

Note: The fiscal 2023 working appropriation reflects deficiencies and supplemental deficiencies of \$2.0 billion.

Source: Department of Legislative Services

Exhibit 1.14
State Expenditures – State Funds
Fiscal 2022-2024
(\$ in Millions)

<u>Category</u>	<u>2022 Actual</u>	<u>2023 Working Appropriation</u>	<u>2024 Legislative Appropriation</u>	<u>\$ Change 2023 to 2024</u>	<u>% Change</u>
Debt Service	\$1,823.5	\$1,910.5	\$1,868.3	-\$42.2	-2.2%
County/Municipal	\$783.8	\$849.8	\$980.3	\$130.5	15.4%
Community Colleges	370.0	435.3	476.3	41.0	9.4%
Education/Libraries	7,279.0	7,998.7	8,751.8	753.2	9.4%
Health	47.8	101.3	115.8	14.5	14.3%
<i>Aid to Local Governments</i>	<i>\$8,480.6</i>	<i>\$9,385.1</i>	<i>\$10,324.2</i>	<i>\$939.1</i>	<i>10.0%</i>
Foster Care Payments	\$217.4	\$243.4	\$249.3	\$5.8	2.4%
Assistance Payments	78.9	140.8	136.4	-4.4	-3.1%
Medical Assistance	4,690.2	5,117.5	5,533.9	416.4	8.1%
Property Tax Credits	84.2	87.3	87.4	0.1	0.1%
<i>Entitlements</i>	<i>\$5,070.7</i>	<i>\$5,589.1</i>	<i>\$6,006.9</i>	<i>\$417.8</i>	<i>7.5%</i>
Health	\$2,782.0	\$2,759.2	\$3,263.7	\$504.5	18.3%
Human Services	536.8	611.8	649.7	37.9	6.2%
Juvenile Services	248.1	301.7	317.6	15.9	5.3%
Public Safety/Police	1,430.3	2,008.1	2,060.3	52.2	2.6%
Higher Education	6,758.5	7,783.0	7,442.7	-340.3	-4.4%
Other Education	701.1	919.4	980.0	60.6	6.6%
Transportation	1,571.9	1,934.1	2,226.6	292.5	15.1%
Agriculture/Natural Res./Environment	445.7	554.4	586.1	31.7	5.7%
Other Executive Agencies	1,831.8	2,572.7	2,929.8	357.2	13.9%

Effect of the 2023 Legislative Program on the Financial Condition of the State

<u>Category</u>	<u>2022 Actual</u>	<u>2023 Working Appropriation</u>	<u>2024 Legislative Appropriation</u>	<u>\$ Change 2023 to 2024</u>	<u>% Change</u>
Judiciary	644.4	716.1	748.8	32.7	4.6%
Legislative	108.5	143.7	152.5	8.8	6.1%
Across-the-board Cuts	0.0	0.0	-38.3	-38.3	n/a
State Agencies	\$17,059.3	\$20,304.2	\$21,319.5	\$1,015.3	5.0%
Total Operating	\$32,434.1	\$37,188.8	\$39,518.9	\$2,330.1	6.3%
Capital ⁽¹⁾	\$2,454.6	\$3,605.3	\$3,470.8	-\$134.4	-3.7%
Transportation	1,550.4	1,213.1	1,503.9	290.8	24.0%
Environment	260.5	240.9	254.7	13.8	5.7%
Other	643.7	2,151.3	1,712.2	-439.1	-20.4%
Subtotal	\$34,888.7	\$40,794.1	\$42,989.8	\$2,195.7	5.4%
Reserve Funds ⁽²⁾	\$879.6	\$2,527.3	\$1,179.9	-\$1,347.4	-53.3%
Appropriations	\$35,768.3	\$43,321.4	\$44,169.7	\$848.3	2.0%
Reversions ⁽³⁾	\$0.0	-\$77.5	-\$46.0	\$31.5	-40.6%
Grand Total	\$35,768.3	\$43,243.9	\$44,123.7	\$879.8	2.0%

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

⁽²⁾ The fiscal 2023 working appropriation for the Reserve Funds excludes \$378.8 million budgeted in the Dedicated Purpose Account (DPA). That amount is included in various other categories to reflect the purpose of the spending. It also excludes \$1.1 billion budgeted in the DPA for PAYGO capital spending, which is included in the Capital line on this chart.

⁽³⁾ Reversions include \$75 million in unspecified reversions in fiscal 2023 and \$45 million in unspecified reversions in fiscal 2024 as well as specified reversions of \$2.5 million in fiscal 2023 and \$1.0 million in fiscal 2024 from the Department of Service and Civic Innovation due to Chapter 99 of 2023.

Note: The fiscal 2023 working appropriation reflects \$300.8 million in deficiencies and supplemental deficiencies plus \$170.5 million in reversions including \$95.5 million in targeted reversions. In fiscal 2023, the General Assembly reduced the appropriation to the Revenue Stabilization Fund by \$69 million but provided authorization for those funds to be used for a variety of purposes. The working appropriation reflects this reallocation. Fiscal 2023 excludes \$1.1 billion, and 2024 excludes \$198.4 million of special funds that double count general fund spending.

Source: Department of Legislative Services

Exhibit 1.15
State Expenditures – All Funds
Fiscal 2022-2024
(\$ in Millions)

<u>Category</u>	<u>2022 Actual</u>	<u>2023 Working Appropriation</u>	<u>2024 Legislative Appropriation</u>	<u>\$ Change 2023 to 2024</u>	<u>% Change</u>
Debt Service	\$1,831.3	\$1,919.5	\$1,875.8	-\$43.7	-2.3%
County/Municipal	\$847.3	\$924.6	\$1,067.7	\$143.1	15.5%
Community Colleges	370.0	435.3	476.3	41.0	9.4%
Education/Libraries	10,994.8	9,071.2	9,881.8	810.6	8.9%
Health	80.6	101.3	115.8	14.5	14.3%
<i>Aid to Local Governments</i>	<i>\$12,292.7</i>	<i>\$10,532.5</i>	<i>\$11,541.6</i>	<i>\$1,009.1</i>	<i>9.6%</i>
Foster Care Payments	\$293.6	\$333.9	\$315.6	-\$18.4	-5.5%
Assistance Payments	3,042.7	2,811.2	2,375.3	-435.8	-15.5%
Medical Assistance	13,907.9	14,783.1	14,008.5	-774.6	-5.2%
Property Tax Credits	84.2	87.3	87.4	0.1	0.1%
<i>Entitlements</i>	<i>\$17,328.3</i>	<i>\$18,015.6</i>	<i>\$16,786.8</i>	<i>-\$1,228.8</i>	<i>-6.8%</i>
Health	\$5,324.6	\$5,172.2	\$5,621.4	\$449.2	8.7%
Human Services	1,223.9	1,287.3	1,307.8	20.5	1.6%
Juvenile Services	254.4	308.6	323.4	14.8	4.8%
Public Safety/Police	1,856.1	2,052.0	2,101.9	49.8	2.4%
Higher Education	6,764.5	7,783.0	7,442.7	-340.3	-4.4%
Other Education	1,316.9	1,344.2	1,347.1	2.9	0.2%
Transportation	2,287.4	2,394.9	2,474.8	80.0	3.3%
Agriculture/Natural Res./Environment	523.0	646.7	693.6	46.9	7.3%
Other Executive Agencies	4,455.6	3,771.2	4,470.0	698.8	18.5%

Effect of the 2023 Legislative Program on the Financial Condition of the State

<u>Category</u>	<u>2022 Actual</u>	<u>2023 Working Appropriation</u>	<u>2024 Legislative Appropriation</u>	<u>\$ Change 2023 to 2024</u>	<u>% Change</u>
Judiciary	649.7	719.4	751.6	32.3	4.5%
Legislative	108.5	143.7	152.5	8.8	6.1%
Across-the-board Cuts	0.0	0.0	-39.7	-39.7	n/a
State Agencies	\$24,764.4	\$25,623.2	\$26,647.1	\$1,023.9	4.0%
Total Operating	\$56,216.8	\$56,090.7	\$56,851.3	\$760.6	1.4%
Capital ⁽¹⁾	\$3,775.5	\$5,444.1	\$5,066.7	-\$377.5	-6.9%
Transportation	2,539.3	2,483.9	2,836.9	353.0	14.2%
Environment	319.3	454.4	388.3	-66.0	-14.5%
Other	916.9	2,505.9	1,841.4	-664.5	-26.5%
Subtotal	\$59,992.2	\$61,534.8	\$61,918.0	\$383.1	0.6%
Reserve Funds ⁽²⁾	\$879.6	\$2,527.3	\$1,179.9	-\$1,347.4	-53.3%
Appropriations	\$60,871.9	\$64,062.1	\$63,097.9	-\$964.3	-1.5%
Reversions ⁽³⁾	\$0.0	-\$77.5	-\$46.0	\$31.5	-40.6%
Grand Total	\$60,871.9	\$63,984.6	\$63,051.9	-\$932.8	-1.5%

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

⁽²⁾ The fiscal 2023 legislative appropriation for the Reserve Funds excludes \$378.8 million budgeted in the Dedicated Purpose Account (DPA). That amount is included in various other categories to reflect the purpose of the spending. It also excludes \$1.1 billion budgeted in the DPA for PAYGO capital spending, which is included in the Capital line on this chart.

⁽³⁾ Reversions include \$75 million in unspecified reversions in fiscal 2023 and \$45 million in unspecified reversions in fiscal 2024 as well as specified reversions of \$2.5 million in fiscal 2023 and \$1.0 million in fiscal 2024 from the Department of Service and Civic Innovation due to Chapter 99 of 2023.

Note: The fiscal 2023 working appropriation reflects \$2.3 billion in deficiencies and supplemental deficiencies plus \$170.5 million in reversions including \$95.5 million in targeted reversions. In fiscal 2023, the General Assembly reduced the appropriation to the Revenue Stabilization Fund by \$69 million but provided authorization for those funds to be used for a variety of purposes. The working appropriation reflects this reallocation. Fiscal 2023 excludes \$1.1 billion, and 2024 excludes \$198.4 million of special funds that double count general fund spending.

Source: Department of Legislative Services

Chapter 2. State Capital Program

- Fiscal 2024 Capital Budget
- Higher Education
- Public School Construction
- Transfer Tax Funded Programs

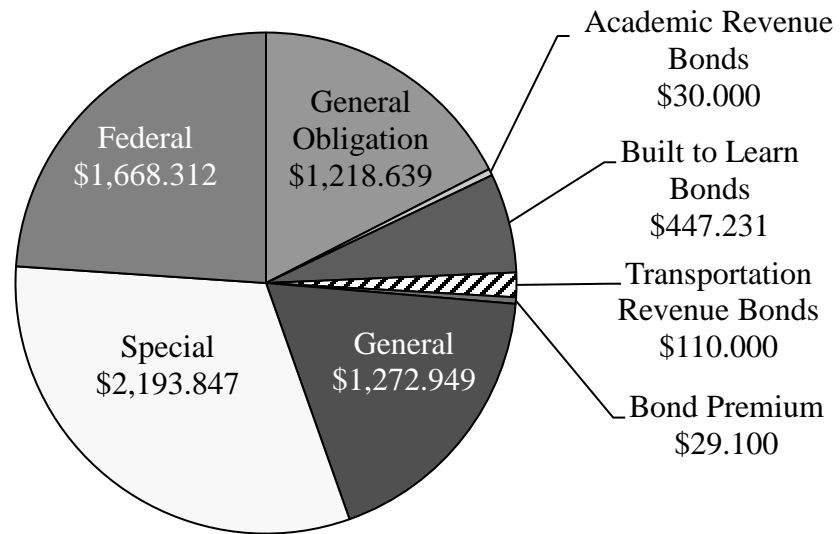
Fiscal 2024 Capital Budget

The General Assembly passed a fiscal 2024 capital program totaling \$6.970 billion, including \$2.730 billion for the transportation program through the *Consolidated Transportation Program* (CTP). Apart from the CTP, the program totals \$4.240 billion: \$1.219 billion is funded with general obligation (GO) bonds and another \$29.1 million is funded with attained bond premium proceeds authorized in **House Bill 201 (Chapter 102)**, the Maryland Consolidated Capital Bond Loan (MCCBL) of 2023; \$2.514 billion is funded on a pay-as-you-go (PAYGO) basis in the operating budget; \$447 million for school construction projects is funded with revenue bonds through the Built to Learn program; and \$30 million for University System of Maryland facilities is funded with Academic Revenue Bonds authorized in **House Bill 735 (Chapter 160)**. The budget also includes \$231 million for fiscal 2023 PAYGO deficiency appropriations, including \$219 million of general funds appropriated to replace funding for projects in fiscal 2023 that were originally funded with bond premium proceeds that were not attained.

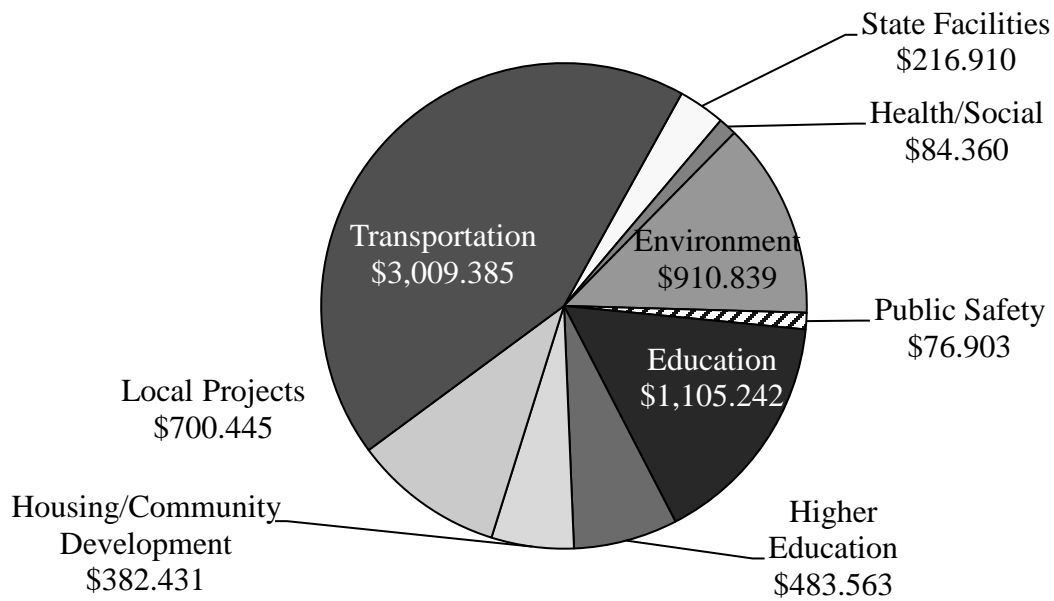
Exhibit 2.1 provides a summary of the capital program by uses and sources, and **Exhibit 2.2** provides a detailed list of capital projects and programs by function and fund source. The attached link to the Maryland General Assembly webpage provides a list of the *miscellaneous capital grants, including legislative bond initiative projects* funded in both the operating and capital budget bills of the 2023 session.

Exhibit 2.1
Fiscal 2024 Capital Program Sources and Uses
(\$ in Millions)

Sources



Uses



Source: Department of Legislative Services

Exhibit 2.2
Capital Program for the 2023 Session

		Bonds	Current Funds (PAYGO)				
Budget Code	Project Title	General Obligation	Revenue	General	Special	Federal	Total Funds
State Facilities							
D52A01A	MDEM: Maryland Department of Emergency Management Headquarters	\$7,954,000	\$0	\$0	\$0	\$0	\$7,954,000
DA0201A	MDOD: Accessibility Modifications	2,028,000	0	0	0	0	2,028,000
DA03A	MSA: Department of Legislative Services Building	41,461,000	0	0	0	0	41,461,000
DB01A	HSMCC: Leonard Calvert House Exhibit	784,000	0	0	0	0	784,000
DB01B	HSMCC: Site Improvements	1,000,000	0	0	0	0	1,000,000
DE0201A	BPW: Construction Contingency Fund	8,000,000	0	0	0	0	8,000,000
DE0201B	BPW: Fuel Storage Tank Replacement Program	1,000,000	0	0	0	0	1,000,000
DE0201C	BPW: State House Exterior and Grounds Restoration	20,339,000	0	0	0	0	20,339,000
DE0201D	BPW: Treasury Building Renovations	500,000	0	0	0	0	500,000
DE0201E	BPW: New Courts of Appeal Building	2,745,000	0	51,117,000	0	0	53,862,000
DE0201F	BPW: New Harford County District Court	4,000,000	0	0	0	0	4,000,000
DE0201G	BPW: Shillman Building Conversion	20,470,000	0	0	0	0	20,470,000
DE0201H	BPW: Washington County District Court Renovation and Expansion	750,000	0	0	0	0	750,000

<u>Budget Code</u>	<u>Project Title</u>	<u>Bonds</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>	
DE0201I	BPW: Central Services Electrical Infrastructure Upgrades	0	0	2,500,000	0	0	2,500,000
DH0104A	Military: White Oak Readiness Center Renovation and Expansion	593,000	0	0	0	1,881,000	2,474,000
DH0104B	Military: Freestate Challenge Academy	250,000	0	0	0	0	250,000
DH0104	Military: Havre de Grace CSMS Automotive and Surface Equipment Maintenance Facility	0	0	10,000,000	0	10,000,000	20,000,000
DP0002A	MDVA: Garrison Forest Veterans Cemetery Expansion and Improvements	1,111,000	0	0	0	0	1,111,000
DP0002B	MDVA: New State Veterans Home	0	0	6,326,000	0	0	6,326,000
FB04A	DoIT: Public Safety Communications System	18,440,000	0	0	0	0	18,440,000
H010282	DGS: William Donald Schaefer Tower Renovation	0	0	3,661,000	0	0	3,661,000
Subtotal		\$131,425,000	\$0	\$73,604,000	\$0	\$11,881,000	\$216,910,000
Health/Social							
DA0701A	MDOA: Senior Citizens Activities Centers Capital Improvement Grants Program	\$1,865,000	\$0	\$0	\$0	\$0	\$1,865,000
MA01A	MDH: Community Health Facilities Grant Program	11,000,000	0	0	0	0	11,000,000
MA01B	MDH: Federally Qualified Health Centers Grant Program	3,500,000	0	0	0	0	3,500,000
ML10A	MDH: Clifton T. Perkins Hospital	21,676,000	0	0	0	0	21,676,000

Effect of the 2023 Legislative Program on the Financial Condition of the State

<u>Budget Code</u>	<u>Project Title</u>	Bonds		Current Funds (PAYGO)			<u>Total Funds</u>
		<u>General Obligation</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	
RQ00A	UMMS: Capital Region Medical Center – Oncology Center	27,000,000	0	0	0	0	27,000,000
RQ00B	UMMS: R Adams Cowley Shock Trauma Center – Phase III	9,500,000	0	0	0	0	9,500,000
ZA01A	MHA: Howard County General Hospital Behavioral Health Unit	1,576,000	0	0	0	0	1,576,000
ZA01B	MHA: Kennedy Krieger Children’s Hospital Center for Autism and Related Disorders	1,300,000	0	0	0	0	1,300,000
ZA01C	MHA: Luminis Health Anne Arundel Medical Center Adult Behavioral Health Suite	863,000	0	0	0	0	863,000
ZA01D	MHA: Luminis Health Doctors Community Medical Center Behavioral Health Area	500,000	0	0	0	0	500,000
ZA01E	MHA: MedStar Montgomery Medical Center Emergency Department	1,350,000	0	0	0	0	1,350,000
ZA01F	MHA: MedStar St. Mary’s Hospital Emergency Department	200,000	0	0	0	0	200,000
ZA01G	MHA: Sheppard Pratt Health System, Inc. Crisis Stabilization Center	1,630,000	0	0	0	0	1,630,000
ZA01H	MHA: The Children’s Inn at the National Institutes of Health	1,400,000	0	0	0	0	1,400,000
ZA01I	MHA: University of Maryland St. Joseph Medical Center Digestive Disease Center	1,000,000	0	0	0	0	1,000,000
Subtotal		\$84,360,000	\$0	\$0	\$0	\$0	\$84,360,000

		Bonds		Current Funds (PAYGO)			
<u>Budget Code</u>	<u>Project Title</u>	<u>General Obligation</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	<u>Total Funds</u>
Environment							
KA0510A	DNR: Natural Resources Development Fund	\$0	\$0	\$0	\$19,325,000	\$0	\$19,325,000
KA0510B	DNR: Critical Maintenance Program	0	0	0	5,474,500	0	5,474,500
KA0510C	DNR: Program Open Space – State	0	0	0	102,197,976	3,000,000	105,197,976
KA0510E	DNR: Rural Legacy Program	0	0	5,444,127	27,980,037	0	33,424,164
KA05A	DNR: Community Parks and Playgrounds	2,500,000	0	0	0	0	2,500,000
KA05B	DNR: Port of Deposit Historical State Park	200,000	0	0	0	0	200,000
KA0906A	DNR: Ocean City Beach Maintenance	0	0	0	2,000,000	0	2,000,000
KA0911A	DNR: Park System Capital Improvement and Acquisition Fund	0	0	36,873,928	0	0	36,873,928
KA0911B	DNR: Park System Critical Maintenance Fund	0	0	70,000,000	0	0	70,000,000
KA1401A	DNR: Waterway Improvement Fund	0	0	0	13,500,000	2,500,000	16,000,000
KA1701A	DNR: Oyster Restoration Program	1,961,000	0	0	0	0	1,961,000
KAO510D	DNR: Program Open Space – Local	0	0	0	89,189,988	0	89,189,988
LA1111A	MDA: Maryland Agricultural Land Preservation Program	0	0	16,564,469	78,133,364	0	94,697,833
LA15A	MDA: Maryland Agricultural Cost-Share Program	4,000,000	0	0	0	0	4,000,000
UA0103A	MDE: Water Quality Revolving Loan Fund	0	0	9,902,000	148,434,000	71,031,000	229,367,000
UA0104A	MDE: Hazardous Substance Cleanup Program	0	0	1,000,000	0	0	1,000,000

<u>Budget Code</u>	<u>Project Title</u>	<u>Bonds</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>	
UA0105A	MDE: Drinking Water Revolving Loan Fund	0	0	5,864,000	25,095,000	45,797,000	76,756,000
UA0111A	MDE: Bay Restoration Fund Wastewater Program	0	0	0	66,213,000	0	66,213,000
UA0112A	MDE: Bay Restoration Program Septic System Upgrade Program	0	0	0	15,000,000	0	15,000,000
UA01A	MDE: Comprehensive Flood Management Program	6,189,000	0	0	0	0	6,189,000
UA01B	MDE: Supplemental Assistance Program	5,197,000	0	0	0	0	5,197,000
UA01C	MDE: Water Supply Financial Assistance Program	2,599,000	0	0	0	0	2,599,000
UA01D	MDE: Zero Emission Vehicle School Bus Transition Fund	3,000,000	0	0	0	0	3,000,000
UB01A	MES: Infrastructure Improvement Fund	11,514,000	0	0	13,160,000	0	24,674,000
Subtotal		\$37,160,000	\$0	\$145,648,524	\$605,702,865	\$122,328,000	\$910,839,389
Public Safety							
QB0101A	DPSCS: Women's Prerelease Center	\$3,000,000	\$0	\$2,000,000	\$0	\$0	\$5,000,000
QS0101A	DPSCS: Jessup Region Electrical Infrastructure Upgrade	11,057,000	0	0	0	0	11,057,000
QS0208A	DPSCS: High Temperature Distribution and Perimeter Security Improvements	19,412,000	0	0	0	0	19,412,000
QT04A	DPSCS: Therapeutic Treatment Center	12,611,000	0	0	0	0	12,611,000
WA01A	DSP: Barrack L – Forestville: New Barrack and Garage	551,000	0	0	0	0	551,000
WA01B	DSP: Barrack Q – College Park: New Barrack and Garage	1,174,000	0	0	0	0	1,174,000

		Bonds		Current Funds (PAYGO)			
<u>Budget Code</u>	<u>Project Title</u>	<u>General Obligation</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	<u>Total Funds</u>
WA01C	DSP: Barrack V – Berlin: New Forensic Laboratory and Garage	3,882,000	0	0	0	0	3,882,000
WA01D	DSP: New Tactical Services Operations Building	10,049,000	0	0	0	0	10,049,000
ZB02A	DPSCS: Frederick County Adult Detention Center Phase IV Medical Addition	1,011,000	0	0	0	0	1,011,000
ZB02B	DPSCS: Montgomery County Criminal Justice Complex	1,286,000	0	0	0	0	1,286,000
ZB02C	DPSCS: Queen Anne’s County Detention Center Additions and Renovations	10,870,000	0	0	0	0	10,870,000
<i>Subtotal</i>		<i>\$74,903,000</i>	<i>\$0</i>	<i>\$2,000,000</i>	<i>\$0</i>	<i>\$0</i>	<i>\$76,903,000</i>
Education							
RA0702A	MSDE: Aging Schools Program	\$6,109,000	\$0	\$0	\$0	\$0	\$6,109,000
Section 19	MSDE: Healthy School Facility Fund	0	0	90,000,000	0	0	90,000,000
RA0702C	MSDE: Public School Construction Program	0	0	216,549,000	268,450,784	0	484,999,784
RA0702D	MSDE: Senator James E. “Ed” DeGrange Nonpublic Aging Schools Program	3,500,000	0	0	0	0	3,500,000
RA0702E	MSDE: Supplemental Capital Grant Program	0	0	40,000,000	0	0	40,000,000
RA0702F	MSDE: School Construction Revolving Loan Fund	0	0	20,000,000	0	0	20,000,000
RA0702G	MSDE: Built To Learn Fund	0	447,231,000	0	0	0	447,231,000
RA11A	MSLA: Public Library Capital Grant Program	11,550,000	0	0	0	0	11,550,000

<u>Budget Code</u>	<u>Project Title</u>	<u>Bonds</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>	
RE01A	MSD: High School Boys' and Girls' and Middle School Residences	1,852,000	0	0	0	0	1,852,000
Subtotal		\$23,011,000	\$447,231,000	\$366,549,000	\$268,450,784	\$0	\$1,105,241,784
Higher Education							
RB21A	UMB: Central Electric Substation and Electrical Infrastructure Upgrades	\$4,565,000	\$0	\$0	\$0	\$0	\$4,565,000
RB21B	UMB: New School of Social Work Building	3,861,000	0	0	0	0	3,861,000
Section 19	UMB: Institute for Health Computing	0	0	2,000,000	0	0	2,000,000
RB21C	UMB: Dental Ambulatory Surgery Center	700,000	0	0	0	0	700,000
RB22A	UMCP: Campuswide Building Systems and Infrastructure Improvements	7,500,000	5,000,000	0	0	0	12,500,000
RB22B	UMCP: Chemistry Building Wing 1 Replacement	9,430,000	0	0	0	0	9,430,000
RB22C	UMCP: Interdisciplinary Engineering Building	31,210,000	0	0	0	0	31,210,000
RB22D	UMCP: Hornbake Library Conversion	10,000,000	0	0	0	0	10,000,000
RB22E	UMCP: Graduate Student Housing	5,000,000	0	0	0	0	5,000,000
RB23A	BSU: Communication Arts and Humanities Building	67,134,000	0	0	0	0	67,134,000
RB23B	BSU: New Thurgood Marshall Library Commons	1,100,000	0	0	0	0	1,100,000
RB24A	TU: New College of Health Professions Building	43,030,000	0	0	0	0	43,030,000
RB24B	TU: Smith Hall Renovation	20,808,000	0	0	0	0	20,808,000
RB24C	TU: Academic Achievement Center	3,500,000	0	0	0	0	3,500,000

<u>Budget Code</u>	<u>Project Title</u>	<u>Bonds</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>	
RB25A	UMES: Agricultural Research Education Center	0	0	0	12,628,000	0	12,628,000
RB25B	UMES: Radio Tower	600,000	0	0	0	0	600,000
RB26A	FSU: Technology Infrastructure Upgrades	500,000	0	0	0	0	500,000
RB27A	CSU: Athletic Facilities Infrastructure Upgrades	1,000,000	0	0	0	0	1,000,000
RB29A	SU: Blackwell Hall Renovation	2,223,000	0	0	0	0	2,223,000
RB30	UMGC: Adelphi Building Renovation	650,000	0	0	0	0	650,000
RB31A	UMBC: Sherman Hall Renovation	23,839,000	0	0	0	0	23,839,000
RB34A	UMCES: Chesapeake Analytics Collaborative Building	11,033,000	0	0	0	0	11,033,000
RB36A	USMO: Capital Facilities Renewal Projects	0	25,000,000	0	0	0	25,000,000
RB36B	USMO: Columbia Center Deferred Maintenance	0	0	0	4,934,000	0	4,934,000
RC00A	BCCC: Deferred Maintenance	4,200,000	0	0	4,000,000	0	8,200,000
RC00B	BCCC: Learning Commons Renovation and Addition	1,184,000	0	0	0	0	1,184,000
RD00A	SMCM: Campus Infrastructure Improvements	2,100,000	0	0	0	0	2,100,000
RD00B	SMCM: Montgomery Hall Renovation	2,594,000	0	0	0	0	2,594,000
RI00A	MHEC: Community College Construction Grant Program	54,529,000	0	0	0	0	54,529,000
RI00B	MHEC: Community College Facilities Renewal Grant Program	0	0	2,587,000	15,000,000	0	17,587,000
RM00A	MSU: Campus Expansion Phase I – Lake Clifton High School Demolition	1,060,000	0	0	0	0	1,060,000

<u>Budget Code</u>	<u>Project Title</u>	<u>Bonds</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>	
RM00B	MSU: Carter Grant Wilson Building Renovation	1,214,000	0	0	0	0	1,214,000
RM00C	MSU: Jenkins Demolition	1,037,000	0	0	0	0	1,037,000
RM00D	MSU: New Health and Human Services Building, Phase II	60,604,000	0	0	0	0	60,604,000
RM00E	MSU: New Science Center Phase I – Washington Service Center Demolition	7,575,000	0	0	0	0	7,575,000
RM00F	MSU: New Science Center Phase II	10,884,000	0	0	0	0	10,884,000
RM00G	MSU: Patuxent Environmental and Aquatic Research Laboratory	2,500,000	0	0	0	0	2,500,000
RM00H	MSU: Concrete Laboratory	1,000,000	0	0	0	0	1,000,000
ZA00P	MICUA: Capitol Technology University	1,750,000	0	0	0	0	1,750,000
ZA00Q	MICUA: Johns Hopkins University	5,000,000	0	0	0	0	5,000,000
ZA00R	MICUA: Loyola University Maryland	5,250,000	0	0	0	0	5,250,000
ZA00S	MICUA: Washington College	2,250,000	0	0	0	0	2,250,000
Subtotal		\$412,414,000	\$30,000,000	\$4,587,000	\$36,562,000	\$0	\$483,563,000
Housing and Community Development							
D90U02	CPPDA: Canal Place River Park	\$0	\$0	\$1,500,000	\$6,000,000	\$0	\$7,500,000
DB01C	HSMCC: Storage Facility – Dove	500,000	0	0	0	0	500,000
DW0108A	MDP: Maryland Archeological Conservation Laboratory Expansion and Renovation	14,831,000	0	0	0	0	14,831,000
DW0111A	MDP: African American Heritage Preservation Grant Program	5,000,000	0	0	0	0	5,000,000

		Bonds		Current Funds (PAYGO)			
<u>Budget Code</u>	<u>Project Title</u>	<u>General Obligation</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	<u>Total Funds</u>
DW0111B	MDP: Historic Preservation Grant Fund	600,000	0	0	0	0	600,000
DW0111C	MDP: Maryland Historical Trust Revolving Loan Fund	0	0	0	150,000	0	150,000
DW0112	MDP: Historic Preservation Tax Credit	0	0	22,000,000	0	0	22,000,000
SA2402A	DHCD: Baltimore Regional Neighborhood Initiative	0	0	9,150,000	0	0	9,150,000
SA2402B	DHCD: Community Development Block Grant Program	0	0	0	0	12,000,000	12,000,000
SA2402C	DHCD: Community Legacy Program	0	0	6,000,000	0	0	6,000,000
SA2402D	DHCD: National Capital Strategic Economic Development Fund	0	0	2,000,000	0	0	2,000,000
SA2402E	DHCD: Neighborhood Business Development	0	0	20,000,000	2,200,000	0	22,200,000
SA2402F	DHCD: Seed Community Development Anchor Institution Fund	0	0	10,000,000	0	0	10,000,000
SA2402G	DHCD: Strategic Demolition Fund	0	0	22,500,000	0	0	22,500,000
SA24A	DHCD: Business Facade Improvement Program	1,500,000	0	0	0	0	1,500,000
SA2507A	DHCD: Rental Housing Programs	0	0	55,000,000	18,000,000	9,000,000	82,000,000
SA2508A	DHCD: Homeownership Programs	0	0	16,000,000	5,700,000	0	21,700,000
SA2509A	DHCD: Special Loan Program	0	0	4,000,000	4,400,000	10,050,000	18,450,000
SA2510A	DHCD: Partnership Rental Housing Program	0	0	6,000,000	0	0	6,000,000
SA2515A	DHCD: Housing and Building Energy Programs	0	0	0	14,850,000	2,500,000	17,350,000

		Bonds	Current Funds (PAYGO)				
Budget Code	Project Title	General Obligation	Revenue	General	Special	Federal	Total Funds
SA2516A	DHCD: Local Government Infrastructure Financing – Broadband	0	0	0	0	95,000,000	95,000,000
SA25A	DHCD: Shelter and Transitional Housing Facilities Grant Program	3,000,000	0	0	0	0	3,000,000
TG00A	Commerce: Maryland Arts Capital Grant Program	3,000,000	0	0	0	0	3,000,000
Subtotal		\$28,431,000	\$0	\$174,150,000	\$51,300,000	\$128,550,000	\$382,431,000
Local Projects							
ZA00	Miscellaneous Projects	\$426,035,000	\$0	\$239,410,000	\$5,000,000	\$0	\$670,445,000
ZA02	Local House Initiatives	15,000,000	0	0	0	0	15,000,000
ZA03	Local Senate Initiatives	15,000,000	0	0	0	0	15,000,000
Subtotal		\$456,035,000	\$0	\$239,410,000	\$5,000,000	\$0	\$700,445,000
Transportation							
Y01A01	MDOT: Transportation Priorities	\$0	\$0	\$100,000,000	\$0	\$0	\$100,000,000
JD00A	MDOT: WMATA Grants	0	0	167,000,000	0	0	167,000,000
JI0003	MDOT: Martin State Airport Improvements	0	0	0	12,000,000	0	12,000,000
Subtotal		\$0	\$0	\$267,000,000	\$12,000,000	\$0	\$279,000,000
Current Year Total (Excluding MDOT)		\$1,247,739,000	\$477,231,000	\$1,272,948,524	\$979,015,649	\$262,759,000	\$4,239,693,173
Transportation CTP		\$0	\$110,000,000	\$0	\$1,214,831,491	\$1,405,553,933	\$2,730,385,424
Total Current Year (Including MDOT)		\$1,247,739,000	\$587,231,000	\$1,272,948,524	\$2,193,847,140	\$1,668,312,933	\$6,970,078,597

		Bonds		Current Funds (PAYGO)			
<u>Budget Code</u>	<u>Project Title</u>	<u>General Obligation</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	<u>Total Funds</u>
Deauthorizations							
ZF00	Deauthorizations as Introduced	-\$1,639,000	\$0	\$0	\$0	\$0	-\$1,639,000
ZF00A	Additional Deauthorizations	-12,000,000	0	0	0	0	-12,000,000
Subtotal		-\$13,639,000	\$0	\$0	\$0	\$0	-\$13,639,000
Total Current Year Less Deauthorizations		\$1,234,100,000	\$587,231,000	\$1,272,948,524	\$2,193,847,140	\$1,668,312,933	\$6,956,439,597
Fiscal 2023 Deficiencies							
X00A01	STO: PAYGO Deficiency	\$0	\$0	\$219,000,000	\$0	\$0	\$219,000,000
SA2515A	DHCD: Housing and Building Energy Programs	0	0	0	1,635,200	0	1,635,200
SA2509A	DHCD: Special Loan Program	0	0	0	0	3,300,000	3,300,000
SA2508A	DHCD: Homeownership Programs	0	0	0	700,000	0	700,000
H0102	DGS: Fuel Conversion Project Eastern Correctional Institution Cogeneration Facility	0	0	6,412,424	0	0	6,412,424
Total Fiscal 2023 Deficiencies		\$0	\$0	\$225,412,424	\$2,335,200	\$3,300,000	\$231,047,624
Grand Total		\$1,247,739,000	\$587,231,000	\$1,498,360,948	\$2,196,182,340	\$1,671,612,933	\$7,201,126,221

BCCC: Baltimore City Community College
 BPW: Board of Public Works
 BSU: Bowie State University
 Commerce: Department of Commerce
 CPPDA: Canal Place Preservation Development Authority
 CSMS: Combined Support Maintenance Shop
 CTP: Consolidated Transportation Program
 CSU: Coppin State University
 DGS: Department of General Services

MDVA: Maryland Department of Veterans Affairs
 MES: Maryland Environmental Service
 MHA: Maryland Hospital Association
 MHEC: Maryland Higher Education Commission
 MICUA: Maryland Independent College and University Association
 MSA: Maryland Stadium Authority
 MSD: Maryland School for the Deaf
 MSDE: Maryland State Department of Education
 MSLA: Maryland State Library Association

DHCD: Department of Housing and Community Development
 DNR: Department of Natural Resources
 DoIT: Department of Information Technology
 DPSCS: Department of Public Safety and Correctional Services
 DSP: Department of State Police
 FSU: Frostburg State University
 HSMCC: Historic St. Mary's City Commission
 MDA: Maryland Department of Agriculture
 MDE: Maryland Department of the Environment
 MDEM: Maryland Department of Emergency Management
 MDH: Maryland Department of Health
 MDOA: Maryland Department of Aging
 MDOD: Maryland Department of Disabilities
 MDOT: Maryland Department of Transportation
 MDP: Maryland Department of Planning

MSU: Morgan State University
 PAYGO: pay-as-you-go
 SMCM: St. Mary's College of Maryland
 STO: State Treasurer's Office
 SU: Salisbury University
 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
 UMGC: University of Maryland Global Campus
 UMMS: University of Maryland Medical System
 USMO: University System of Maryland Office
 WMATA: Washington Metropolitan Area Transit Authority

Note: General Obligation Bond category includes both bond authorizations and bond premiums.

Source: Department of Legislative Services

Capital Budget Outlook

The fiscal 2024 capital program passed by the General Assembly is \$120 million more than the amount originally introduced by the Governor. This expansion is consistent with the recommendations of the Spending Affordability Committee, which included a general statement that the budget surplus be used to support PAYGO capital needs to supplement GO bonds, offset the impact of construction inflation, and provide funds for one-time infrastructure investments including legislative bond initiatives.

Overall, for GO bond proceeds, the final budget includes an additional \$12.0 million made available through the deauthorization of prior authorized bonds and \$29.1 million of attained bond premium proceeds made available from the March 2023 GO bond sale. For PAYGO, the general fund component decreased by \$44.4 million after accounting for several adjustments. These adjustments include:

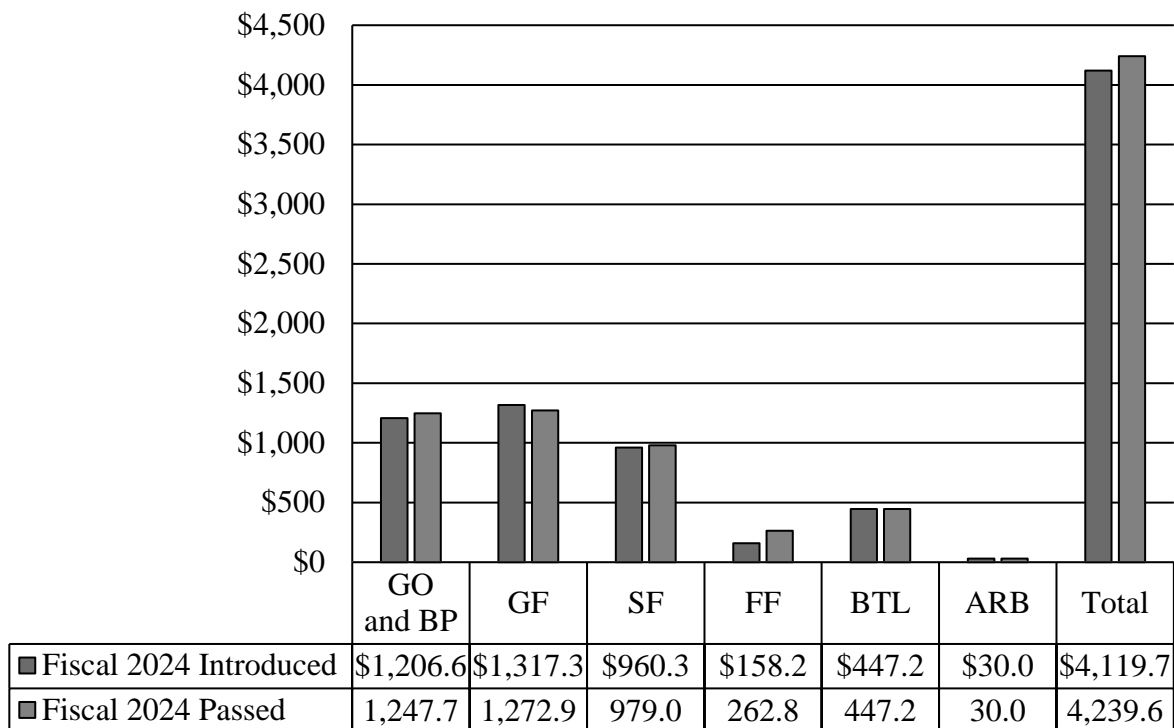
1. \$384.8 million of general funds added by the legislature in Section 19 of the operating budget bill, of which \$100 million used unallocated funds earmarked for legislative priorities in the budget as introduced. Of this amount, \$232.2 million funds projects originally budgeted with GO bond funds but moved from the bond program to make room for legislative priorities in the capital budget bill, and \$10.4 million reflects reductions made to Department of Housing and Community Development programs to instead provide specified grants in Section 19;
2. \$81.1 million added through Supplemental Budget No. 2; and
3. a reduction of \$400 million from the \$500 million budgeted in the Dedicated Purpose Account to support the State match for future federal transportation grant awards. As enacted, the budget provides \$100 million to support the State match for future federal grant awards and to fund environmental studies for the Red Line and Southern Maryland Rapid Transit Projects. The Governor is also authorized to transfer by budget amendment an additional \$100 million from the Rainy Day Fund for transportation purposes.

Special funds increase by \$19 million most notably through the addition of \$12.0 million in Supplemental Budget No. 2 for infrastructure improvements at Martin State Airport.

Federal funds increase by \$104.6 million over the amount originally budgeted. Of this amount, \$95 million supports broadband infrastructure made available through the federal Infrastructure Investment and Jobs Act (IIJA). This is in addition to the \$76 million of IIJA funds budgeted in the Water Quality and Drinking Water revolving loan programs administered by the Maryland Department of the Environment.

Exhibit 2.3 and **Exhibit 2.4** illustrate the budget as introduced compared to the budget as passed by fund source and major funding category, excluding \$2.730 billion for the transportation program provided through the CTP. **Exhibit 2.5** illustrates the allocation of PAYGO general funds.

Exhibit 2.3
Proposed and Authorized 2023 Session Capital Program by Fund Source
 (\$ in Millions)



ARB: Academic Revenue Bond

BP: bond premium

BTL: Built to Learn Bonds

FF: federal fund

GF: general fund

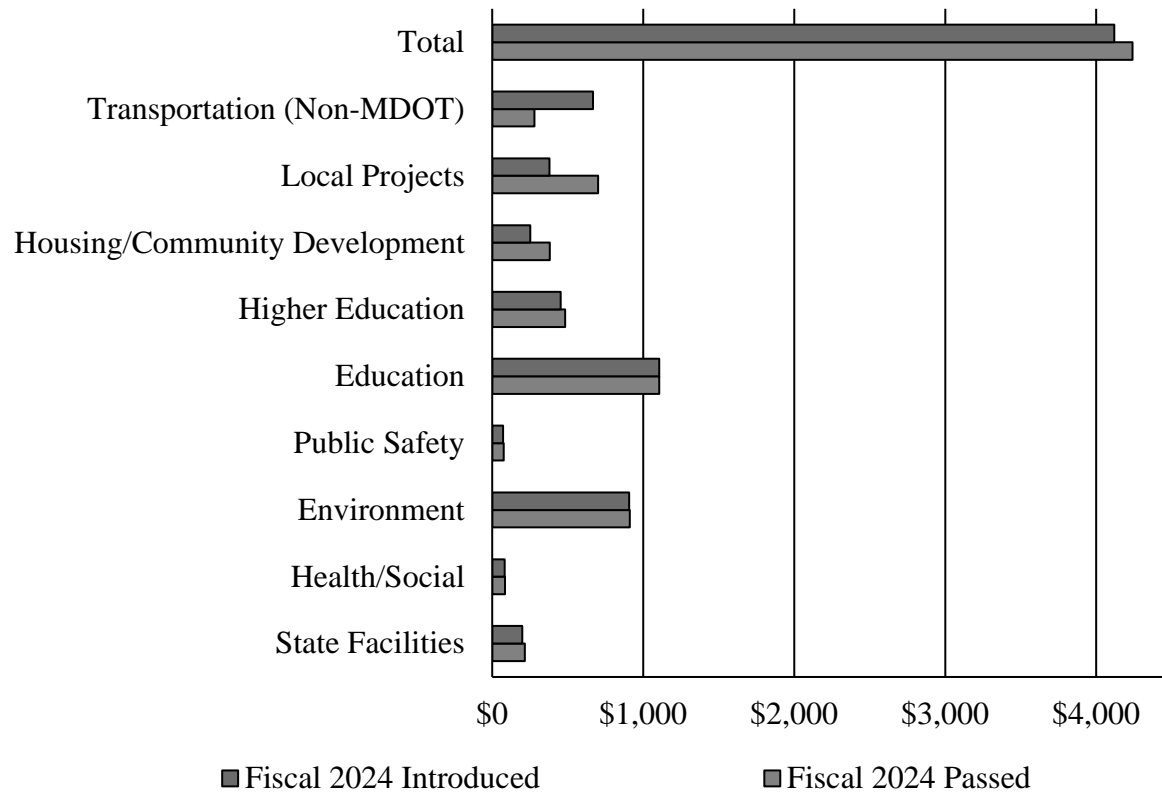
GO: general obligation

SF: special fund

Note: Figures exclude funds for transportation provided through the *Consolidated Transportation Program* and fiscal 2023 deficiency appropriations.

Source: Department of Legislative Services

Exhibit 2.4
Proposed and Authorized 2023 Session Capital Program by Uses
 (\$ in Millions)

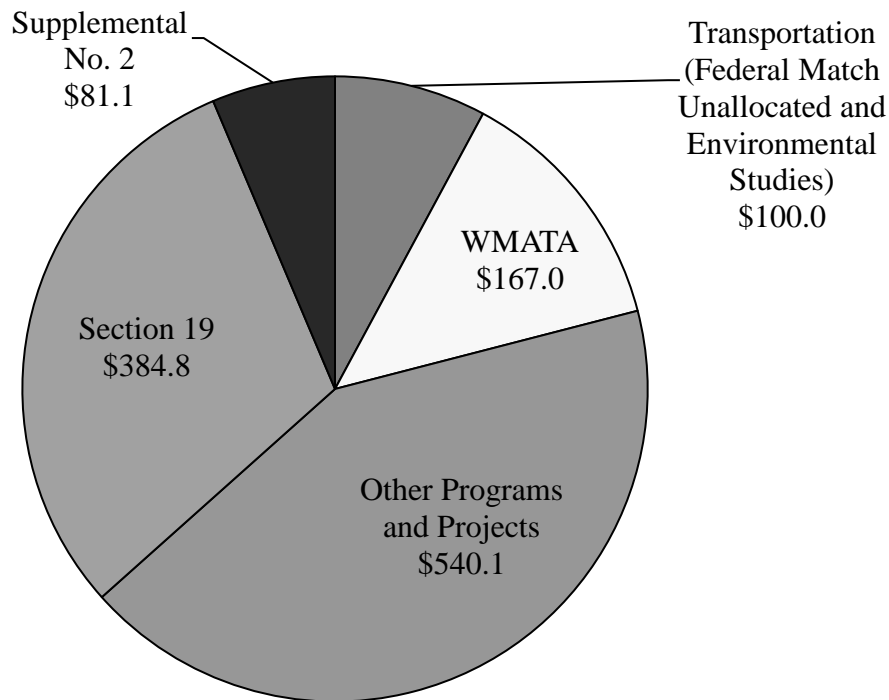


MDOT: Maryland Department of Transportation

Note: Figures exclude funds for transportation provided through the *Consolidated Transportation Program* and fiscal 2023 deficiency appropriations.

Source: Department of Legislative Services

Exhibit 2.5
Fiscal 2024 Allocation of General Funds
 (\$ in Millions)



WMATA: Washington Metropolitan Area Transit Authority

Source: Department of Legislative Services

GO Bond Preauthorizations

The MCCBL of 2023 includes \$629.7 million of GO bond authorizations that will not take effect until fiscal 2025 and \$272.1 million that will not take effect until fiscal 2026 and 2027. Of the \$629.7 million preauthorized for fiscal 2025, \$395.6 million either continues the funding for existing State construction contracts or allows projects expected to be contracted during fiscal 2024 to proceed without the full amount of the construction authorization provided in the fiscal 2024 budget. The remaining \$234.1 million expresses the General Assembly's support of State and local projects, including \$100 million to support the potential relocation of the Federal Bureau of Investigation headquarters to Maryland. **Exhibit 2.6** shows the preauthorizations for fiscal 2025 through 2027 included in the MCCBL of 2023.

Exhibit 2.6
Preauthorizations Included in House Bill 201

<u>Agency</u>	<u>Project Title</u>	<u>2024 Session</u>	<u>2025 Session</u>	<u>2026 Session</u>
MDEM	Maryland Department of Emergency Management Headquarters	\$6,675,000		
MSA	Department of Legislative Services Building	13,539,000		
BPW	Judiciary – New Courts of Appeal Building	63,265,000	\$62,852,000	
BPW	Judiciary – Shillman Building Conversion	16,885,000	2,050,000	
DNR	Natural Resources Development Fund	6,038,000		
MDH	Demolish Decommissioned Buildings	2,404,000		
MDH	Clifton T. Perkins Hospital	21,109,000		
DPSCS	High Temperature Distribution and Perimeter Security Improvements	16,113,000		
DPSCS	Women’s Prerelease Center	2,500,000	2,500,000	
UMB	Central Electric Substation and Electrical Infrastructure Upgrades	9,401,000		
UMB	Institute for Health Computing	2,000,000		
UMB	Dental Ambulatory Surgery Center	2,000,000		
UMCP	Interdisciplinary Engineering Building	64,920,000	38,150,000	\$2,120,000
UMCP	Health and Human Sciences Building	4,950,000	31,700,000	27,100,000
UMCP	Graduate Student Housing	5,000,000	5,000,000	
BSU	Communication Arts and Humanities Building	4,689,000		
TU	Smith Hall Renovation	63,175,000	52,374,000	
UMMS	Shore Regional Hospital	20,000,000		
UMES	Agricultural Research Education Center	2,993,000		
UMBC	Sherman Hall Renovation	23,201,000	19,540,000	2,087,000
USMO	Columbus Center Deferred Maintenance	13,988,000	2,551,000	
MHEC	Community College Construction Grant Program	39,226,000	5,090,000	
MSU	Campus Expansion Phase I – Lake Clifton High School Demolition	9,425,000		
MDE	Comprehensive Flood Management Program	3,000,000		
MES	Infrastructure Improvement Fund	8,473,000	882,000	
DSP	Barrack V – Berlin: New Forensic Laboratory and Garage	2,270,000		
MISC	Federal Bureau of Investigation Headquarters Relocation	100,000,000		
MISC	Riverdale Park Upgrades	1,500,000		

<u>Agency</u>	<u>Project Title</u>	<u>2024 Session</u>	<u>2025 Session</u>	<u>2026 Session</u>
MISC	North Bethesda Metro Station	10,000,000		
MISC	City of Salisbury Infrastructure Improvements	2,000,000		
MISC	Extended North Tunnel	10,000,000	10,000,000	
MISC	City of Laurel Historical Dam Ruins at Riverfront Park Restoration	1,200,000		
MISC	Luminis Health Doctors Community Medical Center	10,000,000		
MISC	Cheverly Hospital Demolition	5,000,000		
MISC	Everyman Theatre	1,000,000		
MISC	Baltimore Electrical JATC Expansion	1,000,000		
MISC	Liberty Sports Park	500,000		
MISC	Shady Grove Medical Center	2,000,000	2,000,000	
MISC	MedStar Montgomery Medical Center	2,000,000		
MISC	Children's National Hospital – Tech Hill Pharmacy	1,000,000		
MISC	Hippodrome Foundation	600,000		
MISC	Southern Streams Health and Wellness Center	2,500,000		
MISC	Charles P. Crane Plant	1,000,000		
MISC	Washington County Museum of Fine Arts	1,500,000		
MISC	Pikesville Armory Renovation	5,000,000		
MISC	Electrical Alliance	1,000,000		
MISC	Montgomery County Local Public School Playgrounds	1,350,000		
MISC	University of Maryland Shore Medical Center at Chestertown	1,250,000		
MISC	Pascal Crisis Stabilization Center	250,000		
MISC	Olney Boys and Girls Club – Performance Sports Center	2,000,000		
MISC	Catholic Charities – Intergenerational Center	2,000,000	2,000,000	
MISC	Clay Hill Public Charter School	1,200,000		
MISC	Westminster Fiber Project	1,000,000	1,000,000	1,000,000
MISC	Bowie Mill Bike Trail	2,100,000	2,100,000	
MISC	MedStar Southern Maryland Hospital	2,000,000		
MISC	Inner Harbor Promenade	30,000,000		
MISC	Sound Barrier	250,000		
MISC	American Cancer Society – Hope Lodge Baltimore	250,000		
Total		\$629,689,000	\$239,789,000	\$32,307,000

BPW: Board of Public Works
 BSU: Bowie State University
 DPSCS: Department of Public Safety and Correctional Services
 DNR: Department of Natural Resources
 DSP: Department of State Police
 MDE: Maryland Department of the Environment
 MDEM: Maryland Department of Emergency Management
 MDH: Maryland Department of Health
 MES: Maryland Environmental Service
 MHEC: Maryland Higher Education Commission
 MISC: Miscellaneous Grant Programs
 MSA: Maryland Stadium Authority
 MSU: Morgan State University
 TU: Towson University
 UMB: University of Maryland, Baltimore Campus
 UMBC: University of Maryland Baltimore County
 UMCP: University of Maryland, College Park Campus
 UMMS: University of Maryland Medical System
 USMO: University System of Maryland Office

Source: Department of Legislative Services

Additional Actions

House Bill 1298 (Chapter 141) 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.

Higher Education

The overall State-funded portion of the fiscal 2024 capital program for all segments of higher education is \$483.6 million. Of the total funding, public four-year institutions receive \$387.8 million, or 80.2%, of funding; independent institutions receive \$14.3 million, or 2.9%, of funding; and community colleges, including Baltimore City Community College (BCCC), receive \$81.5 million, or 16.9%, of funding that includes \$17.6 million for the facilities renewal grant program and \$9.4 million for BCCC. **Exhibit 2.7** shows the fiscal 2024 capital funding by public four-year institution and segment.

Exhibit 2.7
Higher Education Capital Funding by Institution and Segment
Fiscal 2024

<u>Institution</u>	<u>Funding</u>
University of Maryland, Baltimore Campus	\$11,126,000
University of Maryland, College Park Campus	68,140,000
Bowie State University	68,234,000
Towson University	67,338,000
University of Maryland Eastern Shore	13,228,000
Frostburg State University	500,000
Coppin State University	1,000,000
Salisbury University	2,223,000
University of Maryland Global Campus	650,000
University of Maryland Baltimore County	23,839,000
University of Maryland Center for Environmental Science	11,033,000
University System of Maryland – Facility Renewal ¹	29,934,000
Morgan State University	85,874,000
St. Mary’s College of Maryland	4,694,000
Independent Institutions	14,250,000
Baltimore Community College	9,384,000
Community Colleges	72,116,000
Total	\$483,563,000

¹ Includes funding for deferred maintenance for the Colwell Center that is a systemwide facility.

Note: Includes general obligation bonds, academic revenue bonds, and general funds.

Source: Department of Legislative Services

Public School Construction

As illustrated in **Exhibit 2.8**, the fiscal 2024 budget provides \$1.092 billion for school construction programs including \$3.5 million for nonpublic schools. The largest funded program is the traditional Public School Construction Program that receives \$485.0 million, comprised of \$268.5 million of special funds from the Fiscal Responsibility Fund and \$216.5 million of

general funds. The largest fund source is revenue bonds with \$447.2 million estimated to be issued by the Maryland Stadium Authority as authorized by the Built to Learn Act, which is in addition to the approximately \$700 million approved in fiscal 2022. This reflects a revised bond issuance total for this program of approximately \$1.7 billion, subject to market conditions. The legislature also reallocated \$90 million for the Healthy School Facility Fund from GO bonds to general funds.

Exhibit 2.8
Fiscal 2024 School Construction Funding by Program and Fund Source
(\$ in Millions)

<u>Program</u>	<u>GO Bonds</u>	<u>Revenue Bonds</u>	<u>General Funds</u>	<u>Special Funds</u>	<u>Total</u>
Public School Construction Program	\$0.0	\$0.0	\$216.5	\$268.5	\$485.0
Built to Learn Act	0.0	447.2	0.0	0.0	447.2
Healthy School Facility Fund	0.0	0.0	90.0	0.0	90.0
Supplemental Capital Grant	0.0	0.0	40.0	0.0	40.0
Revolving Loan Program	0.0	0.0	20.0	0.0	20.0
Aging Schools Program	6.1	0.0	0.0	0.0	6.1
Nonpublic Aging Schools Program	3.5	0.0	0.0	0.0	3.5
Total	\$9.6	\$447.2	\$366.5	\$268.5	\$1,091.8

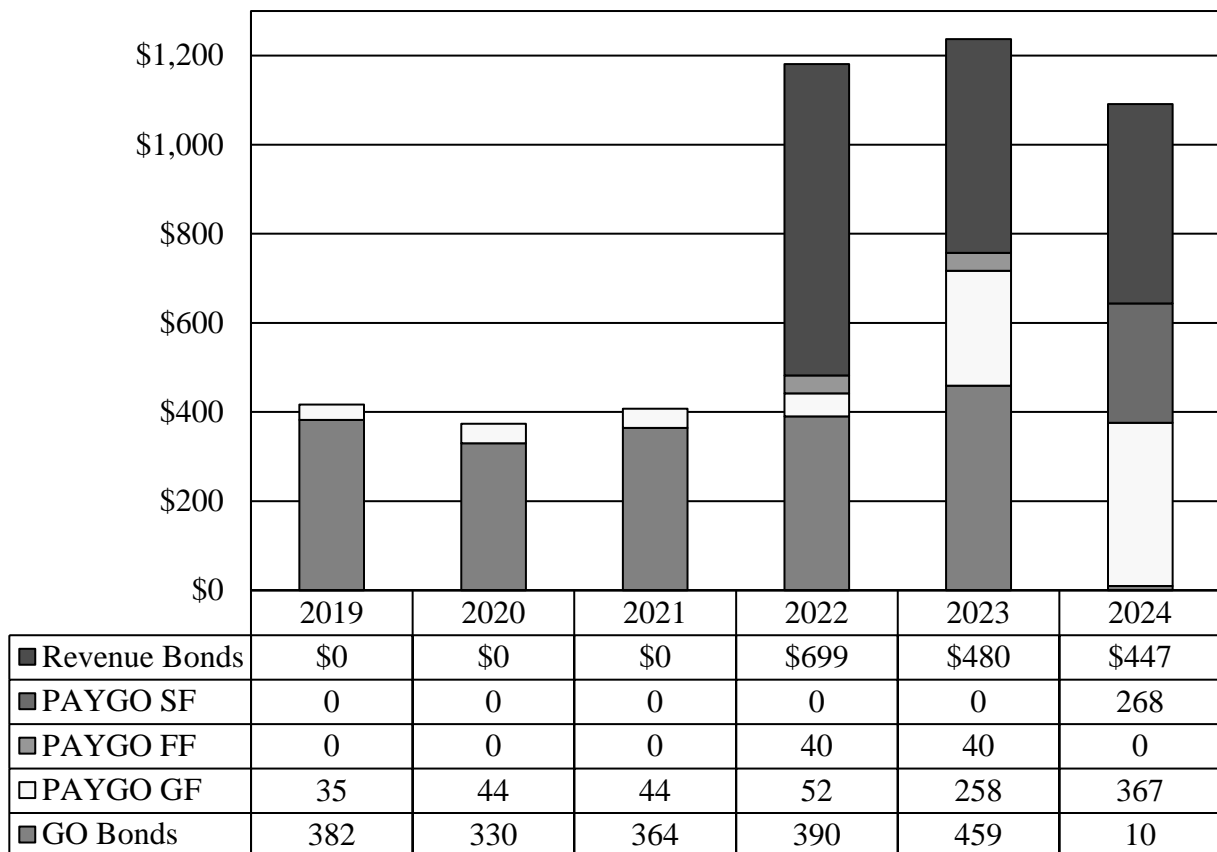
GO: general obligation

Note: Figures include \$40 million of federal funds from the American Rescue Plan Act budgeted in the Dedicated Purpose Account for fiscal 2023.

Source: Department of Legislative Services

Exhibit A-2.9 shows the funding allocation by fund source provided for school construction from fiscal 2019 to 2024.

Exhibit 2.9
School Construction Funding
Fiscal 2019-2024
(\$ in Millions)



FF: federal fund
 GF: general fund
 GO: general obligation
 PAYGO: pay-as-you-go
 SF: special fund

Source: Department of Legislative Services

Transfer Tax Funded Programs

Programs traditionally funded by the transfer tax received a substantial increase in fiscal 2024. This is due to general funds mandated by Chapter 39 of 2022 (Great Maryland Outdoors Act) and an increase in the transfer tax revenue overattainment from fiscal 2022 that is budgeted in fiscal 2024. The revenue overattainment applied to fiscal 2024 is \$122 million compared to the \$48.5 million that was applied to fiscal 2023. The transfer tax revenue estimate itself decreased from \$306.5 million in fiscal 2023 to \$286.1 million in fiscal 2024.

Fiscal 2024 Funding

As shown in **Exhibit 2.10**, these changes altered both the amount and the components of funding for the traditionally transfer tax-funded programs. Not reflected in the exhibit is \$106.9 million of general funds mandated by Chapter 39 for the two new programs, the Park System Critical Maintenance Fund and Park System Capital Improvement and Acquisition Fund.

Exhibit 2.10
Programs Traditionally Funded with Transfer Tax Revenue with Overattainment
Fiscal 2024
(\$ in Millions)

	<u>Transfer Tax Regular Special Funds</u>	<u>Transfer Tax Overattainment Special Funds</u>	<u>Transfer Tax Repayment General Funds</u>	<u>Other Special Funds</u>	<u>Federal</u>	<u>Total</u>
Department of Natural Resources						
Program Open Space						
State ¹	\$60.3	\$34.7	\$0.0	\$0.0	\$3.0	\$98.0
Local	61.7	27.5	0.0	0.0	0.0	89.2
Capital Development ²	26.6	12.4	0.0	0.0	0.0	39.0
Rural Legacy Program ³	21.9	6.1	5.4	0.0	0.0	33.4
Heritage Conservation Fund	5.0	2.2	0.0	0.0	0.0	7.2
Department of Agriculture						
Agricultural Land Preservation ⁴	\$46.8	\$20.8	\$16.6	\$10.5	\$0.0	94.7
Next Generation Farmland Acquisition Program ⁵	0.0	0.0	4.0	0.0	0.0	4.0
Total	\$222.3	\$103.7	\$26.0	\$10.5	\$3.0	\$365.5

GO: general obligation

¹ The Baltimore City Direct Grant of \$10.0 million and the Program Open Space – Public Access Program of \$19.2 million are both components of the \$95.0 million transfer tax regular and overattainment special funds leaving \$65.8 million for Program Open Space State land acquisition. The \$3.0 million in federal funds reflects Land and Water Conservation Fund grants that may also be used for Program Open Space Local purposes.

² The Capital Development transfer tax regular and overattainment special funds are allocated as follows: Natural Resources Development Fund (\$32.5 million), of which \$13.2 million is for Maryland Environmental Service's Water and Wastewater Projects at State Parks; Ocean City Beach Maintenance (\$1.0 million); and Critical Maintenance Program (\$5.5 million).

³ The Rural Legacy Program general fund repayment funding of \$5.4 million is mandated by Chapter 39 of 2022 (Great Maryland Outdoors Act).

⁴ The Agricultural Land Preservation general fund repayment funding of \$16.6 million is mandated by Chapter 39. The other special funds reflect \$10.5 million in county participation funding.

⁵ The fiscal 2024 allowance included the required \$10.0 million in general fund repayment funding for the Next Generation Farmland Acquisition Program mandated by Chapter 39. The General Assembly reduced this funding by \$6.0 million and added it back for the Maryland Agricultural and Resource-Based Industry Development Corporation's core loan program due to the level of interest during the high interest rate environment.

Note: The Maryland Park Service's allocation of \$59.5 million, comprised of \$41.1 million in transfer tax regular funds and \$18.3 million in transfer tax overattainment special funds, is not shown in the exhibit. The exhibit also does not show the general fund appropriations mandated by Chapter 39 for the two new special funds: Park System Critical Maintenance Fund (\$70.0 million); and Park System Capital Improvement and Acquisition Fund (\$36.9 million).

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 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SB 2/HB 502	Department of Human Services – Electronic Benefits Transfer Cards – Theft of Benefits (Prevent Electronic Benefits Theft Act of 2023) (Ch. 171/Ch. 172)						
	FF	\$4,401,395	\$817,182	\$0	\$0	\$0	FF revenues also increase by \$1,132,667 in FY 2023. FF expenditures increase correspondingly. FY 2024 budget assumes \$2,573,935 in FY 2023 and \$6,284,112 in FY 2024.
SB 3/HB 271	9-8-8 Trust Fund – Funding (Ch. 260/Ch. 261)						
	SF	\$0	\$12,000,000	\$0	\$0	\$0	
SB 26/HB 111	Maryland Medical Assistance Program, Maryland Children’s Health Program, and Workgroup on Low-Income Utility Assistance (Ch. 282/Ch. 283)						
	FF	indeterminate	indeterminate	indeterminate	indeterminate	indeterminate	Medicaid matching revenues. FF expenditures correspond.
SB 35/HB 58	Open Meetings Act – State Ethics Commission (Maryland State Agency Transparency Act of 2023) (Ch. 150/Ch. 149)						
	RF	\$10,000	\$0	\$0	\$0	\$0	RF expenditures increase correspondingly.
SB 37	Criminal Procedure – Expungement of Records (REDEEM Act of 2023) (Ch. 683)						
	SF	decrease	decrease	decrease	decrease	decrease	Waived court costs and fee revenues.
SB 41/HB 249	Baltimore City – Property Tax – Retroactive Exemption (Ch. 230/Ch. 229)						
	SF	(\$14,200)	(\$14,200)	(\$14,200)	(\$14,200)	\$0	SF revenues also decrease by \$14,200 in FY 2023.
SB 53	Maryland Nonprofit Development Center Program – Nonprofit, Interest-Free, Micro Bridge Loan (NIMBL) Account – Funding (Ch. 475)						
	SF	\$0	\$1,000,000	increase	increase	increase	SF expenditures increase correspondingly in FY 2025. Loan repayment revenues in out-years.
SB 55/HB 179	Maryland Estate Tax – Portability – Time Period for Election (Ch. 713/Ch. 714)						
	GF	decrease	decrease	decrease	decrease	decrease	Potential estate tax revenues.

Legislation Affecting State Revenues (Continued)

	<u>Fund</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SB 79/HB 184	State Personnel – Education and Transportation – Grievance Procedures (Ch. 232/Ch. 231)						
	RF	increase	increase	increase	increase	increase	Potential administrative revenues. RF expenditures increase correspondingly.
SB 80/HB 386	Natural Resources – Blue and Flathead Catfish Finfish Trotline License – Establishment (Ch. 105/Ch. 104)						
	SF	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	SF revenues also increase by up to \$1,500 in FY 2023.
SB 99/HB 66	Circuit Courts and District Court – Dishonored Checks – Service Charges (Ch. 665/Ch. 664)						
	GF	\$7,560	\$10,080	\$10,080	\$10,080	\$10,080	
SB 101/HB 48	Maryland Medical Assistance Program – Collaborative Care Model Services – Implementation and Reimbursement Expansion (Ch. 284/Ch. 285)						
	FF	\$9,578,667	\$12,771,556	\$12,771,556	\$12,771,556	\$12,771,556	FF expenditures increase correspondingly.
SB 136/HB 140	Unemployment Insurance – Recovery of Benefits – Limitation and Methods (Ch. 370/Ch. 371)						
	NB	increase	increase	increase	increase	increase	Overpayment collections.
SB 141/HB 180	Income Tax – Subtraction Modification for Adoption Expenses – Alterations (Ch. 550/Ch. 551)						
	GF	(\$91,000)	(\$91,000)	(\$91,000)	(\$91,000)	(\$91,000)	
SB 142/HB 428	University System of Maryland – Board of Regents – Student Member Grant (Ch. 751/Ch. 750)						
	HE	increase	increase	increase	increase	increase	Potential donation revenues. HE expenditures may increase correspondingly.
SB 145	State Board of Social Work Examiners – Conditional Licenses to Practice Social Work (Ch. 317)						
	SF	increase	increase	increase	increase	increase	Potential fee revenues.
SB 174/HB 237	Sales and Use Tax Exemption – Redevelopment Areas in Baltimore County – Sunset Extension (Ch. 17/Ch. 18)						
	GF	\$0	\$0	\$0	decrease	decrease	Potential significant sales and use tax revenues.
	SF	\$0	\$0	\$0	decrease	decrease	Potential significant sales and use tax revenues.

Legislation Affecting State Revenues (Continued)

	<u>Fund</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SB 184/HB 376	Health Insurance – Diagnostic and Supplemental Examinations and Biopsies for Breast Cancer – Cost-Sharing (Ch. 298/Ch. 299)						
	SF	increase	\$0	\$0	\$0	\$0	Minimal fee revenues.
SB 187/HB 454	Health Occupations – Licenses, Certificates, and Registrations – Lawful Presence and Identification Numbers (Ch. 375/Ch. 376)						
	SF	increase	increase	increase	increase	increase	Potential fee revenues.
SB 198/HB 505	Elevator Safety – Privately Owned Single-Family Residential Elevators – Inspection and Registration Requirements (Ch. 292/Ch. 293)						
	SF	\$109,688	\$146,250	\$146,250	\$146,250	\$146,250	
SB 226	Criminal Law – Child Pornography – Accessing and Intentionally Viewing (Ch. 759)						
	GF	increase	increase	increase	increase	increase	Minimal fine revenues.
SB 240	Income Tax – Out-of-State Taxes Paid by Pass-Through Entities – Addition Modification (Ch. 445)						
	GF	increase	increase	increase	increase	increase	Potential income tax revenues.
SB 243	Income Tax – Child and Dependent Care Tax Credit – Alterations (Ch. 21)						
	GF	\$332,000	\$332,000	\$332,000	\$332,000	\$332,000	
SB 248/HB 384	Institutions of Higher Education – Transcripts – Prohibition on Punitive Measures Related to Student Debt (Ch. 748/Ch. 749)						
	HE	decrease	decrease	decrease	decrease	decrease	Potential significant debt collection and fee revenues.
	SF	decrease	decrease	decrease	decrease	decrease	Potential significant collection fee revenues.
SB 253/HB 244	Estates and Trusts – Registers of Wills – Electronic Filing and Signatures (Ch. 660/Ch. 661)						
	GF	increase	increase	increase	increase	increase	Minimal inheritance tax and fee revenues.
SB 255/HB 322	Public Health – Home- and Community-Based Services for Children and Youth (Ch. 378/Ch. 379)						
	FF	increase	increase	increase	increase	increase	Medicaid matching revenues. FF expenditures increase correspondingly.

Legislation Affecting State Revenues (Continued)

	<u>Fund</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SB 269/HB 192	Currency – Campaign Finance Prohibitions – Disclosures by Financial Institutions (Ch. 167/Ch. 166)						
	GF	increase	increase	increase	increase	increase	Potential tax lien revenues.
	SF	increase	increase	increase	increase	increase	Potential penalty revenues.
SB 273	National Capital Strategic Economic Development Fund – Annual Appropriation and Authorized Uses (Ch. 494)						
	SF	\$0	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	SF expenditures increase correspondingly.
SB 277	Real Property – Sheriff’s Sales – Procedures and Subordinate Interests (Ch. 762)						
	GF	\$0	\$0	\$0	\$0	\$0	General fund revenues decrease by up to \$12,000,000 in FY 2023.
	SF	\$0	\$0	\$0	\$0	\$0	SF revenues increase by up to \$12,000,000 in FY 2023.
SB 282/HB 289	Maryland Forestry Education Fund – Establishment (Ch. 480/Ch. 479)						
	SF	\$0	\$250,000	\$250,000	increase	increase	Potential receipt of discretionary general fund appropriations (in addition to receipt of mandated amounts shown). SF expenditures increase correspondingly.
SB 283/HB 418	Mental Health – Workforce Development – Fund Established (Ch. 286/Ch. 287)						
	SF	\$0	increase	increase	increase	increase	All/Multiple agencies. Potential cost reimbursement revenues.
	SF	\$0	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	Behavioral Health Workforce Investment Fund. SF expenditures increase correspondingly.
SB 286/HB 480	Department of Veterans Affairs – Burial in State Veterans’ Cemeteries – Spouses and Dependents (Ch. 616/Ch. 615)						
	SF	(\$1,032,098)	decrease	decrease	decrease	decrease	Internment fee revenues. SF expenditures decrease correspondingly. FY 2024 budget assumes \$1,032,098 reduction.

Legislation Affecting State Revenues (Continued)

	<u>Fund</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SB 310	Natural Resources – Black Bear Damage Prevention and Reimbursement Fund – Uses (Ch. 565)						
	HE	increase	increase	increase	increase	increase	Potential grant revenues. HE expenditures increase correspondingly.
	SF	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	SF expenditures increase correspondingly.
SB 312/HB 346	Tax Clinics for Low-Income Marylanders – Funding – Repeal of Sunset (Ch. 495/Ch. 496)						
	GF	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	Mandated distribution beginning in FY 2024.
	HE	\$166,667	\$0	\$0	\$0	\$0	HE expenditures increase correspondingly.
	SF	\$250,000	\$0	\$0	\$0	\$0	SF expenditures increase correspondingly.
SB 327/HB 983	Hunting, Wildlife Conservation, and Outdoor Recreation – Funding, Promotion, Management, Licenses, Permits, and Stamps (Ch. 543/Ch. 544)						
	FF	\$0	\$6,814,850	\$6,814,850	\$6,814,850	\$6,814,850	
	SF	\$2,271,617	\$2,271,617	\$2,271,617	\$2,271,617	\$2,271,617	SF expenditures increase correspondingly.
SB 333/HB 471	Economic Development – Regional Institution Strategic Enterprise Zone Program – Alterations and Financing (Ch. 523/Ch. 522)						
	NB	increase	increase	increase	increase	increase	Potential debt service revenues. NB expenditures partially correspond.
SB 341/HB 477	Public Senior Higher Education Institutions – Reproductive Health Services Plans – Requirements (Ch. 250/Ch. 251)						
	HE	increase	increase	increase	increase	increase	Potential fee revenues fully or partially offset potential HE expenditures.
SB 343	Maryland Achieving a Better Life Experience (ABLE) Program – Account Establishment – Procedures (Ch. 637)						
	GF	decrease	decrease	decrease	decrease	decrease	Potential income tax revenues.
	NB	increase	increase	increase	increase	increase	Potential fee revenues.

Legislation Affecting State Revenues (Continued)

	<u>Fund</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SB 346/HB 260	Maryland Sign Language Interpreters Act (Ch. 269/Ch. 270)						
	GF	\$0	increase	increase	increase	\$0	Minimal fine revenues.
	SF	increase	\$90,000	\$118,000	\$171,000	\$224,000	Potential license fee revenues in FY 2024. SF expenditures increase correspondingly.
SB 354/HB 316	Income Tax Checkoff – Maryland Veterans Trust Fund (Ch. 617/Ch. 618)						
	NB	\$0	\$0	increase	increase	increase	Potential donation revenues,
	SF	\$0	\$0	decrease	decrease	decrease	Potential donation revenues.
SB 377	Workers’ Compensation – Benefits – Offset and Study (Ch. 410)						
	NB	increase	increase	increase	increase	increase	Potential premium revenues. NB expenditures increase correspondingly.
SB 390/HB 325	Provision of Veterinary Services – Practice of Veterinary Medicine and Rabies Vaccines (Ch. 589/Ch. 588)						
	SF	increase	increase	increase	increase	increase	Fee revenues.
SB 404/HB 333	Hospitals – Financial Assistance – Medical Bill Reimbursement Process (Ch. 311/Ch. 310)						
	SF	\$28,400	\$27,599	\$0	\$0	\$0	Comptroller.
	SF	increase	increase	\$0	\$0	\$0	Department of Human Services. Potential cost reimbursement revenues. SF expenditures increase correspondingly.
	SF	increase	increase	\$0	\$0	\$0	Maryland State Department of Education. Potential cost reimbursement revenues. SF expenditures increase correspondingly.
	SF	increase	increase	\$0	\$0	\$0	Office of the Attorney General. Potential cost reimbursement revenues. SF expenditures increase correspondingly.

Legislation Affecting State Revenues (Continued)

	<u>Fund</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
	SF	increase	increase	\$0	\$0	\$0	Maryland Department of Health. Potential cost reimbursement revenues. SF expenditures increase correspondingly.
SB 422/HB 696	Natural Resources – Black Bass Conservation Fund – Establishment (Ch. 557/Ch. 556)						
	SF	increase	increase	increase	increase	increase	Donation and interest revenues. SF expenditures increase correspondingly.
SB 424/HB 261	Eligible Projects – Procurement of Construction Materials (Buy Clean Maryland Act) (Ch. 201/Ch. 202)						
	SF	\$200,000	\$0	\$0	\$0	\$0	SF expenditures increase correspondingly.
SB 425/HB 674	Maryland Historic Trust – Historic Preservation Loan Fund – Qualified Cooperating Nonprofit Organizations – Transfers (Ch. 203/Ch. 204)						
	SF	decrease	decrease	decrease	decrease	decrease	Potential loan repayment revenues.
SB 426	University System of Maryland – Board of Regents – Quasi-Endowment Funds (Ch. 735)						
	HE	\$0	increase	increase	increase	increase	Potential significant investment revenues. HE expenditures may increase correspondingly.
SB 429	Business Regulation – Home Improvement Commission – Guaranty Fund and Award Limits (Ch. 415)						
	NB	increase	increase	increase	increase	increase	Potential significant guaranty fund assessment revenues.
SB 442	Economic Development – Sports Entertainment Facilities – Financing and Construction (Ch. 468)						
	GF	\$0	\$0	(\$1,110,000)	(\$1,475,750)	(\$1,476,250)	
	NB	\$15,000,000	\$5,000,000	\$1,110,000	\$1,475,750	\$1,476,250	NB expenditures increase correspondingly.
SB 452	Film Production Activity Income Tax Credit – Alterations and Maryland Entertainment Council (Ch. 434)						
	GF	(\$2,310,899)	(\$4,189,982)	(\$6,026,641)	\$0	\$0	Assumed in FY 2024 budget.
	SF	(\$509,100)	(\$980,019)	(\$1,493,359)	\$0	\$0	Transportation Trust Fund.
	SF	(\$180,000)	(\$329,999)	(\$480,000)	\$0	\$0	Higher Education Investment Fund.

Legislation Affecting State Revenues (Continued)

	<u>Fund</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SB 455/HB 669	Real Estate Appraisers – Licensing and Certification – Qualifications (Ch. 386/Ch. 387)						
	SF	increase	increase	increase	increase	increase	Potential fee revenues. SF expenditures increase correspondingly.
SB 460/HB 283	Maryland Medical Assistance Program – Gender-Affirming Treatment (Trans Health Equity Act) (Ch. 252/Ch. 253)						
	FF	increase	increase	increase	increase	increase	Potential significant Medicaid matching revenues. FF expenditures increase correspondingly.
SB 470	Natural Resources – Land Conservation – Establishment of Goals and Programs (Maryland the Beautiful Act) (Ch. 546)						
	SF	\$0	\$6,000,000	increase	increase	increase	Loan repayment revenues (in addition to amount shown).
SB 471	Sediment Control Plans, Discharge Permits for Stormwater Associated With Construction Activity, and Notice and Comment Requirements (Ch. 547)						
	FF	increase	increase	increase	increase	increase	Potential grant revenues. FF expenditures increase correspondingly.
SB 515/HB 785	Health Insurance – Step Therapy or Fail-First Protocol – Revisions (Ch. 364/Ch. 365)						
	SF	increase	\$0	\$0	\$0	\$0	Minimal fee revenues.
SB 516/HB 556	Cannabis Reform (Ch. 255/Ch. 254)						
	GF	\$17,864,293	\$31,431,026	\$50,618,876	\$67,834,689	\$78,644,887	\$15.0 million assumed in FY 2024 budget.
	SF	\$1,786,429	\$3,143,103	\$5,061,888	\$6,783,469	\$7,864,489	Commerce – Cannabis Business Assistance Fund. SF expenditures increase correspondingly.

Legislation Affecting State Revenues (Continued)

<u>Fund</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SF	\$76,535,342	\$64,138,351	\$53,202,417	\$65,597,033	\$71,813,659	Comptroller. Reflects Community Reinvestment and Repair Fund revenues (SF revenues also increase by \$12,354,731 in FY 2023; SF expenditures correspond in subsequent years) and Cannabis Regulation and Enforcement Fund revenues (SF revenues also increase by \$12,320,643 in FY 2023 due to transfer of special funds to Cannabis Regulation and Enforcement Fund (SF expenditures partially correspond).
SF	(\$8,954,161)	(\$7,597,487)	(\$5,678,702)	(\$3,957,121)	(\$2,876,101)	Maryland Department of Health. Reflects decrease in Maryland Medical Cannabis Commission Fund revenues (SF revenues also decrease by \$12,320,643 in FY 2023 due to transfer of special funds to Cannabis Regulation and Enforcement Fund) and increase in Cannabis Public Health Fund revenues due to sales and use tax revenue distributions (net amounts shown). SF revenues decrease by an additional \$1,898,214 in FY 2023 due to transfer of Medical Cannabis Compassionate Use Fund to Maryland Cannabis Administration.
SF	increase	increase	increase	increase	increase	New Agency (Maryland Cannabis Administration) – Medical Cannabis Compassionate Use Fund. Potential significant fee and fine revenues. SF revenues also increase by \$1,898,214 in FY 2023 due to transfer of special funds from Maryland Department of Health.

Legislation Affecting State Revenues (Continued)

	<u>Fund</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SB 525/HB 922	Economic Development – Program Participation – Cannabis Business Establishments (Ch. 472/Ch. 471)						
	GF	\$0	decrease	decrease	decrease	decrease	Potential significant income tax revenues.
	SF	\$0	decrease	decrease	decrease	decrease	Transportation Trust Fund. Corporate income tax revenues.
	SF	\$0	decrease	decrease	decrease	decrease	Higher Education Investment Fund. Corporate income tax revenues.
SB 526/HB 723	Natural Resources – Forest Preservation and Retention (Ch. 542/Ch. 541)						
	SF	\$0	indeterminate	indeterminate	indeterminate	indeterminate	Potential fee-in-lieu revenues.
SB 530	Insurance – Maryland Automobile Insurance Fund – Assessments (Ch. 535)						
	GF	(\$2,000,000)	\$0	\$0	\$0	\$0	Assumed in FY 2024 budget. Mandated distribution is altered in FY 2024 only.
	NB	\$2,000,000	\$0	\$0	\$0	\$0	NB revenues for MAIF also increase by \$10,178,000 in FY 2023 due to transfer from Insufficiency Assessment Reserve Fund.
SB 534	Preserve Telehealth Access Act of 2023 (Ch. 382)						
	FF	indeterminate	indeterminate	\$0	\$0	\$0	Medicaid matching revenues. FF expenditures correspond.
	SF	increase	\$0	\$0	\$0	\$0	Minimal fee revenues.
SB 537	Video Lottery Operation License – Renewal (Ch. 736)						
	SF	\$0	\$0	\$225,250	\$1,094,109	\$1,173,230	SF expenditures increase correspondingly beginning in FY 2027 (FY 2027 SF expenditures correspond with total FY 2026 and 2027 SF revenues).
SB 540	Human Relations – Civil Rights Enforcement – Powers of the Attorney General (Ch. 629)						
	GF	increase	increase	increase	increase	increase	Minimal investment revenues.
	SF	increase	increase	increase	increase	increase	Penalty revenues. SF expenditures increase correspondingly.

Legislation Affecting State Revenues (Continued)

	<u>Fund</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SB 549/HB 552	Economic Development – Build Our Future Grant Pilot Program and Fund (Innovation Economy Infrastructure Act of 2023) (Ch. 431/Ch. 430)						
	HE	increase	increase	increase	increase	\$0	Potential grant revenues. HE expenditures partially correspond.
	SF	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$0	SF expenditures increase correspondingly.
SB 550/HB 548	Financial Regulation – Maryland Community Investment Venture Fund – Establishment (Access to Banking Act) (Ch. 433/Ch. 432)						
	SF	(\$171,000)	(\$246,000)	(\$265,500)	(\$287,000)	(\$310,000)	
SB 551	Department of Service and Civic Innovation and Maryland Corps Program Service Year Option Pathways – Established (Serving Every Region Through Vocational Exploration Act of 2023) (Ch. 99)						
	GF	\$1,000,000	\$0	\$0	\$38,300,000	\$8,000,000	GF revenues also increase by \$2,500,000 in FY 2023.
	NB	decrease	decrease	decrease	decrease	decrease	Potential reduction in Maryland 529 participation.
	SF	\$16,150,000	\$0	\$0	\$0	\$12,000,000	SF expenditures partially correspond in FY 2028.
SB 552/HB 547	Family Prosperity Act of 2023 (Ch. 3/Ch. 4)						
	GF	(\$172,300,000)	(\$175,744,000)	(\$179,260,000)	(\$182,845,000)	(\$186,503,000)	Assumed in FY 2024 budget.
SB 553/HB 554	Income Tax – Subtraction Modification for Military Retirement Income (Keep Our Heroes Home Act) (Ch. 614/Ch. 613)						
	GF	(\$11,200,000)	(\$11,700,000)	(\$12,100,000)	(\$12,600,000)	(\$13,100,000)	Assumed in FY 2024 budget.
SB 555	Fair Wage Act of 2023 (Ch. 2)						
	FF	\$97,591,709	\$97,591,709	\$0	\$0	\$0	FF expenditures increase correspondingly. Assumed in FY 2024 budget.
	GF	increase	increase	increase	\$0	\$0	Minimal income tax and sales and use tax revenues.
SB 556	Maryland Community Health Resources Commission – Compensation of Employees and Funding (Ch. 644)						
	SF	\$0	\$8,000,000	\$8,000,000	\$8,000,000	\$8,000,000	

Legislation Affecting State Revenues (Continued)

	<u>Fund</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SB 560/HB 626	Animal Testing and Research – Human-Relevant Research Funding and Animal Testing and Research Contributions (Ch. 448/Ch. 447)						
	SF	\$915,000	\$915,000	\$915,000	\$915,000	\$915,000	SF expenditures increase correspondingly. Potential loan repayment revenues beginning in FY 2025 (in addition to amounts shown).
SB 580/HB 751	Public Safety – Officer and Community Wellness Training Grant Fund (Ch. 752/Ch. 753)						
	SF	\$0	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	SF expenditures increase correspondingly.
SB 582/HB 1148	Behavioral Health Care – Treatment and Access (Behavioral Health Model for Maryland) (Ch. 290/Ch. 291)						
	SF	increase	\$0	\$0	\$0	\$0	Minimal fee revenues. Duplicative of impact for SB 534.
SB 608/HB 53	Human Services – Maryland Statewide Independent Living Council (Ch. 44/Ch. 43)						
	FF	increase	increase	increase	increase	increase	Potential federal grant revenues. FF expenditures increase correspondingly.
SB 611/HB 874	Office of the Attorney General – Environmental and Natural Resources Crimes Unit – Establishment (Ch. 689/Ch. 690)						
	GF/SF	increase	increase	increase	increase	increase	Potential penalty/restitution revenues.
SB 617/HB 673	Maryland Transit Administration – Fare Price Requirements – Alterations (Ch. 483/Ch. 484)						
	SF	(\$6,900,000)	(\$7,100,000)	(\$18,100,000)	(\$17,600,000)	(\$19,800,000)	
SB 624/HB 1074	Income Tax – Automated External Defibrillator Tax Credit (Joe Sheya Act) (Ch. 307/Ch. 306)						
	GF	(\$929,701)	(\$1,136,470)	(\$211,535)	decrease	decrease	Potential income tax revenues beyond FY 2026 (in addition to amounts shown).
	SF	(\$142,955)	(\$200,138)	(\$52,417)	decrease	decrease	Transportation Trust Fund. Potential corporate income tax revenues beyond FY 2026 (in addition to amounts shown).

Legislation Affecting State Revenues (Continued)

	<u>Fund</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
	SF	(\$50,544)	(\$67,392)	(\$16,848)	decrease	decrease	Higher Education Investment Fund. Potential corporate income tax revenues beyond FY 2026 (in addition to amounts shown).
SB 634/HB 1084	Natural Resources – Oyster Inspection and Severance Taxes – Increase (Ch. 780/Ch. 781)						
	SF	\$580,900	\$580,900	\$580,900	\$580,900	\$580,900	SF expenditures increase correspondingly.
SB 649/HB 817	State Government – Regulation Procedures and the Maryland Register (Ch. 349/Ch. 350)						
	SF	(\$29,250)	(\$38,975)	(\$38,975)	(\$38,975)	(\$38,975)	SF expenditures decrease correspondingly.
SB 650	Public Safety – State Disaster Recovery Fund (Ch. 549)						
	SF	\$10,000,000	increase	increase	increase	increase	Replenishment of State Disaster Recovery Fund (in addition to amount shown).
SB 678/HB 1151	Health Insurance – Reimbursement for Services Rendered by a Pharmacist (Ch. 300/Ch. 301)						
	FF	increase	increase	increase	increase	increase	Potential Medicaid matching revenues. FF expenditures increase correspondingly.
SB 679/HB 710	Anne Arundel County – Speed Monitoring Systems – Residential Districts (Ch. 593/Ch. 592)						
	GF	increase	increase	increase	increase	increase	Minimal fine revenues.
SB 691	Home Amenity Rentals – Sales and Use Tax Imposed and Local Tax Authorized (Ch. 805)						
	GF	\$0	increase	increase	increase	increase	Potential significant sales and use tax revenues.
	SF	\$0	increase	increase	increase	increase	Potential significant sales and use tax revenues.
SB 699/HB 781	Maryland Technology Development Corporation – Equitech Growth Fund and Commission (Ch. 461/Ch. 462)						
	HE	increase	increase	increase	increase	increase	Potential financial assistance revenues.
	SF	increase	increase	increase	increase	increase	All/Multiple agencies. Potential financial assistance revenues.

Legislation Affecting State Revenues (Continued)

	<u>Fund</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
	SF	\$3,000,000	\$5,551,000	\$5,561,000	\$5,571,000	\$5,581,000	Equitech Growth Commission Fund. SF expenditures increase correspondingly. Potential loan repayment revenues beginning in FY 2025 (in addition to amounts shown).
SB 705	Vehicle Laws – Certificate of Title – Surviving Spouse (Ch. 441)						
	SF	(\$375,000)	(\$500,000)	(\$500,000)	(\$500,000)	(\$500,000)	
SB 708	Public Health – Youth Camps, Development Organizations, and Programs – Criminal History Records Checks (Ch. 226)						
	GF	increase	increase	increase	increase	increase	Potential fee revenues.
SB 709	Motor Vehicles – Commercial Driver’s Licenses and Instructional Permits – Revisions (Ch. 442)						
	SF	(\$263,250)	(\$351,000)	(\$351,000)	(\$351,000)	(\$351,000)	
SB 720	Horse Racing – Extension of Maryland Horse Racing Act and Establishment of Maryland Thoroughbred Racetrack Operating Authority (Ch. 111)						
	BOND	\$0	\$0	\$0	\$0	\$0	Department of Housing and Community Development. In FY 2023, bond revenues decrease by \$10,000,000 due to redirection of FY 2023 capital bond funds to Maryland Racing Operations Fund.
	BOND	\$0	\$0	\$0	\$0	\$0	Maryland Stadium Authority. In FY 2023, bond revenues decrease by \$5,000,000 due to redirection of FY 2023 capital bond funds to Maryland Racing Operations Fund.

Legislation Affecting State Revenues (Continued)

	<u>Fund</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
	SF	increase	increase	increase	increase	\$0	In FY 2023, SF revenues increase by \$15,000,000 due to redirection of FY 2023 capital bond funds to Maryland Racing Operations Fund. Potential discretionary funding and other revenues for Maryland Racing Operations Fund in FY 2024 through 2027. In FY 2024, potential transfer of funds from Racing and Community Development Facilities Fund.
SB 721	Income Tax – Credit for Federal Security Clearance Costs – Alterations (Ch. 438)						
	GF	\$0	(\$1,523,400)	(\$1,511,800)	(\$1,511,800)	(\$1,535,100)	
	SF	\$0	(\$245,200)	(\$256,900)	(\$256,900)	(\$233,500)	Transportation Trust Fund.
	SF	\$0	(\$82,600)	(\$82,600)	(\$82,600)	(\$82,600)	Higher Education Investment Fund.
SB 723	Corporations and Associations – Electronic Copies Fee – Repeal (Ch. 70)						
	GF	(\$57,500)	(\$76,700)	(\$76,700)	(\$76,700)	(\$76,700)	
SB 756	Access to Counsel in Evictions – Funding (Ch. 641)						
	GF	\$0	(\$14,000,000)	(\$14,000,000)	(\$14,000,000)	\$0	Mandated distribution in FY 2025 through 2027.
	SF	\$0	\$14,000,000	\$14,000,000	\$14,000,000	\$0	SF expenditures increase correspondingly.
SB 781	Offshore Wind Energy – State Goals and Procurement (Promoting Offshore Wind Energy Resources Act) (Ch. 95)						
	SF	\$635,256	\$1,449,974	\$1,449,728	\$1,469,059	\$493,097	SF expenditures increase correspondingly.
SB 783	Preservation and Reuse of Historic Complexes Study and Alterations to the Income Tax Credit for Catalytic Revitalization Projects (Ch. 173)						
	GF	indeterminate	indeterminate	indeterminate	indeterminate	indeterminate	Potential acceleration of income tax revenue losses.
SB 792	Estates and Trusts – Registered Domestic Partnerships (Ch. 647)						
	GF	decrease	decrease	decrease	decrease	decrease	Inheritance tax revenues.

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Effect of the 2023 Legislative Program on the Financial Condition of the State

Legislation Affecting State Revenues (Continued)

	<u>Fund</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SB 922	Maryland Construction Education and Innovation Fund – Funding – Alteration (Ch. 493)						
	SF	\$0	\$375,000	\$375,000	\$375,000	\$375,000	SF expenditures increase correspondingly.
SB 959	Higher Education – Maryland 529 Program – Reform (Ch. 113)						
	NB	(\$16,978,585)	(\$16,978,585)	(\$16,978,585)	(\$16,978,585)	(\$16,978,585)	NB revenues also decrease by an indeterminate amount in FY 2023 due to transfer of program administration. NB expenditures decrease correspondingly.
	RF	\$11,279,500	\$11,279,500	\$11,279,500	\$11,279,500	\$11,279,500	\$11,475,211 assumed in FY 2024 budget. RF revenues also increase by an indeterminate amount in FY 2023 due to transfer of program administration. RF expenditures increase correspondingly.
	SF	\$5,699,085	\$5,699,085	\$5,699,085	\$5,699,085	\$5,699,085	\$5,503,374 assumed in FY 2024 budget. SF revenues also increase by an indeterminate amount in FY 2023 due to transfer of administrative revenues. SF expenditures increase correspondingly.
SB 965/HB 815	Cancer Screening – Health Insurance and Assessment of Outreach, Education, and Health Disparities (Ch. 353/Ch. 354)						
	SF	increase	\$0	\$0	\$0	\$0	Minimal fee revenues.
SB 968	Income Tax – Captive Real Estate Investment Trusts – Alterations (Ch. 478)						
	GF	decrease	decrease	decrease	decrease	decrease	Potential corporate income tax revenues.
	SF	decrease	decrease	decrease	decrease	decrease	Transportation Trust Fund. Potential corporate income tax revenues.
	SF	decrease	decrease	decrease	decrease	decrease	Higher Education Investment Fund. Potential corporate income tax revenues.

Legislation Affecting State Revenues (Continued)

	<u>Fund</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
HB 2	Income Tax – Subtraction Modification – Union Dues (Ch. 513)						
	GF	(\$9,880,000)	(\$10,275,000)	(\$10,686,000)	(\$11,114,000)	(\$11,558,000)	
HB 12	Equitable and Inclusive Transit-Oriented Development Enhancement Act (Ch. 512)						
	SF	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	SF expenditures partially correspond.
HB 48/SB 101	See entry for SB 101.						
HB 53/SB 608	See entry for SB 608.						
HB 57	Property Tax – Tax Sales – Requirement to Sell (Ch. 272)						
	SF	decrease	decrease	decrease	decrease	decrease	Potential property tax revenues.
HB 58/SB 35	See entry for SB 35.						
HB 66/SB 99	See entry for SB 99.						
HB 111/SB 26	See entry for SB 26.						
HB 123	Vehicle Laws – HOV Lanes – Plug-In Electric Drive Vehicles (Ch. 121)						
	SF	increase	increase	increase	\$0	\$0	Fee revenues beginning in FY 2023.
HB 128	Private Passenger Motor Vehicle Liability Insurance – Enhanced Underinsured Motorist Coverage – Opt-Out Option (Ch. 514)						
	SF	increase	\$0	\$0	\$0	\$0	Minimal fee revenues.
HB 140/SB 136	See entry for SB 136.						
HB 152	Department of Agriculture – Urban Agriculture Grant Programs – Alterations (Ch. 519)						
	SF	\$0	\$100,000	\$100,000	\$100,000	\$100,000	SF expenditures increase correspondingly.
HB 161	Northeast Maryland Waste Disposal Authority – Evaluation, Termination of Bond Authority, and Assumption of Functions, Employees, and Contracts (Northeast Maryland Waste Disposal Authority Sunset Act) (Ch. 68)						
	NB	\$100,000	\$0	increase	increase	increase	Potential significant fee revenues beginning in FY 2026. NB expenditures increase correspondingly.

Legislation Affecting State Revenues (Continued)

	<u>Fund</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
HB 169	Public Utilities – Energy Efficiency and Conservation Programs – Energy Performance Targets and Low-Income Housing (Ch. 572)						
	SF	increase	increase	increase	increase	increase	Significant surcharge revenues correspond with program costs.
HB 179/SB 55	See entry for SB 55.						
HB 180/SB 141	See entry for SB 141.						
HB 184/SB 79	See entry for SB 79.						
HB 192/SB 269	See entry for SB 269.						
HB 202	Budget Reconciliation and Financing Act of 2023 (Ch. 103)						
	NB	(\$529,836)	(\$529,836)	(\$529,836)	(\$529,836)	(\$529,836)	NB revenues also increase by \$7,287,531 in FY 2023.
	SF	(\$500,000,000)	\$0	\$0	\$0	\$0	Revenue Stabilization Account (Rainy Day Fund). Assumed in FY 2024 budget (contingent).
	SF	\$500,000,000	\$0	\$0	\$0	\$0	Blueprint for Maryland’s Future Fund. Assumed in FY 2024 budget.
	SF	(\$50,000,000)	\$0	\$0	\$0	\$0	Maryland Department of Health. SF expenditures decrease correspondingly. Assumed in FY 2024 budget (contingent).
HB 226	Criminal Law – Person in a Position of Authority – Sexual Offenses With a Minor (Ch. 730)						
	GF	increase	increase	increase	increase	increase	Minimal fine revenues.
HB 236	Tax Sales – Homeowner Protection Program – Outreach (Ch. 316)						
	SF	\$0	decrease	decrease	decrease	decrease	Potential property lien revenues.
HB 237/SB 174	See entry for SB 174.						
HB 244/SB 253	See entry for SB 253.						
HB 249/SB 41	See entry for SB 41.						

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Effect of the 2023 Legislative Program on the Financial Condition of the State

Legislation Affecting State Revenues (Continued)

	<u>Fund</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
HB 386/SB 80	See entry for SB 80.						
HB 418/SB 283	See entry for SB 283.						
HB 428/SB 142	See entry for SB 142.						
HB 435	Prince George's County – Speed Monitoring Systems – Maryland Route 210 (Indian Head Highway) PG 304-23 (Ch. 606)						
	GF	increase	increase	increase	increase	increase	Minimal fine revenues.
	SF	increase	increase	increase	increase	increase	Potential fine revenues. SF expenditures increase correspondingly.
HB 454/SB 187	See entry for SB 187.						
HB 458	Public School Construction – Programs, Approvals, and Administration – Alterations (Ch. 679)						
	SF	\$0	\$0	\$0	\$16,109,000	\$16,109,000	SF expenditures increase correspondingly.
HB 471/SB 333	See entry for SB 333.						
HB 477/SB 341	See entry for SB 341.						
HB 480/SB 286	See entry for SB 286.						
HB 502/SB 2	See entry for SB 2.						
HB 505/SB 198	See entry for SB 198.						
HB 524	Maryland Stadium Authority – Camden Yards Sports Facilities Funds and Bus Rapid Transit Fund (Ch. 112)						
	GF	\$14,151,701	\$0	\$0	\$0	\$0	
	NB	\$0	increase	increase	increase	increase	Reallocation of State lottery revenues. NB expenditures increase correspondingly.
	SF	\$0	decrease	decrease	decrease	decrease	Maryland Stadium Facilities Fund. Reallocation of State lottery revenues. SF expenditures decrease correspondingly.

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Effect of the 2023 Legislative Program on the Financial Condition of the State

Legislation Affecting State Revenues (Continued)

	<u>Fund</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
HB 680	Income Tax – Student Loan Debt Relief Tax Credit – Alterations (Ch. 738)						
	GF	(\$9,000,000)	(\$9,000,000)	(\$9,000,000)	(\$9,000,000)	(\$9,000,000)	Assumed in FY 2024 budget.
HB 686	Financial Regulation – Modernizing Licensing of Non-Depository Institutions and Elimination of Branch License Requirements (Ch. 567)						
	SF	(\$3,000,000)	(\$3,000,000)	(\$3,000,000)	(\$3,000,000)	(\$3,000,000)	
HB 696/SB 422	See entry for SB 422.						
HB 700	Talbot County – Speed Monitoring Systems – Intersection of Maryland Route 333 (Oxford Road) and Bonfield Avenue (Ch. 610)						
	SF	increase	increase	increase	increase	increase	Potential fine revenues. SF expenditures increase correspondingly.
HB 710/SB 679	See entry for SB 679.						
HB 723/SB 526	See entry for SB 526.						
HB 735	University System of Maryland – Facilities – Bonding Authority and Sale (Ch. 160)						
	BOND	\$30,000,000	\$0	\$0	\$0	\$0	Assumed in FY 2024 capital budget. Bond expenditures increase correspondingly.
HB 751/SB 580	See entry for SB 580.						
HB 781/SB 699	See entry for SB 699.						
HB 785/SB 515	See entry for SB 515.						
HB 815/SB 965	See entry for SB 965.						
HB 817/SB 649	See entry for SB 649.						
HB 824	Public Safety – Regulated Firearms – Possession and Permits to Carry, Wear, and Transport a Handgun (Ch. 651)						
	GF	\$5,294,194	\$7,644,025	\$5,095,800	\$5,353,050	\$4,754,625	
HB 874/SB 611	See entry for SB 611.						

Legislation Affecting State Revenues (Continued)

	<u>Fund</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
HB 908	Electricity – Community Solar Energy Generating Systems Program and Property Taxes (Ch. 652)						
	SF	\$264,895	\$297,540	\$206,129	\$215,073	\$226,171	SF expenditures increase correspondingly.
HB 910	Energy Storage – Targets and Maryland Energy Storage Program – Establishment (Ch. 570)						
	SF	\$0	\$649,555	\$636,987	\$665,155	\$700,167	SF expenditures increase correspondingly.
HB 922/SB 525	See entry for SB 525.						
HB 923	Higher Education – Appointment of Secretary and Student Financial Assistance – Accommodations at Public Institutions for Religious Beliefs (Ch. 634)						
	HE	\$0	\$0	increase	increase	increase	Potential receipt of appropriated general funds for implementation costs. HE expenditures increase correspondingly.
HB 969	Public Service Commission – Cybersecurity Staffing and Assessments (Critical Infrastructure Cybersecurity Act of 2023) (Ch. 499)						
	SF	\$364,424	\$446,210	\$465,695	\$485,638	\$510,503	SF expenditures increase correspondingly.
HB 982	State Employees – Programs and Scholarships for Human Services Careers and Probation Agents and State Contributions to Supplemental Retirement Plans (Ch. 100)						
	SF	increase	increase	increase	increase	increase	Fee revenues.
HB 983/SB 327	See entry for SB 327.						
HB 988/SB 828	See entry for SB 828.						
HB 999	Corporations – Filing Requirements for Dissolution and Termination of Registration or Qualification – Repeal (Ch. 457)						
	GF	(\$150,000)	(\$150,000)	(\$150,000)	(\$150,000)	(\$150,000)	
HB 1071	Criminal Law and Procedure – Cannabis – Fines for Smoking in Public, Stops, and Searches (Ch. 802)						
	GF	decrease	decrease	decrease	decrease	decrease	Minimal fine revenues.
HB 1074/SB 624	See entry for SB 624.						

Legislation Affecting State Revenues (Continued)

	<u>Fund</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
HB 1084/SB 634	See entry for SB 634.						
HB 1148/SB 582	See entry for SB 582.						
HB 1151/SB 678	See entry for SB 678.						
HB 1159	State Board of Dental Examiners – University of Maryland School of Dentistry Faculty – Qualifying for Examination (Ch. 326)						
	SF	increase	increase	increase	increase	increase	Minimal license fee revenues.
HB 1175	Criminal Procedure – Hunting Offenses – Expungement (Ch. 784)						
	GF	increase	increase	increase	increase	increase	Minimal fee revenues.
HB 1217/SB 805	See entry for SB 805.						
HB 1219	Maryland Educator Shortage Reduction Act of 2023 (Ch. 627)						
	HE	increase	increase	increase	increase	increase	Potential tuition revenues.
	SF	\$10,000,000	\$0	\$0	\$0	\$2,069,025	

Totals by Fund Type/Summary of Quantifiable Revenue Effects

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<u>Fund Type</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>
GF	(\$169,543,571)	(\$188,851,713)	(\$178,549,212)	(\$121,416,723)	(\$132,130,750)
FF	\$111,660,185	\$118,049,903	\$19,632,987	\$19,635,090	\$19,637,691
SF	\$63,759,277	\$140,099,014	\$102,666,964	\$137,905,143	\$133,416,958
BOND	\$30,000,000	\$0	\$0	\$0	\$0
NB	(\$408,421)	(\$12,508,421)	(\$16,398,421)	(\$16,032,671)	(\$16,032,171)
HE	\$166,667	\$0	\$0	\$0	\$0
RF	\$11,289,500	\$11,279,500	\$11,279,500	\$11,279,500	\$11,279,500

Effect of the 2023 Legislative Program on the Financial Condition of the State

Legislation Affecting State Expenditures

	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SB 2/HB 502	Department of Human Services – Electronic Benefits Transfer Cards – Theft of Benefits (Prevent Electronic Benefits Theft Act of 2023) (Ch. 171/Ch. 172)							
	FF	Human Services	\$4,401,395	\$817,182	\$0	\$0	\$0	FF expenditures also increase by \$1,132,667 in FY 2023. FF revenues increase correspondingly. FY 2024 budget includes \$2,573,935 for FY 2023 and \$6,284,112 for FY 2024.
	GF	Human Services	\$1,783,056	\$3,382,086	\$4,199,268	\$4,199,268	\$4,199,268	GF expenditures also increase by \$756,998 in FY 2023. FY 2023 and 2024 amounts included in FY 2024 budget.
SB 3/HB 271	9-8-8 Trust Fund – Funding (Ch. 260/Ch. 261)							
	GF	Health	\$0	\$12,000,000	\$0	\$0	\$0	Mandated appropriation in FY 2025.
	SF	Health	\$0	\$94,023	\$91,290	\$95,354	\$100,398	Potential significant program spending (in addition to amounts shown).
SB 19/HB 9	Equity in Transportation Sector – Guidelines and Analyses (Ch. 584/Ch. 583)							
	SF	Transportation	\$0	\$602,601	\$544,650	\$557,087	\$572,526	
SB 24	Department of Transportation – Financing and Commission on Transportation Revenue and Infrastructure Needs (State and Federal Transportation Funding Act) (Ch. 455)							
	SF	Transportation	\$100,000	\$50,000	\$0	\$0	\$0	

Legislation Affecting State Expenditures (Continued)

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	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SB 26/HB 111	Maryland Medical Assistance Program, Maryland Children's Health Program, and Workgroup on Low-Income Utility Assistance (Ch. 282/Ch. 283)							
	GF/FF	Health	indeterminate	indeterminate	indeterminate	indeterminate	indeterminate	Potential Medicaid expenditures. FF revenues correspond with FF expenditures.
SB 34/HB 389	Department of Agriculture – State Specialist for Value-Added Agriculture (Ch. 436/Ch. 435)							
	GF	Agriculture	\$81,473	\$97,387	\$101,715	\$106,221	\$111,819	
SB 35/HB 58	Open Meetings Act – State Ethics Commission (Maryland State Agency Transparency Act of 2023) (Ch. 150/Ch. 149)							
	GF	Ethics Commission	\$10,000	\$0	\$0	\$0	\$0	
	RF	Information Technology	\$10,000	\$0	\$0	\$0	\$0	RF revenues increase correspondingly.
SB 36/HB 14	Family Law – Grounds for Divorce (Ch. 645/Ch. 646)							
	GF	Judiciary	\$17,979	\$0	\$0	\$0	\$0	
SB 53	Maryland Nonprofit Development Center Program – Nonprofit, Interest-Free, Micro Bridge Loan (NIMBL) Account – Funding (Ch. 475)							
	GF	Commerce	\$0	\$1,000,000	\$0	\$0	\$0	Mandated appropriation in FY 2025.
	SF	Commerce	\$0	\$1,000,000	increase	increase	increase	SF revenues increase correspondingly in FY 2025. Additional loan expenditures in out-years.
SB 79/HB 184	State Personnel – Education and Transportation – Grievance Procedures (Ch. 232/Ch. 231)							
	HE	All or Multiple Agencies	increase	increase	increase	increase	increase	Potential administrative costs, backpay, and damages.
	RF	Administrative Hearings	increase	increase	increase	increase	increase	Potential administrative costs. RF revenues increase correspondingly.

Effect of the 2023 Legislative Program on the Financial Condition of the State

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
	SF	Transportation	increase	increase	increase	increase	increase	Potential administrative costs, backpay, and damages.
SB 101/HB 48	Maryland Medical Assistance Program – Collaborative Care Model Services – Implementation and Reimbursement Expansion (Ch. 284/Ch. 285)							
	FF	Health	\$9,578,667	\$12,771,556	\$12,771,556	\$12,771,556	\$12,771,556	FF revenues increase correspondingly.
	GF	Health	\$6,124,066	\$8,165,421	\$8,165,421	\$8,165,421	\$8,165,421	
SB 104	Labor and Employment – Apprenticeship 2030 Commission and Representation on the Apprenticeship and Training Council (Ch. 168)							
	GF	Labor	\$36,900	\$0	\$0	\$0	\$0	
	GF	Legislative Services	increase	\$0	\$0	\$0	\$0	Potential consultant costs.
SB 112/HB 328	State Finance and Procurement – Grants – Prompt Payment Requirement (Ch. 154/Ch. 155)							
	GF/SF	All or Multiple Agencies	\$97,129	\$97,129	\$97,129	\$97,129	\$97,129	GF/SF expenditures also increase by up to \$8,094 in FY 2023.
SB 129/HB 4	Criminal Law – Sexual Crimes – Repeal of Spousal Defense (Ch. 729/Ch. 728)							
	GF	Public Safety & Correctional Services	increase	increase	increase	increase	increase	Minimal incarceration costs.
SB 136/HB 140	Unemployment Insurance – Recovery of Benefits – Limitation and Methods (Ch. 370/Ch. 371)							
	NB	Labor	increase	increase	increase	increase	increase	Unemployment insurance benefit payments (due to reduction in allowable benefit offsets).
SB 139	State Police Retirement System and Law Enforcement Officers’ Pension System – Deferred Retirement Option Program – Alterations (Ch. 400)							
	GF/SF	All or Multiple Agencies	\$0	(\$400,000)	(\$410,000)	(\$420,000)	(\$430,000)	

Legislation Affecting State Expenditures (Continued)

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	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SB 141/HB 180	Income Tax – Subtraction Modification for Adoption Expenses – Alterations (Ch. 550/Ch. 551)							
	GF	Comptroller	\$43,000	\$0	\$0	\$0	\$0	
SB 142/HB 428	University System of Maryland – Board of Regents – Student Member Grant (Ch. 751/Ch. 750)							
	HE	Univ. Sys. of Maryland	increase	increase	increase	increase	increase	Potential student grant expenditures correspond with HE donation revenues.
SB 145	State Board of Social Work Examiners – Conditional Licenses to Practice Social Work (Ch. 317)							
	SF	Health	increase	increase	increase	increase	increase	Potential personnel costs. FY 2024 budget includes \$75,000 in general funds contingent on the enactment of SB 145 (enacted) or HB 103 and the enactment of SB 871 (enacted) (as shown for SB 871).
SB 148/HB 186	Victim Services Programs – Supplementing Federal Funding and Support (Victim Services Stabilization Act) (Ch. 626/Ch. 625)							
	GF	Gov. Office of Crime Prevention, Youth, & Victim Services	\$0	\$0	\$0	\$0	\$0	Mandated appropriation beginning in FY 2025.
SB 150/HB 394	Maryland Tort Claims Act – Denial of Claims – Notice (Ch. 653/Ch. 654)							
	GF	Treasurer	(\$17,800)	(\$17,800)	(\$17,800)	(\$17,800)	(\$17,800)	
SB 154	Public Health – Mental Health Advance Directives – Awareness and Statewide Database (Ch. 297)							
	GF	Health	\$140,682	\$87,409	\$91,290	\$95,354	\$100,398	
SB 156	Prince George’s County – Prince George’s County Reentry Employment Incentive Program – Funding (Ch. 791)							
	GF	None	\$0	\$500,000	\$500,000	\$500,000	\$500,000	Mandated appropriation in FY 2025 through 2028.

Effect of the 2023 Legislative Program on the Financial Condition of the State

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SB 187/HB 454	Health Occupations – Licenses, Certificates, and Registrations – Lawful Presence and Identification Numbers (Ch. 375/Ch. 376)							
	SF	Health	\$100,000	increase	increase	increase	increase	Potential personnel costs (in addition to amount shown).
SB 198/HB 505	Elevator Safety – Privately Owned Single-Family Residential Elevators – Inspection and Registration Requirements (Ch. 292/Ch. 293)							
	SF	Labor	\$171,928	\$206,876	\$215,468	\$224,417	\$235,491	
SB 209	Task Force to Study Crime Classification (Ch. 712)							
	GF	Attorney General	\$177,399	\$0	\$0	\$0	\$0	
SB 211/HB 193	Probation Before Judgment – Probation Agreements (Ch. 711/Ch. 710)							
	GF	Judiciary	\$33,364	\$0	\$0	\$0	\$0	
SB 222	Environment – Statewide Recycling Needs Assessment and Producer Responsibility for Packaging Materials (Ch. 465)							
	GF	Environment	\$532,064	\$12,078	\$0	\$0	\$0	
SB 224/HB 230	Department of the Environment – Zero-Emission Medium- and Heavy-Duty Vehicles – Regulations (Clean Trucks Act of 2023) (Ch. 96/Ch. 97)							
	GF	Environment	\$474,167	\$157,614	\$164,607	\$171,972	\$181,102	
	SF	Energy Administration	\$5,250,000	\$5,000,000	\$5,000,000	\$5,000,000	\$0	Existing mandated appropriation increases in FY 2025 through 2027. Duplicative of impact for HB 550.
SB 226	Criminal Law – Child Pornography – Accessing and Intentionally Viewing (Ch. 759)							
	GF	Public Safety & Correctional Services	increase	increase	increase	increase	increase	Minimal incarceration costs.
SB 228/HB 614	Department of Aging – Long-Term Care and Dementia Care Navigation Programs (Ch. 667/Ch. 668)							
	GF	Aging	\$79,733	\$2,400,000	\$2,400,000	\$2,400,000	\$2,400,000	Mandated appropriation beginning in FY 2025.
SB 232/HB 172	Health Occupations – Licensed Athletic Trainers – Dry Needling Approval (Ch. 303/Ch. 302)							
	SF	Health	\$31,893	\$6,415	\$0	\$0	\$0	

Legislation Affecting State Expenditures (Continued)

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	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SB 239	State Employee and Retiree Health and Welfare Benefits Program – Domestic Partnerships (Ch. 120)							
	GF/SF/FF	Budget & Management	increase	increase	increase	increase	increase	Health insurance costs.
SB 254/HB 72	Business Regulation – Charitable Organizations (Ch. 380/Ch. 381)							
	GF	Secretary of State	increase	\$0	\$0	\$0	\$0	Potential personnel costs.
SB 255/HB 322	Public Health – Home- and Community-Based Services for Children and Youth (Ch. 378/Ch. 379)							
	GF	Health	\$3,496,524	\$779,657	\$891,163	\$1,003,219	\$1,018,179	Mandated appropriation beginning in FY 2025.
	GF/FF	Health	increase	increase	increase	increase	increase	Medicaid expenditures. FF revenues increase correspondingly with FF expenditures.
SB 256/HB 470	Environment – Fire-Fighting Training – Oriented Strand Board – Prohibition (Ch. 579/Ch. 580)							
	GF	Environment	\$57,050	\$54,800	\$55,021	\$0	\$0	
SB 263/HB 573	Maryland Higher Education Commission – Access to Mental Health Advisory Committee – Establishment (Ch. 401/Ch. 402)							
	HE	All or Multiple Agencies	increase	\$0	\$0	\$0	\$0	Potential personnel costs.
SB 273	National Capital Strategic Economic Development Fund – Annual Appropriation and Authorized Uses (Ch. 494)							
	BOND/ PAYGO EXP	Housing & Community Development	\$0	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	Existing mandated appropriation increases beginning in FY 2025.
	SF	Housing & Community Development	\$0	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	SF revenues increase correspondingly.

Effect of the 2023 Legislative Program on the Financial Condition of the State

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SB 282/HB 289	Maryland Forestry Education Fund – Establishment (Ch. 480/Ch. 479)							
	GF	Natural Resources	\$0	\$250,000	\$250,000	increase	increase	Mandated appropriation in FY 2025 and 2026. Potential discretionary appropriations to special fund (in addition to mandated amounts shown).
	SF	Natural Resources	\$0	\$250,000	\$250,000	increase	increase	Potential program expenditures (in addition to amounts shown). SF revenues increase correspondingly.
SB 283/HB 418	Mental Health – Workforce Development – Fund Established (Ch. 286/Ch. 287)							
	GF	Health	\$0	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	
	SF	Health	\$75,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	SF revenues increase correspondingly beginning in FY 2025.
SB 286/HB 480	Department of Veterans Affairs – Burial in State Veterans’ Cemeteries – Spouses and Dependents (Ch. 616/Ch. 615)							
	GF	Veterans Affairs	\$1,032,098	increase	increase	increase	increase	Potential significant interment costs beginning in FY 2024. FY 2024 budget includes \$1,032,098 (as shown) (contingent).
	SF	Veterans Affairs	(\$1,032,098)	decrease	decrease	decrease	decrease	Potential significant interment costs beginning in FY 2024. FY 2024 budget includes \$1,032,098 reduction (as shown) (contingent).

Legislation Affecting State Expenditures (Continued)

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	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SB 290	Office of the Attorney General – Independent Investigations Division – Authority to Prosecute (Ch. 632)							
	GF	Attorney General	\$548,900	\$641,756	\$668,445	\$695,748	\$729,665	Included in FY 2024 budget (contingent).
SB 299/HB 288	Grocery Stores and Restaurants – Automated External Defibrillator Program (Joe Sheya Act) (Ch. 305/Ch. 304)							
	SF	MIEMSS	\$41,371	\$46,002	\$48,045	\$50,295	\$53,058	
SB 300/HB 243	Baltimore City Young Readers Program and Young Readers Matching Grant Program – Alterations (Ch. 650/Ch. 649)							
	GF	Gov. Office of Crime Prevention, Youth, & Victim Services	(\$746,193)	(\$450,000)	(\$450,000)	(\$450,000)	(\$450,000)	
	GF	State Library Agency	\$746,193	\$550,000	\$550,000	\$550,000	\$550,000	Existing mandated appropriation increases beginning in FY 2025.
SB 310	Natural Resources – Black Bear Damage Prevention and Reimbursement Fund – Uses (Ch. 565)							
	GF	Natural Resources	\$145,637	\$115,725	\$118,497	\$121,465	\$125,121	
	HE	All or Multiple Agencies	increase	increase	increase	increase	increase	Potential grant fund expenditures. HE revenues increase correspondingly.
	SF	Natural Resources	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	SF revenues increase correspondingly.
SB 312/HB 346	Tax Clinics for Low-Income Marylanders – Funding – Repeal of Sunset (Ch. 495/Ch. 496)							
	GF	Comptroller	\$0	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	
	HE	Univ. Sys. of Maryland	\$166,667	\$0	\$0	\$0	\$0	HE revenues increase correspondingly.
	SF	Comptroller	\$250,000	\$0	\$0	\$0	\$0	SF revenues increase correspondingly.

Effect of the 2023 Legislative Program on the Financial Condition of the State

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SB 327/HB 983	Hunting, Wildlife Conservation, and Outdoor Recreation – Funding, Promotion, Management, Licenses, Permits, and Stamps (Ch. 543/Ch. 544)							
	FF	Natural Resources	\$0	\$563,916	\$587,801	\$613,234	\$644,612	Potential significant program spending (in addition to amounts shown) correspond with federal matching grant funding.
	SF	Natural Resources	\$2,271,617	\$2,271,617	\$2,271,617	\$2,271,617	\$2,271,617	SF revenues increase correspondingly.
SB 328/HB 498	Board of Public Works Public Comment Act (Ch. 148/Ch. 147)							
	GF	Public Works, Bd. of	\$227,417	\$92,192	\$96,288	\$100,564	\$105,874	
SB 330	Public Safety – Law Enforcement – Body-Worn Cameras (Body-Worn Camera Appropriation and Financing Act of 2023) (Ch. 743)							
	GF	Information Technology	\$300,000	\$0	\$0	\$0	\$0	
SB 333/HB 471	Economic Development – Regional Institution Strategic Enterprise Zone Program – Alterations and Financing (Ch. 523/Ch. 522)							
	NB	MEDCO	increase	increase	increase	increase	increase	Potential infrastructure and debt service expenditures. NB revenues partially correspond.
SB 341/HB 477	Public Senior Higher Education Institutions – Reproductive Health Services Plans – Requirements (Ch. 250/Ch. 251)							
	HE	All or Multiple Agencies	increase	increase	increase	increase	increase	Potential program and personnel costs are assumed to be fully or partially offset by fee revenues.
SB 342/HB 555	Baltimore County – Circuit Court Judgeships (Ch. 657/Ch. 656)							
	GF	Judiciary	\$365,916	\$486,039	\$508,734	\$515,832	\$530,193	Included in FY 2024 budget.

Legislation Affecting State Expenditures (Continued)

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	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SB 343	Maryland Achieving a Better Life Experience (ABLE) Program – Account Establishment – Procedures (Ch. 637)							
	GF	Higher Education Commission	decrease	decrease	decrease	decrease	decrease	Potential general fund support for program administration.
	NB	Maryland 529	increase	increase	increase	increase	increase	Potential distribution expenditures and potential decreased reliance on general fund support for administrative costs.
SB 346/HB 260	Maryland Sign Language Interpreters Act (Ch. 269/Ch. 270)							
	GF	Executive Dept.	\$159,546	\$283,994	\$258,807	\$222,574	\$190,391	Mandated appropriation in FY 2025.
	GF	Judiciary	\$94,269	\$0	\$0	\$0	\$0	In FY 2024, potential availability of SF fee revenues to partially cover personnel costs. SF revenues increase correspondingly.
	SF	Executive Dept.	increase	\$90,000	\$118,000	\$171,000	\$224,000	
SB 350/HB 495	Early Childhood Development – Child Care Scholarship Program – Alterations (Ch. 731/Ch. 732)							
	GF	Education	\$0	increase	increase	increase	increase	Potential significant program expenditures.
SB 351	Maryland Legal Services Corporation – Affordable Life, Wills, and Estate Planning for Seniors Grant Program (Ch. 776)							
	GF	Md. Legal Services Corporation	\$225,000	\$225,000	\$225,000	\$225,000	\$225,000	Mandated appropriation beginning in FY 2025.
SB 354/HB 316	Income Tax Checkoff – Maryland Veterans Trust Fund (Ch. 617/Ch. 618)							
	GF	Comptroller	\$0	\$0	\$79,000	\$0	\$0	
	GF	Veterans Affairs	\$0	\$0	\$71,598	\$90,512	\$95,308	

Effect of the 2023 Legislative Program on the Financial Condition of the State

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SB 369/HB 527	Correctional Officers' Retirement System – Transfer of Membership – Modifications (Ch. 198/Ch. 197)							
	GF/SF/FF	All or Multiple Agencies	\$0	increase	increase	increase	increase	Minimal pension costs.
	HE	All or Multiple Agencies	\$0	increase	increase	increase	increase	Minimal pension costs.
SB 377	Workers' Compensation – Benefits – Offset and Study (Ch. 410)							
	NB	Injured Workers' Insurance Fund	increase	increase	increase	increase	increase	Potential insurance claims payments. NB revenues increase correspondingly.
SB 379/HB 535	Election Law – Ballot Issuance, Processing, and Reporting Procedures and 2024 Primary Date (Ch. 152/Ch. 151)							
	GF	Election Board	\$84,091	\$100,739	\$105,218	\$109,872	\$115,657	
SB 382/HB 239	Accessory Dwelling Unit Policy Task Force (Ch. 799/Ch. 798)							
	GF	Planning	\$50,000	\$0	\$0	\$0	\$0	
SB 390/HB 325	Provision of Veterinary Services – Practice of Veterinary Medicine and Rabies Vaccines (Ch. 589/Ch. 588)							
	SF	Agriculture	\$25,000	\$0	\$0	\$0	\$0	GF expenditures also increase to the extent SF revenues are insufficient to cover costs.
SB 404/HB 333	Hospitals – Financial Assistance – Medical Bill Reimbursement Process (Ch. 311/Ch. 310)							
	GF	Comptroller	\$28,400	\$27,599	\$0	\$0	\$0	
	GF	Human Services	increase	indeterminate	\$0	\$0	\$0	Potential administrative costs.
	GF	Education	increase	indeterminate	\$0	\$0	\$0	Potential administrative costs.
	GF	Attorney General	increase	indeterminate	\$0	\$0	\$0	Potential administrative costs.

Legislation Affecting State Expenditures (Continued)

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	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
	SF	All or Multiple Agencies	increase	increase	\$0	\$0	\$0	Use of special fund reimbursement revenues to replace general fund administrative costs. SF revenues increase correspondingly.
SB 407/HB 848	Drinking Water – Indirect Potable Reuse Pilot Program – Establishment (Ch. 123/Ch. 122)							
	GF	Environment	\$139,858	\$145,939	\$152,287	\$158,913	\$165,831	GF expenditures also increase by \$25,022 in FY 2023.
	GF	Health	increase	increase	increase	increase	increase	Potential laboratory testing and personnel costs beginning in FY 2023.
SB 414	Commission to Advance and Strengthen Fire Fighting and Emergency Medical Services Within Maryland (Ch. 655)							
	GF	Labor	\$25,041	\$0	\$0	\$0	\$0	
SB 422/HB 696	Natural Resources – Black Bass Conservation Fund – Establishment (Ch. 557/Ch. 556)							
	SF	Natural Resources	increase	increase	increase	increase	increase	Conservation expenditures. SF revenues increase correspondingly.
SB 424/HB 261	Eligible Projects – Procurement of Construction Materials (Buy Clean Maryland Act) (Ch. 201/Ch. 202)							
	GF	Reserve Fund	\$200,000	\$0	\$0	\$0	\$0	Included in FY 2024 budget (contingent).
	GF	General Services	\$0	\$50,000	\$217,876	\$413,441	\$485,079	
	SF	Commerce	\$200,000	\$0	\$0	\$0	\$0	SF revenues increase correspondingly.
SB 425/HB 674	Maryland Historic Trust – Historic Preservation Loan Fund – Qualified Cooperating Nonprofit Organizations – Transfers (Ch. 203/Ch. 204)							
	SF	Planning	increase	increase	increase	increase	increase	Potential fund transfers to nonprofit organizations.

Effect of the 2023 Legislative Program on the Financial Condition of the State

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SB 426	University System of Maryland – Board of Regents – Quasi-Endowment Funds (Ch. 735)							
	HE	Univ. Sys. of Maryland	increase	increase	increase	increase	increase	In FY 2024, transfer of fund balances to quasi-endowment fund. In out-years, potential significant scholarship expenditures correspond with investment revenues.
SB 429	Business Regulation – Home Improvement Commission – Guaranty Fund and Award Limits (Ch. 415)							
	NB	Labor	increase	increase	increase	increase	increase	Potential significant claims payments.
SB 434	Natural Resources – Restorative Aquaculture Pilot Program (Ch. 372)							
	GF	Natural Resources	\$144,631	\$171,315	\$178,922	\$186,895	\$196,788	Potential financial incentive costs (in addition to amounts shown).
SB 442	Economic Development – Sports Entertainment Facilities – Financing and Construction (Ch. 468)							
	NB	Stadium Authority	\$15,000,000	\$5,000,000	\$1,110,000	\$1,475,750	\$1,476,250	NB revenues increase correspondingly.
SB 443/HB 662	Real Estate Brokers, Salespersons, and Associate Brokers – Continuing Education Courses – Alterations (Ch. 314/Ch. 313)							
	SF	Labor	\$42,600	\$2,200	\$2,288	\$2,380	\$2,475	
SB 452	Film Production Activity Income Tax Credit – Alterations and Maryland Entertainment Council (Ch. 434)							
	GF	Commerce	\$100,000	\$100,000	\$0	\$0	\$0	
	SF	Transportation	(\$79,420)	(\$176,403)	(\$298,672)	\$0	\$0	
SB 455/HB 669	Real Estate Appraisers – Licensing and Certification – Qualifications (Ch. 386/Ch. 387)							
	SF	Labor	increase	increase	increase	increase	increase	Potential administrative costs. SF revenues increase correspondingly.

Legislation Affecting State Expenditures (Continued)

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	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SB 460/HB 283	Maryland Medical Assistance Program – Gender-Affirming Treatment (Trans Health Equity Act) (Ch. 252/Ch. 253)							
	GF/FF	Health	increase	increase	increase	increase	increase	Potential significant Medicaid expenditures. FF revenues increase correspondingly with FF expenditures.
SB 470	Natural Resources – Land Conservation – Establishment of Goals and Programs (Maryland the Beautiful Act) (Ch. 546)							
	GF	Natural Resources	\$0	\$6,747,711	\$738,573	\$749,840	\$763,802	
	SF	Natural Resources	\$0	\$3,000,000	\$3,000,000	increase	increase	Loan expenditures (in addition to amounts shown).
SB 471	Sediment Control Plans, Discharge Permits for Stormwater Associated With Construction Activity, and Notice and Comment Requirements (Ch. 547)							
	FF	Environment	increase	increase	increase	increase	increase	Potential use of federal grant funds to cover implementation costs. FF revenues increase correspondingly.
	GF	Environment	\$83,303	\$99,851	\$104,204	\$108,735	\$114,358	Potential significant implementation costs (in addition to amounts shown).
	GF/SF	All or Multiple Agencies	increase	increase	increase	increase	increase	Potential permitting and compliance costs.
SB 483/HB 11	Private Well Safety Act of 2023 (Ch. 586/Ch. 587)							
	GF	Environment	\$0	\$186,766	\$217,405	\$227,205	\$239,329	
	GF	Health	\$0	increase	increase	increase	increase	Potential significant laboratory testing and personnel costs.
SB 511/HB 596	Health and Human Services Transportation Improvement Act of 2023 (Ch. 331/Ch. 332)							
	SF	Transportation	\$180,000	\$80,000	\$80,000	\$80,000	\$80,000	

Effect of the 2023 Legislative Program on the Financial Condition of the State

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SB 515/HB 785	Health Insurance – Step Therapy or Fail-First Protocol – Revisions (Ch. 364/Ch. 365)							
	GF/SF/FF	Budget & Management	increase	increase	increase	increase	increase	Potential significant health insurance costs.
SB 516/HB 556	Cannabis Reform (Ch. 255/Ch. 254)							
	BOND	MEDCO	\$2,000,000	\$0	\$0	\$0	\$0	Included in FY 2024 capital budget (contingent).
	GF	Comptroller	\$934,948	\$979,694	\$840,604	\$877,985	\$926,609	GF expenditures also increase by \$293,732 in FY 2023.
	GF	New Agency (Maryland Cannabis Administration)	\$2,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	Included in the FY 2024 budget (contingent). Mandated appropriation beginning in FY 2025.
	GF	Alcohol Tobacco, and Cannabis Commission	\$1,500,000	\$1,409,659	\$1,472,399	\$1,537,141	\$1,544,611	GF expenditures also increase by \$317,000 in FY 2023. FY 2023 and 2024 amounts included in FY 2024 budget (contingent).
	SF	Commerce	\$1,786,429	\$3,143,103	\$5,061,888	\$6,783,469	\$7,864,489	SF revenues increase correspondingly.
	SF	Comptroller	\$36,758,366	\$79,351,099	\$64,480,384	\$53,545,964	\$64,246,520	SF expenditures also increase by \$2,528,422 in FY 2023. FY 2024 budget includes \$1,129,599 for FY 2023 and \$8,777,921 for FY 2024 (contingent).
	SF	Health	(\$6,213,571)	(\$4,856,897)	(\$2,938,112)	(\$1,216,531)	(\$135,511)	SF expenditures also decrease by \$2,400,000 in FY 2023.

Legislation Affecting State Expenditures (Continued)

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Effect of the 2023 Legislative Program on the Financial Condition of the State

	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
	SF	New Agency (Maryland Cannabis Administration)	increase	increase	increase	increase	increase	Potential significant Medical Cannabis Compassionate Use Fund expenditures beginning in FY 2023.
SB 517	Port of Deposit State Historical Park – Planning (Ch. 602)							
	GF	Natural Resources	\$0	\$400,000	\$0	\$0	\$0	
SB 525/HB 922	Economic Development – Program Participation – Cannabis Business Establishments (Ch. 472/Ch. 471)							
	SF	Transportation	\$0	decrease	decrease	decrease	decrease	Potential local highway user revenue grant expenditures.
SB 526/HB 723	Natural Resources – Forest Preservation and Retention (Ch. 542/Ch. 541)							
	GF - PAYGO	All or Multiple Agencies	\$0	increase	increase	increase	increase	Potential reforestation/afforestation costs.
SB 530	Insurance – Maryland Automobile Insurance Fund – Assessments (Ch. 535)							
	NB	Insufficiency Assessment Reserve Fund	\$0	\$0	\$0	\$0	\$0	NB expenditures increase by \$10,178,000 in FY 2023 due to transfer of funds to MAIF.
SB 534	Preserve Telehealth Access Act of 2023 (Ch. 382)							
	GF/FF	Health	indeterminate	indeterminate	\$0	\$0	\$0	Medicaid expenditures. FF revenues correspond with FF expenditures.

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SB 537	Video Lottery Operation License – Renewal (Ch. 736)							
	GF	Education	\$0	\$0	\$0	(\$1,319,360)	(\$1,173,230)	
	SF	Education	\$0	\$0	\$0	\$1,319,360	\$1,173,230	SF revenues increase correspondingly (FY 2027 SF expenditures correspond with total FY 2026 and 2027 SF revenues).
SB 540	Human Relations – Civil Rights Enforcement – Powers of the Attorney General (Ch. 629)							
	GF	Attorney General	\$1,048,706	\$1,235,482	\$1,288,660	\$1,343,969	\$1,412,574	Included in FY 2024 budget.
	SF	Attorney General	increase	increase	increase	increase	increase	Potential program expenditures correspond with SF penalty revenues.
SB 542/HB 775	Public Safety – Emergency Management – Consumer Protections Against Price Gouging (Ch. 631/Ch. 630)							
	GF	Secretary of State	\$25,000	increase	increase	increase	increase	Minimal ongoing administrative costs in out-years.
SB 545	Towing or Removal of Vehicles – Reclamation Hours (Ch. 803)							
	GF/SF	All or Multiple Agencies	increase	\$0	\$0	\$0	\$0	Minimal signage costs.
SB 549/HB 552	Economic Development – Build Our Future Grant Pilot Program and Fund (Innovation Economy Infrastructure Act of 2023) (Ch. 431/Ch. 430)							
	GF	Commerce	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$0	Included in FY 2024 budget (contingent).
	HE	All or Multiple Agencies	increase	increase	increase	increase	increase	Potential grant award and matching expenditures. HE revenues partially correspond.

Legislation Affecting State Expenditures (Continued)

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	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
	SF	Commerce	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$0	SF revenues increase correspondingly.
SB 550/HB 548	Financial Regulation – Maryland Community Investment Venture Fund – Establishment (Access to Banking Act) (Ch. 433/Ch. 432)							
	SF	Labor	\$2,838,500	\$328,500	\$265,500	\$287,000	\$310,000	
SB 551	Department of Service and Civic Innovation and Maryland Corps Program Service Year Option Pathways – Established (Serving Every Region Through Vocational Exploration Act of 2023) (Ch. 99)							
	GF	New Agency (Dept. of Service and Civic Innovation)	\$11,353,000	\$50,000	\$50,000	\$550,000	\$12,000,000	GF expenditures also increase by \$3,600,000 in FY 2023. FY 2023 and 2024 amounts included in FY 2024 budget (contingent). Potential reduction in Maryland 529 participation.
	NB	Maryland 529	decrease	decrease	decrease	decrease	decrease	
	SF	Budget & Management	\$5,150,000	\$0	\$0	\$0	\$0	
	SF	New Agency (Dept. of Service and Civic Innovation)	\$0	\$2,400,000	\$6,000,000	\$14,400,000	\$24,000,000	SF revenues partially correspond in FY 2028.
SB 552/HB 547	Family Prosperity Act of 2023 (Ch. 3/Ch. 4)							
	GF	Comptroller	\$36,533	\$58,991	\$61,599	\$64,404	\$67,866	
SB 554	Maryland National Guard – Tricare Premium Reimbursement Program – Establishment (Health Care for Heroes Act of 2023) (Ch. 612)							
	GF	Military Dept.	\$1,000,000	\$871,321	\$882,642	\$894,514	\$909,243	Included in FY 2024 budget (contingent).

Effect of the 2023 Legislative Program on the Financial Condition of the State

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SB 555	Fair Wage Act of 2023 (Ch. 2)							
	FF	Health	\$97,591,709	\$97,591,709	\$0	\$0	\$0	Included in FY 2024 budget (contingent). Eliminates existing mandated appropriation in FY 2025 and 2026. FF revenues increase correspondingly.
	GF	Health	\$109,116,644	\$109,116,644	\$0	\$0	\$0	Included in FY 2024 budget (contingent). Eliminates existing mandated appropriation in FY 2025 and 2026.
	GF/SF/FF	All or Multiple Agencies	increase	increase	increase	\$0	\$0	Minimal contractual service costs.
	HE	All or Multiple Agencies	increase	increase	\$0	\$0	\$0	Minimal personnel costs.
	NB	All or Multiple Agencies	increase	increase	increase	\$0	\$0	Minimal contractual service costs.
SB 556	Maryland Community Health Resources Commission – Compensation of Employees and Funding (Ch. 644)							
	GF	All or Multiple Agencies	\$0	\$8,000,000	\$8,000,000	\$8,000,000	\$8,000,000	Mandated SF appropriation of \$8,000,000 in FY 2025 through 2029; amounts reflect resulting use of general funds to maintain spending for other Cigarette Restitution Fund-supported programs.
	SF	Health	increase	increase	increase	increase	increase	Potential personnel costs. Duplicative of impact for HB 701.

Legislation Affecting State Expenditures (Continued)

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	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SB 558	Recovery Residence Grant Program – Establishment (Ch. 276)							
	GF	Health	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	Included in FY 2024 budget (contingent). Mandated appropriation in FY 2025 through 2027.
SB 559	Education – Maryland Meals for Achievement In-Classroom Breakfast Program – Annual Appropriation (Ch. 628)							
	GF	Education	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000	Included in FY 2024 budget (contingent). Existing mandated appropriation increases beginning in FY 2025.
SB 560/HB 626	Animal Testing and Research – Human-Relevant Research Funding and Animal Testing and Research Contributions (Ch. 448/Ch. 447)							
	HE	Univ. Sys. of Maryland	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	
	SF	TEDCO	\$915,000	\$915,000	\$915,000	\$915,000	\$915,000	SF revenues increase correspondingly. Potential reissuance of repaid loans beginning in FY 2025 (in addition to amounts shown).
SB 574/HB 309	State Employee Rights and Protections – Personnel Actions and Harassment – Complaints (Ch. 235/Ch. 236)							
	GF/SF/FF	All or Multiple Agencies	increase	increase	increase	increase	increase	Potential personnel and administrative costs.
	HE	All or Multiple Agencies	increase	increase	increase	increase	increase	Potential personnel and administrative costs.
	NB	All or Multiple Agencies	increase	increase	increase	increase	increase	Potential personnel and administrative costs.
SB 580/HB 751	Public Safety – Officer and Community Wellness Training Grant Fund (Ch. 752/Ch. 753)							
	GF	Gov. Office of Crime Prevention, Youth, & Victim Services	\$27,813	\$1,082,963	\$1,086,644	\$1,090,512	\$1,095,308	

Effect of the 2023 Legislative Program on the Financial Condition of the State

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
	SF	Gov. Office of Crime Prevention, Youth, & Victim Services	\$0	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	SF revenues increase correspondingly.
SB 581	Behavioral Health Care Coordination Value-Based Purchasing Pilot Program (Ch. 369)							
	GF	Health	\$276,610	\$600,000	\$600,000	\$600,000	\$59,388	Mandated appropriation in FY 2025 through 2027. Duplicative of impact for SB 582/ HB 1148.
SB 582/HB 1148	Behavioral Health Care – Treatment and Access (Behavioral Health Model for Maryland) (Ch. 290/Ch. 291)							
	GF	Health	\$397,717	\$723,327	\$728,681	\$734,270	\$59,388	Mandated appropriation in FY 2025 through 2027.
SB 584	Public Health – Parkinson’s Disease – Advisory Committee and Website (Ch. 383)							
	GF	Health	\$129,663	\$93,088	\$96,975	\$101,274	\$106,537	
SB 601/HB 814	Maryland Health Benefit Exchange – State-Based Young Adult Health Insurance Subsidies Pilot Program – Sunset Extension (Ch. 256/Ch. 257)							
	SF	MHBE	\$10,000,000	\$20,000,000	\$10,000,000	\$0	\$0	
SB 608/HB 53	Human Services – Maryland Statewide Independent Living Council (Ch. 44/Ch. 43)							
	GF/FF	Attorney General	increase	increase	increase	increase	increase	Potential personnel costs. FF expenditures correspond with potential federal grant revenues.
SB 610	Primary and Secondary Education – Virtual Education (Ch. 804)							
	GF	Education	\$100,000	\$500,000	\$0	\$0	\$0	
SB 611/HB 874	Office of the Attorney General – Environmental and Natural Resources Crimes Unit – Establishment (Ch. 689/Ch. 690)							
	GF	Attorney General	\$566,203	\$700,377	\$729,445	\$759,103	\$795,951	

Legislation Affecting State Expenditures (Continued)

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	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SB 615/HB 759	Governor's Office of Crime Prevention, Youth, and Victim Services – Sexual Assault Evidence Collection Kit Reporting Program (Ch. 704/Ch. 705)							
	GF	Gov. Office of Crime Prevention, Youth, & Victim Services	\$119,352	\$145,899	\$152,402	\$159,057	\$167,354	
SB 621	Gaming – Sports Wagering – Independent Evaluation of Sports Wagering Content and Sports Wagering Facility Application Amendments (Ch. 638)							
	GF	Lottery Agency	increase	increase	increase	increase	increase	Potential administrative costs.
SB 624/HB 1074	Income Tax – Automated External Defibrillator Tax Credit (Joe Sheya Act) (Ch. 307/Ch. 306)							
	GF	Comptroller	\$63,000	\$0	\$0	\$0	\$0	
	SF	Transportation	(\$22,301)	(\$36,025)	(\$10,483)	decrease	decrease	Potential local highway user revenue grant expenditures beyond FY 2026 (in addition to amounts shown).
SB 634/HB 1084	Natural Resources – Oyster Inspection and Severance Taxes – Increase (Ch. 780/Ch. 781)							
	SF	Natural Resources	\$580,900	\$580,900	\$580,900	\$580,900	\$580,900	SF revenues increase correspondingly.
SB 649/HB 817	State Government – Regulation Procedures and the Maryland Register (Ch. 349/Ch. 350)							
	GF	Secretary of State	\$124,172	\$122,744	\$38,975	\$38,975	\$38,975	Potential significant contractual costs in FY 2024 (in addition to amount shown).
	SF	Secretary of State	(\$29,250)	(\$38,975)	(\$38,975)	(\$38,975)	(\$38,975)	SF revenues decrease correspondingly.

Effect of the 2023 Legislative Program on the Financial Condition of the State

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SB 650	Public Safety – State Disaster Recovery Fund (Ch. 549)							
	GF	Emergency Management	\$10,000,000	increase	increase	increase	increase	Replenishment of State Disaster Recovery Fund (in addition to initial capitalization amount shown).
	SF	Emergency Management	\$344,442	\$413,773	\$431,838	\$450,608	\$473,914	Potential significant administrative costs and disaster assistance expenditures (in addition to amounts shown).
SB 660/HB 707	Office of the Comptroller – Taxpayer Advocate Division (Ch. 444/Ch. 443)							
	GF	Comptroller	\$294,730	\$349,634	\$365,161	\$381,417	\$401,591	
SB 678/HB 1151	Health Insurance – Reimbursement for Services Rendered by a Pharmacist (Ch. 300/Ch. 301)							
	GF/FF	Health	increase	increase	increase	increase	increase	Potential Medicaid expenditures. FF revenues increase correspondingly with FF expenditures.
SB 686/HB 1	Civil Actions – Child Sexual Abuse – Definition, Damages, and Statute of Limitations (The Child Victims Act of 2023) (Ch. 5/Ch. 6)							
	GF	All or Multiple Agencies	\$0	increase	increase	increase	increase	Potential State Insurance Trust Fund assessments and potential personnel costs for the Office of the Attorney General.
	RF	Treasurer	\$70,749	\$83,652	\$87,365	\$91,262	\$96,096	
	SF	Treasurer	increase	increase	increase	increase	increase	Litigation costs and potential claims payments.

Legislation Affecting State Expenditures (Continued)

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	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SB 691	Home Amenity Rentals – Sales and Use Tax Imposed and Local Tax Authorized (Ch. 805)							
	GF	Comptroller	\$0	increase	\$0	\$0	\$0	Potential administrative costs.
SB 693/HB 1049	Transportation – Assaults on Public Transit Operators – Report (Ch. 503/Ch. 502)							
	SF	Transportation	\$50,000	\$0	\$0	\$0	\$0	
SB 695	State Retirement and Pension System – Military Service Credit (Ch. 126)							
	GF/SF/FF	All or Multiple Agencies	\$0	\$0	increase	increase	increase	Minimal pension costs.
	HE	All or Multiple Agencies	\$0	\$0	increase	increase	increase	Minimal pension costs.
SB 699/HB 781	Maryland Technology Development Corporation – Equitech Growth Fund and Commission (Ch. 461/Ch. 462)							
	GF	TEDCO	\$3,000,000	\$5,551,000	\$5,561,000	\$5,571,000	\$5,581,000	Included in FY 2024 budget (contingent). Mandated appropriation in FY 2025 through 2033.
	GF/SF/FF	All or Multiple Agencies	increase	increase	increase	increase	increase	Potential award and matching expenditures.
	HE	All or Multiple Agencies	increase	increase	increase	increase	increase	Potential award and matching expenditures.
	SF	TEDCO	\$3,000,000	\$5,551,000	\$5,561,000	\$5,571,000	\$5,581,000	SF revenues increase correspondingly. Potential reissuance of repaid loans beginning in FY 2025 (in addition to amounts shown).
SB 708	Public Health – Youth Camps, Development Organizations, and Programs – Criminal History Records Checks (Ch. 226)							
	GF	Health	\$172,030	\$182,081	\$189,833	\$197,947	\$207,174	

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Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SB 720	Horse Racing – Extension of Maryland Horse Racing Act and Establishment of Maryland Thoroughbred Racetrack Operating Authority (Ch. 111)							
	NB	Stadium Authority	increase	\$0	\$0	\$0	\$0	Potential transfer of funds to Maryland Racing Operations Fund.
	SF	New Agency (Md. Thoroughbred Racetrack Operating Authority)	increase	increase	increase	increase	\$0	Potential study and personnel costs.
SB 721	Income Tax – Credit for Federal Security Clearance Costs – Alterations (Ch. 438)							
	GF	Comptroller	\$50,000	\$0	\$0	\$0	\$0	
	SF	Transportation	\$0	(\$44,100)	(\$51,400)	(\$51,400)	(\$36,400)	
SB 732	Department of Disabilities – State Coordinator for Autism Strategy and Maryland Commission on Disabilities – Alterations (Ch. 225)							
	GF	Disabilities	\$131,275	increase	increase	increase	increase	Transfer of personnel costs from Governor's Office of Community Initiatives.
	GF	Executive Dept.	(\$131,275)	decrease	decrease	decrease	decrease	Transfer of personnel costs to Maryland Department of Disabilities.
SB 756	Access to Counsel in Evictions – Funding (Ch. 641)							
	SF	Md. Legal Services Corporation	\$0	\$14,000,000	\$14,000,000	\$14,000,000	\$0	Mandated appropriation in FY 2025 through 2027. SF revenues increase correspondingly.
SB 760	Security Guard Agencies, Security Guard Employers, and Security Guards – Standards and Certifications (Ch. 763)							
	GF	State Police	\$476,942	\$129,450	\$135,180	\$141,298	\$148,861	

Legislation Affecting State Expenditures (Continued)

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Effect of the 2023 Legislative Program on the Financial Condition of the State

	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SB 781	Offshore Wind Energy – State Goals and Procurement (Promoting Offshore Wind Energy Resources Act) (Ch. 95)							
	GF	General Services	\$213,905	\$260,039	\$271,621	\$283,523	\$298,351	Potential significant effect on direct State expenditures for electricity beginning as early as FY 2025 (net of amounts shown).
	SF	Natural Resources	\$0	\$0	\$0	\$0	increase	Potential project evaluation costs.
	SF	Public Service Commission	\$635,256	\$1,449,974	\$1,449,728	\$1,469,059	\$493,097	SF revenues increase correspondingly.
SB 786/HB 812	Health – Reproductive Health Services – Protected Information and Insurance Requirements (Ch. 248/Ch. 249)							
	SF	Health	\$100,000	\$0	\$0	\$0	\$0	
SB 797/HB 1191	Task Force on Preventing and Countering Elder Abuse (Ch. 706/Ch. 707)							
	GF	Aging	\$26,506	\$11,375	\$0	\$0	\$0	
SB 801	Economic Development – Cybersecurity – Cyber Maryland Program (Ch. 578)							
	GF	TEDCO	\$690,000	\$669,340	\$681,020	\$693,051	\$705,442	Included in FY 2024 budget (contingent). Mandated appropriation beginning in FY 2025.
	SF	TEDCO	\$690,000	\$669,340	\$681,020	\$693,051	\$705,442	SF revenues increase correspondingly.
SB 805/HB 1217	Maryland Medical Assistance Program and Health Insurance – Required Coverage for Biomarker Testing (Ch. 322/Ch. 323)							
	GF/FF	Health	\$0	\$0	increase	increase	increase	Potential significant Medicaid expenditures. FF revenues increase correspondingly with FF expenditures.
SB 822/HB 689	Pathways in Technology Early College High (P-TECH) School Program – High School Diplomas (Ch. 742/Ch. 741)							
	GF	Education	\$14,000	\$0	\$0	\$0	\$0	

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SB 827/HB 909	State Commission of Real Estate Appraisers, Appraisal Management Companies, and Home Inspectors – Sunset Extension (Ch. 526/Ch. 527)							
	SF	Labor	\$62,500	\$0	\$0	\$0	\$0	
SB 828/HB 988	Family and Medical Leave Insurance Program – Modifications (Ch. 259/Ch. 258)							
	FF	All or Multiple Agencies	(\$1,917,366)	(\$667,243)	\$0	\$0	\$0	
	GF	All or Multiple Agencies	(\$10,867,381)	(\$3,781,848)	\$0	\$0	\$0	
	GF	Labor	decrease	increase	\$0	\$0	\$0	Delayed startup costs.
	GF	Health	\$0	\$25,550,000	\$35,500,000	\$37,050,000	\$38,667,676	Mandated appropriation beginning in FY 2025.
	HE	All or Multiple Agencies	(\$11,879,361)	(\$4,134,018)	\$0	\$0	\$0	
	NB	All or Multiple Agencies	decrease	decrease	\$0	\$0	\$0	Payroll costs.
	SF	All or Multiple Agencies	(\$4,046,613)	(\$1,408,221)	\$0	\$0	\$0	
	SF	Labor	decrease	decrease	decrease	increase	increase	Delayed startup costs in FY 2024 through 2026. Delayed benefit payments in FY 2025 and 2026. Net increase in benefit payments beginning in FY 2027.
SB 836/HB 950	Maryland Native Plants Program (Ch. 490/Ch. 489)							
	GF	Agriculture	\$0	\$120,909	\$107,214	\$111,911	\$117,749	Mandated appropriation beginning in FY 2025.
	GF	Univ. Sys. of Maryland	\$0	\$164,140	\$154,915	\$161,463	\$169,583	Mandated appropriation beginning in FY 2025.
SB 840	Public Safety – Protecting Against Hate Crimes Grant Fund – Establishment (Ch. 746)							
	GF	Gov. Office of Crime Prevention, Youth, & Victim Services	\$0	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	

Legislation Affecting State Expenditures (Continued)

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Effect of the 2023 Legislative Program on the Financial Condition of the State

	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
	SF	Gov. Office of Crime Prevention, Youth, & Victim Services	\$5,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	SF revenues increase correspondingly.
SB 841	Local School Systems – Student Field Trips – Funding (Ch. 747)							
	GF	Education	\$0	\$500,000	\$500,000	\$500,000	\$500,000	Mandated appropriation beginning in FY 2025.
SB 848	Statewide Rental Assistance Voucher Program – Establishment (Ch. 446)							
	GF	Housing & Community Development	\$255,359	\$10,290,670	\$10,300,040	\$10,309,755	\$10,621,836	Mandated appropriation beginning in FY 2025.
SB 855	Baltimore City – Property Tax – In Rem Foreclosure of Vacant or Nuisance Property (Ch. 408)							
	GF	Judiciary	increase	increase	increase	increase	increase	Potential administrative costs.
SB 858	Firearm Safety – Storage Requirements and Youth Suicide Prevention (Jaelynn’s Law) (Ch. 622)							
	GF	Health	\$50,000	\$0	\$0	\$0	\$0	
SB 871	Social Workers – Sunset Extension, Notification of Complete Application, and Workgroup on Social Worker Requirements for Licensure (Ch. 228)							
	GF	Health	\$75,000	\$15,416	\$0	\$0	\$0	FY 2024 budget includes \$75,000 contingent on the enactment of SB 871 (enacted) and the enactment of SB 145 (enacted) or HB 103.
SB 886/HB 629	Higher Education – Edward T. Conroy Memorial Scholarship Program – Surviving Spouses of Service Members (Ch. 694/Ch. 693)							
	GF	Higher Education Commission	increase	increase	increase	increase	increase	Potential significant GF appropriations to scholarship fund.

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
	SF	Higher Education Commission	increase	increase	increase	increase	increase	Potential significant scholarship expenditures. SF revenues increase correspondingly.
SB 922	Maryland Construction Education and Innovation Fund – Funding – Alteration (Ch. 493)							
	GF	Other (Md. Center for Construction Education and Innovation)	\$0	\$375,000	\$375,000	\$375,000	\$375,000	Existing mandated appropriation increases in FY 2025 through 2029 and is eliminated beginning in FY 2030.
	SF	Other (Md. Center for Construction Education and Innovation)	\$0	\$375,000	\$375,000	\$375,000	\$375,000	SF revenues increase correspondingly.
SB 959	Higher Education – Maryland 529 Program – Reform (Ch. 113)							
	GF	Treasurer	\$6,650,000	\$808,506	\$844,452	\$881,802	\$928,226	Included in FY 2024 budget (contingent). Potential significant ongoing program transition costs (in addition to amounts shown).
	NB	Maryland 529	(\$16,978,585)	(\$16,978,585)	(\$16,978,585)	(\$16,978,585)	(\$16,978,585)	NB expenditures also decrease by an indeterminate amount in FY 2023 due to transfer of program administration. NB revenues decrease correspondingly.

Legislation Affecting State Expenditures (Continued)

<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
RF	Treasurer	\$11,279,500	\$11,279,500	\$11,279,500	\$11,279,500	\$11,279,500	\$11,475,211 included in FY 2024 budget. RF expenditures also increase by an indeterminate amount in FY 2023 due to transfer of program administration. RF revenues increase correspondingly.
SF	Treasurer	\$5,699,085	\$5,699,085	\$5,699,085	\$5,699,085	\$0	\$5,503,374 included in FY 2024 budget (contingent). SF expenditures also increase by an indeterminate amount in FY 2023 due to transfer of program administration. SF revenues increase correspondingly.
SB 960/HB 611	State Board of Nursing – Sunset Extension, Licensure Exceptions, and Board Operations and Membership (Ch. 223/Ch. 222)						
GF	Health	\$8,000,000	increase	\$0	\$0	\$0	Significant personnel and fixed infrastructure costs beginning in FY 2023 and continuing through FY 2025. \$8,000,000 included in FY 2024 budget (as shown) (contingent).

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
	SF	Health	(\$8,000,000)	decrease	\$0	\$0	\$0	Significant personnel and fixed infrastructure costs beginning in FY 2023 and continuing through FY 2025 (\$8,000,000 reduction assumed in FY 2024). SF expenditure reductions may be partially offset by increased SF contractual expenses.
SB 965/HB 815	Cancer Screening – Health Insurance and Assessment of Outreach, Education, and Health Disparities (Ch. 353/Ch. 354)							
	GF	Health	\$28,921	\$0	\$0	\$0	\$0	
SB 968	Income Tax – Captive Real Estate Investment Trusts – Alterations (Ch. 478)							
	SF	Transportation	decrease	decrease	decrease	decrease	decrease	Potential local highway user revenue grant expenditures.
HB 1/SB 686	See entry for SB 686.							
HB 2	Income Tax – Subtraction Modification – Union Dues (Ch. 513)							
	GF	Comptroller	\$50,000	\$0	\$0	\$0	\$0	
HB 4/SB 129	See entry for SB 129.							
HB 6	Department of General Services – Energy-Conserving Standards (Maryland Sustainable Buildings Act of 2023) (Ch. 581)							
	GF/SF/FF	All or Multiple Agencies	indeterminate	indeterminate	indeterminate	indeterminate	indeterminate	Building construction and maintenance costs.
	GF - PAYGO	All or Multiple Agencies	indeterminate	indeterminate	indeterminate	indeterminate	indeterminate	Building construction and maintenance costs.
HB 9/SB 19	See entry for SB 19.							

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
HB 11/SB 483	See entry for SB 483.							
HB 12	Equitable and Inclusive Transit-Oriented Development Enhancement Act (Ch. 512)							
	GF	Transportation	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	Mandated appropriation beginning in FY 2025.
	SF	Transportation	\$5,258,249	\$5,190,352	\$5,198,811	\$5,207,627	\$5,218,578	SF revenues partially correspond.
HB 14/SB 36	See entry for SB 36.							
HB 48/SB 101	See entry for SB 101.							
HB 53/SB 608	See entry for SB 608.							
HB 58/SB 35	See entry for SB 35.							
HB 72/SB 254	See entry for SB 254.							
HB 111/SB 26	See entry for SB 26.							
HB 123	Vehicle Laws – HOV Lanes – Plug-In Electric Drive Vehicles (Ch. 121)							
	SF	Transportation	increase	increase	increase	\$0	\$0	Minimal decal costs beginning in FY 2023.
HB 140/SB 136	See entry for SB 136.							
HB 152	Department of Agriculture – Urban Agriculture Grant Programs – Alterations (Ch. 519)							
	GF	Agriculture	\$0	\$100,000	\$100,000	\$100,000	\$100,000	Mandated appropriation in FY 2025 through 2029.
	SF	Agriculture	\$0	\$100,000	\$100,000	\$100,000	\$100,000	SF revenues increase correspondingly.

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
HB 161	Northeast Maryland Waste Disposal Authority – Evaluation, Termination of Bond Authority, and Assumption of Functions, Employees, and Contracts (Northeast Maryland Waste Disposal Authority Sunset Act) (Ch. 68)							
	GF	Legislative Services	increase	increase	\$0	\$0	\$0	Potential contractual costs.
	NB	Md. Environmental Service	\$100,000	\$0	increase	increase	increase	Potential significant operating costs beginning in FY 2026. NB revenues increase correspondingly.
HB 169	Public Utilities – Energy Efficiency and Conservation Programs – Energy Performance Targets and Low-Income Housing (Ch. 572)							
	SF	Housing & Community Development	increase	increase	increase	increase	increase	Significant program costs. SF revenues generally correspond.
	SF	Energy Administration	increase	increase	increase	increase	increase	Potential personnel costs.
HB 172/SB 232	See entry for SB 232.							
HB 180/SB 141	See entry for SB 141.							
HB 184/SB 79	See entry for SB 79.							
HB 186/SB 148	See entry for SB 148.							
HB 193/SB 211	See entry for SB 211.							
HB 202	Budget Reconciliation and Financing Act of 2023 (Ch. 103)							
	GF	Human Services	\$0	\$0	\$0	\$0	\$0	GF expenditures decrease by \$7,500,000 in FY 2023.
	GF	Health	\$50,000,000	\$0	\$0	\$0	\$0	Included in FY 2024 budget (contingent).
	GF	Education	\$0	\$0	\$0	(\$500,000,000)	\$0	

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Effect of the 2023 Legislative Program on the Financial Condition of the State

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
HB 289/SB 282	See entry for SB 282.							
HB 290	Public Health – Dental Services – Access (Ch. 377)							
	GF	Health	\$125,000	\$10,000	\$0	\$0	\$0	
	GF	Higher Education Commission	\$11,439	\$0	\$0	\$0	\$0	
	FF	Health	\$50,000	\$10,000	\$0	\$0	\$0	FF revenues increase correspondingly.
HB 309/SB 574	See entry for SB 574.							
HB 316/SB 354	See entry for SB 354.							
HB 321	Cigarette Restitution Fund – Payments for Sale and Marketing of Electronic Smoking Devices – Use (Ch. 348)							
	SF	All or Multiple Agencies	\$0	decrease	decrease	decrease	decrease	Redirection of Cigarette Restitution Fund spending.
	SF	Health	\$0	increase	increase	increase	increase	Redirection of Cigarette Restitution Fund spending.
HB 322/SB 255	See entry for SB 255.							
HB 323	Social Services Programs – Eligibility and Enrollment (Ch. 207)							
	SF	Human Services	\$15,024,000	\$30,048,000	\$30,048,000	\$30,048,000	\$30,048,000	
HB 325/SB 390	See entry for SB 390.							
HB 328/SB 112	See entry for SB 112.							
HB 333/SB 404	See entry for SB 404.							
HB 346/SB 312	See entry for SB 312.							

Legislation Affecting State Expenditures (Continued)

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Effect of the 2023 Legislative Program on the Financial Condition of the State

	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
HB 374	Health Insurance – Pharmacy Benefits Managers – Audits of Pharmacies and Pharmacists (Ch. 355)							
	GF/FF	Health	increase	increase	increase	increase	increase	Potential Medicaid expenditures. FF revenues increase correspondingly with FF expenditures.
	GF/SF/FF	Budget & Management	increase	increase	increase	increase	increase	Potential health insurance costs.
HB 389/SB 34	See entry for SB 34.							
HB 391	Vehicle Laws – Parking Enforcement – Citations (Ch. 451)							
	GF/SF/FF	All or Multiple Agencies	increase	\$0	\$0	\$0	\$0	Minimal administrative costs.
HB 394/SB 150	See entry for SB 150.							
HB 410	Elections – Polling Place Plan, Prohibited Acts, and 2024 Primary Election Date (Ch. 221)							
	GF	Election Board	\$156,380	\$109,350	\$152,468	\$119,250	\$164,537	
HB 418/SB 283	See entry for SB 283.							
HB 428/SB 142	See entry for SB 142.							
HB 435	Prince George’s County – Speed Monitoring Systems – Maryland Route 210 (Indian Head Highway) PG 304-23 (Ch. 606)							
	SF	Transportation	increase	increase	increase	increase	increase	Potential program expenditures correspond with potential SF fine revenues.
HB 448	Nonpublic Education – Placements of Children With Disabilities – Teacher Salaries (Teacher Pay Parity Act) (Ch. 648)							
	GF	Education	\$3,507,779	\$7,156,943	\$10,949,576	\$11,168,567	\$11,391,939	\$3,000,000 included in FY 2024 budget. Existing mandated appropriation increases beginning in FY 2025.

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
HB 454/SB 187	See entry for SB 187.							
HB 458	Public School Construction – Programs, Approvals, and Administration – Alterations (Ch. 679)							
	GF	Education	\$0	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	Existing mandated distribution increases beginning in FY 2025.
	GF	School Construction	\$123,256	\$113,553	\$118,605	\$123,827	\$130,325	
	SF	School Construction	\$0	\$0	\$0	\$16,109,000	\$16,109,000	SF revenues increase correspondingly.
HB 470/SB 256	See entry for SB 256.							
HB 471/SB 333	See entry for SB 333.							
HB 477/SB 341	See entry for SB 341.							
HB 480/SB 286	See entry for SB 286.							
HB 495/SB 350	See entry for SB 350.							
HB 498/SB 328	See entry for SB 328.							
HB 502/SB 2	See entry for SB 2.							
HB 503	Natural Resources – Greenspace Equity Program – Establishment (Ch. 487)							
	GF	Natural Resources	\$101,019	\$365,658	\$361,172	\$479,226	\$497,617	
HB 505/SB 198	See entry for SB 198.							
HB 524	Maryland Stadium Authority – Camden Yards Sports Facilities Funds and Bus Rapid Transit Fund (Ch. 112)							
	NB	Stadium Authority	\$0	increase	increase	increase	increase	Reallocation of planned debt service expenditures. NB revenues increase correspondingly.

Legislation Affecting State Expenditures (Continued)

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<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
SF	Transportation	(\$14,151,701)	\$0	\$0	\$0	\$0	SF revenues decrease correspondingly.
SF	Stadium Authority	\$0	decrease	decrease	decrease	decrease	Reallocation of planned debt service expenditures. SF revenues decrease correspondingly.

HB 526 **St. Mary's County – Transfer of Child Support Unit and Personnel to the Child Support Administration (Ch. 242)**

FF	Human Services	\$38,414	\$44,606	\$46,581	\$48,684	\$51,285	FF revenues increase correspondingly. \$458,732 included in FY 2024 budget (contingent).
GF	Human Services	\$236,317	\$251,886	\$263,077	\$274,757	\$289,261	Included in FY 2024 budget (contingent).

HB 527/SB 369 **See entry for SB 369.**

HB 535/SB 379 **See entry for SB 379.**

HB 547/SB 552 **See entry for SB 552.**

HB 548/SB 550 **See entry for SB 550.**

Effect of the 2023 Legislative Program on the Financial Condition of the State

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
HB 550	Maryland Energy Administration – Energy Programs – Modifications (Clean Transportation and Energy Act) (Ch. 98)							
	SF	Energy Administration	\$7,750,000	\$7,500,000	\$7,500,000	\$5,000,000	increase	\$2,500,000 of FY 2024 SF expenditures is covered by \$4.6 million in budgeted spending for Electric Vehicle Recharging Equipment Rebate Program. Existing mandated appropriation increases in FY 2025 through 2027. Increased spending of Alternative Compliance Payment revenues (in addition to amounts shown).
HB 552/SB 549	See entry for SB 549.							
HB 555/SB 342	See entry for SB 342.							
HB 556/SB 516	See entry for SB 516.							
HB 573/SB 263	See entry for SB 263.							
HB 596/SB 511	See entry for SB 511.							
HB 611/SB 960	See entry for SB 960.							
HB 614/SB 228	See entry for SB 228.							

Legislation Affecting State Expenditures (Continued)

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Effect of the 2023 Legislative Program on the Financial Condition of the State

	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
HB 622	Economic Development – Industry 4.0 Technology Grant Program (Ch. 498)							
	GF	Commerce	\$0	\$1,123,176	\$1,121,748	\$1,127,104	\$1,133,769	Mandated appropriation in FY 2025 through 2028.
	SF	Commerce	\$0	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	SF revenues increase correspondingly.
HB 626/SB 560	See entry for SB 560.							
HB 629/SB 886	See entry for SB 886.							
HB 662/SB 443	See entry for SB 443.							
HB 665	Comptroller and State Department of Assessments and Taxation – Enhancing Access to Property Tax Benefits – Report (Ch. 662)							
	GF	Assessments & Taxation	\$18,000	\$0	\$0	\$0	\$0	
HB 669/SB 455	See entry for SB 455.							
HB 674/SB 425	See entry for SB 425.							
HB 677	Pride of Baltimore II – Appropriations – Extension (Ch. 131)							
	SF	Transportation	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	Mandated appropriation in FY 2025 through 2028.
HB 689/SB 822	See entry for SB 822.							
HB 696/SB 422	See entry for SB 422.							
HB 700	Talbot County – Speed Monitoring Systems – Intersection of Maryland Route 333 (Oxford Road) and Bonfield Avenue (Ch. 610)							
	SF	Transportation	increase	increase	increase	increase	increase	Potential program expenditures correspond with potential SF fine revenues.

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
HB 701	Maryland Community Health Resources Commission and Offices of the Comptroller, Treasurer, and Attorney General – Compensation and Pay Scales of Employees (Ch. 801)							
	GF	Comptroller	increase	increase	increase	increase	increase	Potential personnel costs.
	GF	Attorney General	increase	increase	increase	increase	increase	Potential personnel costs.
	GF	Treasurer	increase	increase	increase	increase	increase	Potential personnel costs.
	SF	Health	increase	increase	increase	increase	increase	Potential personnel costs.
HB 706	Community Development – Sustainable Communities – Business Facade Improvement Program (Ch. 437)							
	GF	Housing & Community Development	\$0	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	Mandated appropriation beginning in FY 2025.
	BOND	Housing & Community Development	\$1,500,000	\$0	\$0	\$0	\$0	Included in FY 2024 capital budget (contingent).
HB 707/SB 660	See entry for SB 660.							
HB 723/SB 526	See entry for SB 526.							
HB 735	University System of Maryland – Facilities – Bonding Authority and Sale (Ch. 160)							
	BOND	Univ. Sys. of Maryland	\$30,000,000	\$0	\$0	\$0	\$0	Assumed in the FY 2024 capital budget. Bond revenues increase correspondingly.
	HE	Univ. Sys. of Maryland	\$0	\$2,492,000	\$2,492,000	\$2,492,000	\$2,492,000	
HB 751/SB 580	See entry for SB 580.							
HB 759/SB 615	See entry for SB 615.							

Legislation Affecting State Expenditures (Continued)

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	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
HB 770	Blueprint for Maryland's Future – Various Policies and Prekindergarten Enrollment and Funding – Alterations (Ch. 119)							
	GF	Education	\$0	\$120,226	\$113,362	\$3,459	\$23,692	
	SF	Education	\$6,377,004	(\$617,917)	\$0	\$0	\$0	
HB 775/SB 542	See entry for SB 542.							
HB 781/SB 699	See entry for SB 699.							
HB 785/SB 515	See entry for SB 515.							
HB 794	Baltimore Regional Transit Commission – Establishment (Ch. 504)							
	SF	Transportation	\$431,250	\$575,000	\$575,000	\$575,000	\$575,000	
HB 812/SB 786	See entry for SB 786.							
HB 814/SB 601	See entry for SB 601.							
HB 815/SB 965	See entry for SB 965.							
HB 817/SB 649	See entry for SB 649.							
HB 824	Public Safety – Regulated Firearms – Possession and Permits to Carry, Wear, and Transport a Handgun (Ch. 651)							
	GF	State Police	\$2,311,721	\$2,228,509	\$2,330,812	\$2,434,667	\$2,573,123	Potential significant additional implementation costs (in addition to amounts shown).
	GF	MSCCSP	\$90,455	\$108,890	\$113,734	\$118,749	\$124,987	
	GF	Public Safety & Correctional Services	increase	increase	increase	increase	increase	Minimal incarceration costs.
HB 830	Residential Construction – Electric Vehicle Charging (Ch. 582)							
	SF	Energy Administration	\$250,000	\$0	\$0	\$0	\$0	

Effect of the 2023 Legislative Program on the Financial Condition of the State

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
HB 844	Housing and Community Development – Common Ownership Community Website (Ch. 216)							
	GF	Housing & Community Development	\$90,000	increase	increase	increase	increase	Ongoing website maintenance costs in out-years.
HB 848/SB 407	See entry for SB 407.							
HB 874/SB 611	See entry for SB 611.							
HB 908	Electricity – Community Solar Energy Generating Systems Program and Property Taxes (Ch. 652)							
	SF	Public Service Commission	\$264,895	\$297,540	\$206,129	\$215,073	\$226,171	SF revenues increase correspondingly.
HB 909/SB 827	See entry for SB 827.							
HB 910	Energy Storage – Targets and Maryland Energy Storage Program – Establishment (Ch. 570)							
	SF	Public Service Commission	\$0	\$649,555	\$636,987	\$665,155	\$700,167	SF revenues increase correspondingly.
HB 922/SB 525	See entry for SB 525.							
HB 923	Higher Education – Appointment of Secretary and Student Financial Assistance – Accommodations at Public Institutions for Religious Beliefs (Ch. 634)							
	GF	All or Multiple Agencies	\$0	\$0	increase	increase	increase	Potential general fund support for implementation costs.
	GF	Higher Education Commission	\$278,216	\$0	increase	\$0	\$0	Potential contractual costs in FY 2026.
	HE	Balt. City Comm. Coll.	increase	increase	increase	increase	increase	Scholarship administration costs. HE revenues may partially correspond.

Legislation Affecting State Expenditures (Continued)

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<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
HE	All or Multiple Agencies.	\$0	\$0	increase	increase	increase	Scholarship administration costs. HE revenues may increase correspondingly.

HB 950/SB 836 **See entry for SB 836.**

HB 969 **Public Service Commission – Cybersecurity Staffing and Assessments (Critical Infrastructure Cybersecurity Act of 2023) (Ch. 499)**

SF	Public Service Commission	\$364,424	\$446,210	\$465,695	\$485,638	\$510,503	\$364,000 included in FY 2024 budget (contingent). SF revenues increase correspondingly.
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HB 982 **State Employees – Programs and Scholarships for Human Services Careers and Probation Agents and State Contributions to Supplemental Retirement Plans (Ch. 100)**

FF	Supplemental Retirement Plans	\$4,120,000	\$4,120,000	\$4,120,000	\$4,120,000	\$4,120,000	
GF	Human Services	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	Included in FY 2024 budget (contingent).
GF	Higher Education Commission	\$1,120,723	\$1,067,894	\$1,070,902	\$1,074,101	\$1,078,058	\$1,000,000 included in FY 2024 budget (contingent). Existing mandated appropriations are altered beginning in FY 2025 (no net effect).
GF	Supplemental Retirement Plans	\$12,360,000	\$12,360,000	\$12,360,000	\$12,360,000	\$12,360,000	\$11,950,000 included in FY 2024 budget (contingent).
SF	Supplemental Retirement Plans	\$4,120,000	\$4,120,000	\$4,120,000	\$4,120,000	\$4,120,000	

HB 983/SB 327 **See entry for SB 327.**

Effect of the 2023 Legislative Program on the Financial Condition of the State

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
HB 984	Public Employee Relations Act (Ch. 114)							
	GF	New Agency (Public Employee Relations Bd.)	\$642,585	\$784,386	\$815,736	\$848,089	\$888,359	
HB 988/SB 828	See entry for SB 828.							
HB 1002	Commercial Vehicles – Police-Initiated Towing – Alterations (Ch. 669)							
	GF	State Police	\$44,730	\$50,302	\$52,540	\$54,979	\$57,981	
HB 1049/SB 693	See entry for SB 693.							
HB 1066	Hate Crimes – Commission on Hate Crime Response and Prevention – Establishment (Ch. 773)							
	FF	Attorney General	\$114,356	\$0	\$0	\$0	\$0	
	GF	Attorney General	\$0	\$136,329	\$142,402	\$148,633	\$156,399	Mandated appropriation beginning in FY 2025.
HB 1071	Criminal Law and Procedure – Cannabis – Fines for Smoking in Public, Stops, and Searches (Ch. 802)							
	GF	Public Safety & Correctional Services	decrease	decrease	decrease	decrease	decrease	Minimal incarceration costs.
HB 1074/SB 624	See entry for SB 624.							
HB 1084/SB 634	See entry for SB 634.							
HB 1148/SB 582	See entry for SB 582.							
HB 1151/SB 678	See entry for SB 678.							
HB 1175	Criminal Procedure – Hunting Offenses – Expungement (Ch. 784)							
	GF	Judiciary	increase	increase	increase	\$0	\$0	Potential personnel costs.
HB 1191/SB 797	See entry for SB 797.							

Legislation Affecting State Expenditures (Continued)

	<u>Fund</u>	<u>Agency</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Comments</u>
HB 1200	Elections – Election Judges – Minimum Compensation (Ch. 157)							
	GF	Election Board	\$1,855,000	\$1,855,000	\$1,855,000	\$1,855,000	\$1,855,000	
HB 1217/SB 805	See entry for SB 805.							
HB 1219	Maryland Educator Shortage Reduction Act of 2023 (Ch. 627)							
	GF	Higher Education Commission	\$15,194,067	\$5,125,000	\$5,125,000	\$125,000	\$2,369,025	\$15,000,000 included in FY 2024 budget, including \$10,000,000 for Teacher Development and Retention Fund (contingent).
	GF	Education	\$500,000	\$75,000	\$75,000	\$75,000	\$75,000	Program costs.
	HE	All or Multiple Agencies	increase	increase	increase	increase	increase	
	SF	Higher Education Commission	\$1,273,548	\$1,212,331	\$1,219,535	\$4,177,109	\$4,186,502	

Quantifiable Expenditures by Agency

<u>Agency</u>	<u>Fund</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>
Aging	GF	\$106,239	\$2,411,375	\$2,400,000	\$2,400,000	\$2,400,000
Agriculture	GF	\$81,473	\$318,296	\$308,929	\$318,132	\$329,568
	SF	\$25,000	\$100,000	\$100,000	\$100,000	\$100,000
Alcohol, Tobacco, & Cannabis Commission	GF	\$1,500,000	\$1,409,659	\$1,472,399	\$1,537,141	\$1,544,611
All or Multiple Agencies¹	GF	(\$10,804,247)	\$4,021,286	\$7,796,634	\$7,790,134	\$7,783,634
	SF	(\$4,012,618)	(\$1,514,226)	(\$109,505)	(\$113,005)	(\$116,505)
	FF	(\$1,917,366)	(\$667,243)	\$0	\$0	\$0
	HE	(\$11,879,361)	(\$4,134,018)	\$0	\$0	\$0
Assessments & Taxation	GF	(\$511,836)	(\$529,836)	(\$529,836)	(\$529,836)	(\$529,836)
	SF	\$204,166	\$187,079	\$191,658	\$196,434	\$202,104
Attorney General's Office	GF	\$2,341,208	\$2,713,944	\$2,828,952	\$2,947,453	\$3,094,589
	FF	\$114,356	\$0	\$0	\$0	\$0
Comptroller	GF	\$1,500,611	\$1,165,918	\$1,096,364	\$1,073,806	\$1,146,066
	SF	\$37,008,366	\$79,351,099	\$64,480,384	\$53,545,964	\$64,246,520
Commerce	GF	\$10,100,000	\$12,223,176	\$11,121,748	\$11,127,104	\$1,133,769
	SF	\$11,986,429	\$15,143,103	\$16,061,888	\$17,783,469	\$8,864,489

Quantifiable Expenditures by Agency (Continued)

<u>Agency</u>	<u>Fund</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>
Criminal Sentencing Policy, State Commission on	GF	\$90,455	\$108,890	\$113,734	\$118,749	\$124,987
Disabilities	GF	\$131,275	\$0	\$0	\$0	\$0
Education	GF	\$8,621,779	\$14,852,169	\$18,137,938	(\$483,072,334)	\$17,317,401
	SF	\$6,377,004	(\$617,917)	\$0	\$501,319,360	\$1,173,230
Election Board	GF	\$2,095,471	\$2,065,089	\$2,112,686	\$2,084,122	\$2,135,194
Emergency Management	GF	\$10,000,000	\$0	\$0	\$0	\$0
	SF	\$344,442	\$413,773	\$431,838	\$450,608	\$473,914
Energy Administration	SF	\$17,250,000	\$7,500,000	\$7,500,000	\$5,000,000	\$0
Environment	GF	\$1,286,442	\$657,048	\$693,524	\$666,825	\$700,620
Ethics Commission	GF	\$10,000	\$0	\$0	\$0	\$0
Executive Department	GF	\$28,271	\$283,994	\$258,807	\$222,574	\$190,391
	SF	\$0	\$90,000	\$118,000	\$171,000	\$224,000
General Services	GF	\$213,905	\$310,039	\$489,497	\$696,964	\$783,430

Quantifiable Expenditures by Agency (Continued)

<u>Agency</u>	<u>Fund</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>
Governor's Office of Crime Prevention, Youth, and Victim Services						
	GF	(\$599,028)	\$5,778,862	\$5,789,046	\$5,799,569	\$5,812,662
	SF	\$5,000,000	\$11,000,000	\$11,000,000	\$11,000,000	\$11,000,000
Health						
	GF	\$178,356,247	\$158,223,043	\$47,163,363	\$48,847,485	\$49,824,773
	SF	(\$63,906,678)	(\$3,756,459)	(\$1,846,822)	(\$121,177)	\$964,887
	FF	\$107,220,376	\$110,373,265	\$12,771,556	\$12,771,556	\$12,771,556
Higher Education Commission						
	GF	\$16,604,445	\$6,192,894	\$6,195,902	\$1,199,101	\$3,447,083
	SF	\$1,273,548	\$1,212,331	\$1,219,535	\$4,177,109	\$4,186,502
Housing & Community Development²						
	GF	\$345,359	\$15,290,670	\$15,300,040	\$15,309,755	\$15,621,836
	SF	\$0	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000
	GF -	\$0	\$5,000,000	\$0	\$0	\$0
	PAYGO					
	BOND	\$1,500,000	\$0	\$5,000,000	\$5,000,000	\$5,000,000
Human Services						
	GF	\$2,069,373	\$3,683,972	\$4,512,345	\$4,524,025	\$4,538,529
	SF	\$15,024,000	\$30,048,000	\$30,048,000	\$30,048,000	\$30,048,000
	FF	\$4,439,809	\$861,788	\$46,581	\$48,684	\$51,285
Information Technology						
	GF	\$300,000	\$0	\$0	\$0	\$0
	RF	\$10,000	\$0	\$0	\$0	\$0
Judiciary						
	GF	\$511,528	\$486,039	\$508,734	\$515,832	\$530,193

Quantifiable Expenditures by Agency (Continued)

<u>Agency</u>	<u>Fund</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>
Labor						
	GF	\$61,941	\$0	\$0	\$0	\$0
	SF	\$3,115,528	\$537,576	\$483,256	\$513,797	\$547,966
Library Agency						
	GF	\$746,193	\$550,000	\$550,000	\$550,000	\$550,000
Maryland Environmental Service						
	NB	\$100,000	\$0	\$0	\$0	\$0
Maryland Health Benefit Exchange						
	SF	\$10,000,000	\$20,000,000	\$10,000,000	\$0	\$0
Maryland Legal Services Corporation						
	GF	\$225,000	\$225,000	\$225,000	\$225,000	\$225,000
	SF	\$0	\$14,000,000	\$14,000,000	\$14,000,000	\$0
Maryland 529						
	NB	(\$16,978,585)	(\$16,978,585)	(\$16,978,585)	(\$16,978,585)	(\$16,978,585)
MEDCO						
	BOND	\$2,000,000	\$0	\$0	\$0	\$0
MIEMSS						
	SF	\$41,371	\$46,002	\$48,045	\$50,295	\$53,058
Military Department						
	GF	\$1,000,000	\$871,321	\$882,642	\$894,514	\$909,243
Natural Resources						
	GF	\$391,287	\$8,050,409	\$1,647,164	\$1,537,426	\$1,583,328
	SF	\$2,902,517	\$6,152,517	\$6,152,517	\$2,902,517	\$2,902,517
	FF	\$0	\$563,916	\$587,801	\$613,234	\$644,612

Quantifiable Expenditures by Agency (Continued)

<u>Agency</u>	<u>Fund</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>
New Agency – Maryland Cannabis Administration						
	GF	\$2,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000
New Agency – Department of Service and Civic Innovation						
	GF	\$11,353,000	\$50,000	\$50,000	\$550,000	\$12,000,000
	SF	\$0	\$2,400,000	\$6,000,000	\$14,400,000	\$24,000,000
New Agency – Public Employee Relations Board						
	GF	\$642,585	\$784,386	\$815,736	\$848,089	\$888,359
None³						
	GF	\$0	\$500,000	\$500,000	\$500,000	\$500,000
Other – Md. Center for Construction Education and Innovation						
	GF	\$0	\$375,000	\$375,000	\$375,000	\$375,000
	SF	\$0	\$375,000	\$375,000	\$375,000	\$375,000
Planning						
	GF	\$50,000	\$0	\$0	\$0	\$0
Public Service Commission						
	SF	\$1,264,575	\$2,843,279	\$2,758,539	\$2,834,925	\$1,929,938
Public Works, Board of						
	GF	\$227,417	\$92,192	\$96,288	\$100,564	\$105,874
Reserve Fund						
	GF	\$200,000	\$0	\$0	\$0	\$0
	SF	\$5,150,000	\$0	\$0	\$0	\$0

Quantifiable Expenditures by Agency (Continued)

<u>Agency</u>	<u>Fund</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>
School Construction						
	GF	\$123,256	\$113,553	\$118,605	\$123,827	\$130,325
	SF	\$0	\$0	\$0	\$16,109,000	\$16,109,000
Secretary of State						
	GF	\$149,172	\$122,744	\$38,975	\$38,975	\$38,975
	SF	(\$29,250)	(\$38,975)	(\$38,975)	(\$38,975)	(\$38,975)
Stadium Authority						
	NB	\$15,000,000	\$5,000,000	\$1,110,000	\$1,475,750	\$1,476,250
State Police						
	GF	\$2,833,393	\$2,408,261	\$2,518,532	\$2,630,944	\$2,779,965
Supplemental Retirement Plans						
	GF	\$12,360,000	\$12,360,000	\$12,360,000	\$12,360,000	\$12,360,000
	SF	\$4,120,000	\$4,120,000	\$4,120,000	\$4,120,000	\$4,120,000
	FF	\$4,120,000	\$4,120,000	\$4,120,000	\$4,120,000	\$4,120,000
TEDCO						
	GF	\$3,690,000	\$6,220,340	\$6,242,020	\$6,264,051	\$6,286,442
	SF	\$4,605,000	\$7,135,340	\$7,157,020	\$7,179,051	\$7,201,442
Transportation						
	GF	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000
	SF	(\$7,733,923)	\$6,741,425	\$6,537,906	\$6,868,314	\$6,909,704
Treasurer						
	GF	\$6,632,200	\$790,706	\$826,652	\$864,002	\$910,426
	SF	\$5,699,085	\$5,699,085	\$5,699,085	\$5,699,085	\$5,699,085
	RF	\$11,350,249	\$11,363,152	\$11,366,865	\$11,370,762	\$11,375,596

Quantifiable Expenditures by Agency (Continued)

<u>Agency</u>	<u>Fund</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>
University System of Maryland						
	GF	\$0	\$164,140	\$154,915	\$161,463	\$169,583
	HE	\$286,667	\$2,612,000	\$2,612,000	\$2,612,000	\$2,612,000
	BOND	\$30,000,000	\$0	\$0	\$0	\$0
Veterans Affairs						
	GF	\$1,032,098	\$0	\$71,598	\$90,512	\$95,308
	SF	(\$1,032,098)	\$0	\$0	\$0	\$0

Totals by Fund Type/Summary of Quantifiable Expenditure Effects

<u>Fund Type</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>
GF ^{1,2}	\$273,096,512	\$280,344,579	\$165,243,933	(\$338,309,032)	\$167,837,328
FF	\$113,977,175	\$115,251,726	\$17,525,938	\$17,553,474	\$17,587,453
SF ¹	\$54,676,464	\$214,168,032	\$197,487,369	\$703,570,771	\$196,175,876
BOND ²	\$33,500,000	\$0	\$5,000,000	\$5,000,000	\$5,000,000
NB	(\$1,878,585)	(\$11,978,585)	(\$15,868,585)	(\$15,502,835)	(\$15,502,335)
HE	(\$11,592,694)	(\$1,522,018)	\$2,612,000	\$2,612,000	\$2,612,000
RF	\$11,360,249	\$11,363,152	\$11,366,865	\$11,370,762	\$11,375,596

¹ Assumes that quantified expenditures associated with Senate Bill 112/House Bill 328 (Chapter 154/Chapter 155) and Senate Bill 139 (Chapter 400) consist of 65% general funds and 35% special funds.

² Assumes that mandated expenditures associated with Senate Bill 273 (Chapter 494) are met with general fund pay-as-you-go funds in FY 2025 and bond funds in FY 2026 through 2028, consistent with existing planned funding for the National Capital Strategic Economic Development Program.

³ Reflects a certain mandated appropriation to the Prince George's County Office of the County Executive associated with Senate Bill 156 (Chapter 791).

Quantifiable Regular Positions Needed by Agency

<u>Agency</u>	<u>Fund</u>	<u>Beginning in FY 2024</u>	<u>Beginning in FY 2025</u>
Aging	GF	1.0	0
Agriculture	GF	1.0	1.0
Alcohol, Tobacco, & Cannabis Commission	GF	9.0	0
Assessments & Taxation	SF	1.0	0
Attorney General's Office	GF	20.0	1.0
Comptroller	GF	5.0	0
Commerce	GF	0	1.0
Criminal Sentencing Policy, State Commission on	GF	1.0	0
Disabilities	GF	2.0	0
Election Board	GF	2.0	0

Quantifiable Regular Positions Needed by Agency (Continued)

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<u>Agency</u>	<u>Fund</u>	<u>Beginning in FY 2024</u>	<u>Beginning in FY 2025</u>
Emergency Management	SF	3.5	0
Environment	GF	3.0	3.0
Executive Department	GF	-2.0	0
	GF/SF	1.5	2.0
General Services	GF	2.0	0
Governor's Office of Crime Prevention, Youth, and Victim Services	GF	2.0	0
Health	GF	7.0	-0.25
	SF	0	1.0
Higher Education Commission	GF	1.0	0
	GF/SF	2.0	0
Housing & Community Development	GF	2.0	1.0
Human Services	GF/FF	8.0	0

Effect of the 2023 Legislative Program on the Financial Condition of the State

Quantifiable Regular Positions Needed by Agency (Continued)

<u>Agency</u>	<u>Fund</u>	<u>Beginning in FY 2024</u>	<u>Beginning in FY 2025</u>
Judiciary	GF	3.0	0
Labor	SF	2.0	0
Library Agency	GF	0.5	0
MIEMSS	NB	0.5	0
Military Department	GF	3.0	0
Natural Resources	GF	4.0	6.0
	SF/FF	8.0	0
New Agency – Maryland Cannabis Administration	SF	45.0	0
New Agency – Public Employee Relations Board	GF	6.0	0
Public Service Commission	SF	9.0	6.0

Quantifiable Regular Positions Needed by Agency (Continued)

<u>Agency</u>	<u>Fund</u>	<u>Beginning in FY 2024</u>	<u>Beginning in FY 2025</u>
Public Works, Board of	GF	1.0	0
School Construction	GF	1.0	0
State Police	GF	28.5	0
Transportation	SF	2.0	3.0
Treasurer	GF	8.0	0
	RF	1.0	0
University System of Maryland	GF	0	1.0
Total		194.5	25.75

Quantifiable Contractual Positions Needed by Agency

<u>Agency</u>	<u>Fund</u>	<u>Beginning in FY 2024</u>	<u>Beginning in FY 2025</u>
Aging	GFC	0.5	-0.5
Attorney General's Office	GFC	1.5	-1.5
	FFC	1.0	-1.0
Comptroller	GFC	1.0	-2.0
Environment	GFC	1.5	-0.5
Health	GFC	13.0	-1
	SFC	0.5	-0.5
Labor	GFC	1.0	-1.0
New Agency – Maryland Cannabis Administration	SFC	-8.0	0
Secretary of State	GFC	1.0	0
Total		13.0	-8.0

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 \$10.3 billion in fiscal 2024, representing a \$888.5 million, or 9.4%, increase over fiscal 2023. Direct aid will increase by \$842.7 million, and State funding for retirement payments will increase by \$45.8 million. As in prior years, local school systems will receive the largest total increase in State funding, though not in terms of percentage change. **Exhibit 4.1** compares State aid by governmental entity in fiscal 2023 and 2024.

Exhibit 4.1
State Aid to Local Governments
Fiscal 2023 and 2024
(\$ in Millions)

	<u>2023</u>	<u>2024</u>	<u>\$ Difference</u>	<u>% Difference</u>
Public Schools	\$7,230.6	\$7,891.6	\$661.0	9.1%
Libraries	68.7	70.1	1.5	2.1%
Community Colleges	390.4	430.3	39.9	10.2%
Local Health	101.3	115.8	14.5	14.3%
County/Municipal	854.4	980.3	125.9	14.7%
Subtotal – Direct Aid	\$8,645.3	\$9,488.0	\$842.7	9.7%
Retirement Payments	\$790.4	\$836.2	\$45.8	5.8%
Total	\$9,435.7	\$10,324.2	\$888.5	9.4%

Source: Department of Legislative Services

Major Legislative and Budgetary Actions

The General Assembly passed several measures during the 2023 session that altered State aid to local governments (**Exhibit 4.2**). County and municipal governments receive the majority of these enhancements. Additional funding is provided to assist Baltimore City and Kent County in covering the local appropriation for the local school system (local education effort grant). Both jurisdictions are experiencing sizeable, mandated increases in their local funding requirements under the Blueprint for Maryland's Future (Blueprint). Other major enhancements include \$4.5 million for the Maryland Meals for Achievement program, \$3.0 million to enhance teacher salaries at nonpublic schools serving special education students, and \$2.0 million to cover salary costs for program coordinators responsible for the implementation of the Blueprint.

Exhibit 4.2
State Aid Enhancements – Legislative and Budgetary Actions
Fiscal 2024

<u>Aid Program</u>	<u>Funding Amount</u>
Maryland Meals for Achievement	\$4,500,000
Nonpublic Placements	3,000,000
Blueprint Coordinators	2,000,000
School Waste Compost	250,000
Gwynn Park High School	60,000
<i>Subtotal – Education Aid</i>	<i>\$9,810,000</i>
Local Education Effort	\$10,250,000
Baltimore City Artscape	1,500,000
Emergency Rental Assistance	1,000,000
Baltimore City Parks and Recreation	200,000
<i>Subtotal – County-Municipal Aid</i>	<i>\$12,950,000</i>
Total Enhancements	\$22,760,000

Source: Department of Legislative Services

Changes by Program

State aid to local governments increases for all jurisdictions in fiscal 2024. **Exhibit 4.3** summarizes the distribution of direct aid by governmental unit and shows the estimated State retirement payments for local government employees. **Exhibit 4.4** shows total State aid in fiscal 2023 and 2024 by program. A more detailed discussion of the changes in State aid in fiscal 2024 follows the exhibits.

Exhibit 4.3
State Aid to Local Governments
Fiscal 2024 Legislative Appropriation
(\$ in Thousands)

County	County - Municipal	Community Colleges	<i>Direct State Aid</i>				Retirement	Total	Change Over FY 2023	Percent Change
			Public Schools	Libraries	Health	Subtotal				
Allegany	\$17,268	\$9,901	\$97,067	\$886	\$5,014	\$130,137	\$8,493	\$138,630	\$2,213	1.6%
Anne Arundel	54,218	45,858	531,791	2,907	9,402	644,176	73,847	718,023	71,322	11.0%
Baltimore City	367,628	0	1,121,420	9,715	11,515	1,510,278	65,682	1,575,961	51,397	3.4%
Baltimore	36,576	75,316	902,878	7,470	7,537	1,029,776	104,313	1,134,089	87,021	8.3%
Calvert	7,100	5,559	111,301	618	3,265	127,844	14,377	142,221	10,449	7.9%
Caroline	8,230	2,684	77,291	369	2,171	90,745	4,877	95,622	10,437	12.3%
Carroll	8,766	14,369	179,065	1,258	4,559	208,017	21,820	229,837	25,936	12.7%
Cecil	11,428	9,838	136,443	951	3,313	161,973	14,493	176,466	20,002	12.8%
Charles	6,533	9,932	258,487	1,385	5,111	281,448	22,501	303,948	38,468	14.5%
Dorchester	8,488	1,837	56,604	346	2,851	70,126	4,154	74,280	3,052	4.3%
Frederick	14,321	19,539	367,654	1,906	5,093	408,512	38,284	446,796	46,481	11.6%
Garrett	7,241	6,116	26,393	182	2,776	42,709	3,667	46,375	3,649	8.5%
Harford	10,982	19,317	298,072	2,121	5,951	336,444	33,347	369,791	41,507	12.6%
Howard	11,702	35,437	357,368	1,209	5,974	411,690	61,794	473,484	34,714	7.9%
Kent	1,978	847	11,652	124	2,551	17,152	1,833	18,985	1,621	9.3%
Montgomery	54,427	75,407	939,198	3,776	5,592	1,078,401	173,705	1,252,106	86,687	7.4%
Prince George's	194,782	47,815	1,545,453	8,753	9,139	1,805,941	120,936	1,926,877	263,278	15.8%
Queen Anne's	2,933	3,350	43,172	210	2,205	51,870	6,542	58,413	2,581	4.6%
St. Mary's	4,670	6,863	145,717	921	3,926	162,096	14,558	176,655	21,414	13.8%
Somerset	10,198	1,517	43,288	329	2,058	57,391	3,062	60,453	3,513	6.2%
Talbot	3,692	2,932	21,052	135	2,119	29,929	4,025	33,954	3,804	12.6%
Washington	11,584	16,849	240,254	1,641	4,437	274,765	18,612	293,378	28,987	11.0%
Wicomico	23,853	9,114	195,179	1,261	5,183	234,590	13,732	248,322	18,525	8.1%
Worcester	10,321	3,414	28,624	190	4,021	46,570	7,568	54,138	5,068	10.3%
Unallocated	91,359	6,481	156,141	21,447	0	275,427	0	275,427	6,373	2.4%
Total	\$980,278	\$430,291	\$7,891,565	\$70,108	\$115,766	\$9,488,008	\$836,225	\$10,324,232	\$888,500	9.4%

Source: Department of Legislative Services

State Aid to Local Governments
Fiscal 2023 Working Appropriation
(\$ in Thousands)

County	<i>Direct State Aid</i>						Retirement	Total
	County - Municipal	Community Colleges	Public Schools	Libraries	Health	Subtotal		
Allegany	\$17,306	\$9,132	\$96,958	\$870	\$4,094	\$128,360	\$8,057	\$136,417
Anne Arundel	52,470	42,972	470,698	2,730	8,215	577,085	69,616	646,701
Baltimore City	320,884	0	1,121,796	9,652	10,699	1,463,031	61,532	1,524,563
Baltimore	34,809	64,966	836,623	7,357	6,981	950,735	96,333	1,047,069
Calvert	6,702	5,084	102,916	578	2,723	118,002	13,770	131,773
Caroline	7,170	2,143	68,913	361	1,886	80,472	4,712	85,185
Carroll	7,532	12,832	157,714	1,222	3,938	183,237	20,664	203,901
Cecil	11,216	8,827	119,154	925	2,877	142,999	13,465	156,464
Charles	5,994	9,361	222,640	1,328	4,476	243,800	21,680	265,480
Dorchester	7,988	1,626	55,006	344	2,388	67,352	3,875	71,227
Frederick	12,224	17,380	329,416	1,820	4,354	365,194	35,121	400,315
Garrett	6,856	5,398	24,670	182	2,293	39,399	3,328	42,726
Harford	9,587	17,677	263,293	2,030	5,228	297,815	30,470	328,285
Howard	10,890	31,306	331,491	1,163	4,942	379,792	58,978	438,770
Kent	1,506	645	11,263	119	2,159	15,693	1,672	17,365
Montgomery	51,435	70,709	868,172	3,717	5,180	999,213	166,207	1,165,419
Prince George's	135,975	45,390	1,348,134	8,729	8,385	1,546,613	116,986	1,663,599
Queen Anne's	2,614	2,809	42,327	201	1,906	49,857	5,974	55,831
St. Mary's	4,017	6,263	127,121	881	3,331	141,613	13,627	155,241
Somerset	9,431	1,431	41,162	324	1,795	54,143	2,797	56,940
Talbot	3,259	2,413	18,760	131	1,764	26,327	3,822	30,149
Washington	11,276	14,541	215,590	1,604	3,877	246,888	17,502	264,390
Wicomico	19,787	7,756	183,541	1,232	4,465	216,782	13,015	229,797
Worcester	9,637	3,250	25,455	184	3,354	41,880	7,190	49,070
Unallocated	93,860	6,460	147,761	20,973	0	269,055	0	269,055
Total	\$854,426	\$390,370	\$7,230,575	\$68,656	\$101,311	\$8,645,337	\$790,395	\$9,435,732

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

State Aid to Local Governments
Dollar Difference Between Fiscal 2024 Legislative Appropriation and Fiscal 2023 Working Appropriation
(\$ in Thousands)

County	County - Municipal	Community Colleges	<i>Direct State Aid</i>				Retirement	Total
			Public Schools	Libraries	Health	Subtotal		
Allegany	-\$38	\$769	\$110	\$16	\$921	\$1,777	\$436	\$2,213
Anne Arundel	1,748	2,886	61,092	177	1,188	67,091	4,231	71,322
Baltimore City	46,744	0	-376	63	817	47,247	4,150	51,397
Baltimore	1,767	10,350	66,255	113	556	79,041	7,980	87,021
Calvert	398	476	8,385	40	542	9,841	607	10,449
Caroline	1,060	541	8,378	8	285	10,273	165	10,437
Carroll	1,234	1,537	21,351	36	621	24,780	1,157	25,936
Cecil	212	1,011	17,289	26	436	18,974	1,028	20,002
Charles	539	571	35,846	56	634	37,648	821	38,468
Dorchester	500	211	1,598	2	463	2,774	279	3,052
Frederick	2,097	2,159	38,238	86	739	43,318	3,162	46,481
Garrett	385	719	1,723	0	483	3,310	339	3,649
Harford	1,395	1,640	34,779	92	723	38,629	2,877	41,507
Howard	812	4,131	25,877	46	1,032	31,899	2,815	34,714
Kent	472	202	389	5	392	1,460	161	1,621
Montgomery	2,992	4,698	71,027	59	412	79,188	7,499	86,687
Prince George's	58,807	2,425	197,318	24	754	259,328	3,950	263,278
Queen Anne's	319	541	845	9	299	2,013	568	2,581
St. Mary's	653	600	18,596	40	595	20,483	931	21,414
Somerset	768	86	2,126	6	263	3,249	265	3,513
Talbot	433	519	2,292	3	355	3,602	202	3,804
Washington	308	2,308	24,664	37	560	27,877	1,110	28,987
Wicomico	4,065	1,359	11,639	28	717	17,808	717	18,525
Worcester	684	163	3,169	7	666	4,690	378	5,068
Unallocated	-2,500	20	8,379	474	0	6,373	0	6,373
Total	\$125,852	\$39,921	\$660,990	\$1,452	\$14,455	\$842,670	\$45,830	\$888,500

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

State Aid to Local Governments
Percent Change: Fiscal 2024 Legislative Appropriation over Fiscal 2023 Working Appropriation

County	<i>Direct State Aid</i>						Retirement	Total
	County - Municipal	Community Colleges	Public Schools	Libraries	Health	Subtotal		
Allegany	-0.2%	8.4%	0.1%	1.8%	22.5%	1.4%	5.4%	1.6%
Anne Arundel	3.3%	6.7%	13.0%	6.5%	14.5%	11.6%	6.1%	11.0%
Baltimore City	14.6%	n/a	0.0%	0.6%	7.6%	3.2%	6.7%	3.4%
Baltimore	5.1%	15.9%	7.9%	1.5%	8.0%	8.3%	8.3%	8.3%
Calvert	5.9%	9.4%	8.1%	7.0%	19.9%	8.3%	4.4%	7.9%
Caroline	14.8%	25.3%	12.2%	2.2%	15.1%	12.8%	3.5%	12.3%
Carroll	16.4%	12.0%	13.5%	3.0%	15.8%	13.5%	5.6%	12.7%
Cecil	1.9%	11.5%	14.5%	2.8%	15.1%	13.3%	7.6%	12.8%
Charles	9.0%	6.1%	16.1%	4.3%	14.2%	15.4%	3.8%	14.5%
Dorchester	6.3%	13.0%	2.9%	0.6%	19.4%	4.1%	7.2%	4.3%
Frederick	17.2%	12.4%	11.6%	4.7%	17.0%	11.9%	9.0%	11.6%
Garrett	5.6%	13.3%	7.0%	0.1%	21.1%	8.4%	10.2%	8.5%
Harford	14.6%	9.3%	13.2%	4.5%	13.8%	13.0%	9.4%	12.6%
Howard	7.5%	13.2%	7.8%	3.9%	20.9%	8.4%	4.8%	7.9%
Kent	31.4%	31.3%	3.4%	4.2%	18.2%	9.3%	9.6%	9.3%
Montgomery	5.8%	6.6%	8.2%	1.6%	8.0%	7.9%	4.5%	7.4%
Prince George's	43.2%	5.3%	14.6%	0.3%	9.0%	16.8%	3.4%	15.8%
Queen Anne's	12.2%	19.2%	2.0%	4.7%	15.7%	4.0%	9.5%	4.6%
St. Mary's	16.2%	9.6%	14.6%	4.5%	17.9%	14.5%	6.8%	13.8%
Somerset	8.1%	6.0%	5.2%	1.8%	14.7%	6.0%	9.5%	6.2%
Talbot	13.3%	21.5%	12.2%	2.6%	20.2%	13.7%	5.3%	12.6%
Washington	2.7%	15.9%	11.4%	2.3%	14.5%	11.3%	6.3%	11.0%
Wicomico	20.5%	17.5%	6.3%	2.3%	16.1%	8.2%	5.5%	8.1%
Worcester	7.1%	5.0%	12.4%	3.6%	19.9%	11.2%	5.3%	10.3%
Unallocated	-2.7%	0.3%	5.7%	2.3%	n/a	2.4%	-100.0%	2.4%
Total	14.7%	10.2%	9.1%	2.1%	14.3%	9.7%	5.8%	9.4%

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

Exhibit 4.4
Total State Aid to Local Governments
Fiscal 2023 and 2024

<u>Program</u>	<u>2023</u>	<u>2024</u>	<u>Difference</u>
Foundation Aid	\$3,659,452,582	\$3,768,324,327	\$108,871,745
Foundation – Special Grants	0	34,508,079	34,508,079
Geographic Cost of Education Index	157,909,651	0	-157,909,651
Comparable Wage Index	0	155,298,837	155,298,837
Compensatory Education	1,295,201,860	1,686,097,760	390,895,900
Student Transportation – Regular	308,751,983	335,817,268	27,065,285
Student Transportation – Special Education	27,213,000	27,547,000	334,000
Special Education – Formula	401,310,445	465,973,318	64,662,873
Special Education – Nonpublic Placements	141,413,212	148,613,212	7,200,000
Special Education – Infants and Toddlers	14,673,430	15,815,593	1,142,163
English Language Learners Grant	422,465,014	473,518,248	51,053,234
Guaranteed Tax Base	45,783,860	56,783,213	10,999,353
Prekindergarten Expansion Program	26,644,000	26,644,000	0
School Safety Grants	20,600,000	23,600,000	3,000,000
Blueprint – Concentration of Poverty	190,286,426	227,257,191	36,970,765
Blueprint – Transitional Supplemental Instruction	49,951,813	51,323,685	1,371,872
Blueprint – Transition Grants	57,688,465	57,688,465	0
Blueprint – Full Day PreKindergarten	144,063,352	99,575,069	-44,488,283
Blueprint – College and Career Readiness	18,669,966	19,888,097	1,218,131
Blueprint – Education Effort Index	125,673,114	87,978,308	-37,694,806
Blueprint – Career Ladder	9,033,505	9,534,910	501,405
Blueprint – Coordinators	0	2,000,000	2,000,000
Food Service	15,796,664	20,296,664	4,500,000
SEED School	12,291,760	12,782,839	491,079
Judy Hoyer Centers	24,936,380	27,906,380	2,970,000
Teacher Development	23,322,000	23,322,000	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	2,000,000	0

<u>Program</u>	<u>2023</u>	<u>2024</u>	<u>Difference</u>
Head Start	3,000,000	3,000,000	0
Other Education Aid	24,442,396	20,470,894	-3,971,502
Total Primary and Secondary Education	\$7,230,574,878	\$7,891,565,357	\$660,990,479
Library Formula	\$47,683,020	\$48,661,216	\$978,196
Library Network	20,972,879	21,446,585	473,706
Total Libraries	\$68,655,899	\$70,107,801	\$1,451,902
Community College Formula	\$355,061,438	\$393,281,399	\$38,219,961
Optional Retirement	16,700,000	16,700,000	0
Grants for ESOL Programs	3,026,334	3,163,628	137,294
Small College Grants	9,121,808	10,665,104	1,543,296
Other Community College Aid	6,460,457	6,480,529	20,072
Total Community Colleges	\$390,370,037	\$430,290,660	\$39,920,623
Highway User Revenue	\$274,257,000	\$331,426,000	\$57,169,000
Elderly and Disabled Transportation Aid	4,305,908	4,305,908	0
Paratransit Grants	1,408,450	1,408,450	0
Bus Rapid Transit Systems	14,637,225	14,151,701	-485,524
Total Transportation	\$294,608,583	\$351,292,059	\$56,683,476
Police Aid	\$76,633,868	\$75,822,530	-\$811,338
Police Aid Enhancement	45,878,144	45,878,144	0
Fire and Rescue Aid	15,000,000	15,000,000	0
9-1-1 Grants	28,421,995	28,421,995	0
Baltimore City Direct Police Grant	9,180,113	9,180,113	0
Safe Streets Program	3,600,000	3,600,000	0
State's Attorney Grants	2,905,955	2,905,955	0
Violent Crime Grants	2,292,489	2,292,489	0
Vehicle Theft Prevention	1,886,020	3,136,020	1,250,000
Drug Enforcement Grants	1,214,610	1,214,610	0
Maryland Criminal Intelligence Network	6,723,865	6,723,865	0
Police Recruitment and Retention	1,300,000	1,300,000	0
Rape Kit Testing Grant Fund	3,500,000	3,500,000	0

<u>Program</u>	<u>2023</u>	<u>2024</u>	<u>Difference</u>
Police Accountability	8,000,000	8,000,000	0
Warrant Apprehension Grant	3,250,000	5,250,000	2,000,000
License Plate Reader Grant	5,000,000	0	-5,000,000
Cross Jurisdictional Task Forces	1,000,000	0	-1,000,000
Other Public Safety Aid	5,431,509	5,431,509	0
Total Public Safety	\$221,218,568	\$217,657,230	-\$3,561,338
Wastewater Treatment – Nutrient Removal	\$11,000,000	\$11,000,000	\$0
Critical Area Grants	138,450	148,126	9,676
Total Recreation/Environment	\$11,138,450	\$11,148,126	\$9,676
Local Health Formula	\$101,310,589	\$115,765,571	\$14,454,982
Disparity Grant	\$161,217,795	\$220,154,519	\$58,936,724
Gaming Impact Grants	\$107,164,490	\$107,958,027	\$793,537
Teachers Retirement Supplemental Grants	27,658,661	27,658,661	0
Local Education Effort	0	10,250,000	10,250,000
Adult Education	8,011,986	8,011,986	0
Statewide Voting Systems	5,372,337	5,551,102	178,765
Revenue Equity Program	3,928,657	3,987,467	58,810
Payments in Lieu of Taxes (PILOT)	1,667,392	1,809,044	141,652
PILOT – Park Service	2,879,000	2,879,000	0
PILOT – Forest Service	144,708	205,708	61,000
Instant Bingo	3,150,000	3,150,000	0
Behavioral Health Crisis Response	5,000,000	5,000,000	0
Baltimore City Artscape	0	1,500,000	1,500,000
Emergency Rental Assistance	0	1,000,000	1,000,000
Senior Citizens Activities Center	765,117	765,241	124
State Center Redevelopment Plan	500,000	0	-500,000
Baltimore City Parks and Recreation	0	200,000	200,000
Maryland Park Explorer Program	0	100,000	100,000
Total Other Direct Aid	\$166,242,348	\$180,026,236	\$13,783,888
Total Direct Aid	\$8,645,337,147	\$9,488,007,559	\$842,670,412

<u>Program</u>	<u>2023</u>	<u>2024</u>	<u>Difference</u>
Retirement – Teachers	\$724,643,897	\$768,559,037	\$43,915,140
Retirement – Libraries	20,776,867	21,608,490	831,623
Retirement – Community Colleges	44,974,265	46,057,271	1,083,006
Total Payments-in-behalf	\$790,395,029	\$836,224,798	\$45,829,769
 Total State Aid	 \$9,435,732,176	 \$10,324,232,357	 \$888,500,181

ESOL: English for Speakers of Other Languages

Source: Department of Legislative Services

Primary and Secondary Education

State aid to public schools will total \$8.7 billion in fiscal 2024, an increase of \$704.9 million over fiscal 2023, and includes \$7.9 billion in direct aid and \$768.6 million in retirement payments. Public schools account for the vast majority of State funding to local governments, representing approximately 84% of total State aid.

Blueprint legislation, including Chapter 771 of 2019, Chapters 36 and 55 of 2021, and Chapter 33 of 2022, established new programs and updated education funding formulas. The legislation results in substantial anticipated annual increases in State aid to public schools for several years to come. The great majority of the \$704.9 million increase in fiscal 2024 is driven by funding increases in four major formula aid programs as well as one-time hold harmless grants, as discussed below.

Foundation funding increases by \$108.9 million in fiscal 2024, due largely to a 4.0% increase in the per pupil funding amount and a 0.5% increase in full-time equivalent (FTE) enrollment. The fiscal 2024 budget also includes \$34.5 million in foundation special hold harmless grants, preventing substantial decreases in direct State education aid for any local school system, including \$30.4 million for Baltimore City Public Schools and \$4.1 million for Allegany County Public Schools.

Compensatory education funding increases by \$390.9 million in fiscal 2024, due mostly to a 33.6% increase in free and reduced-price meal (FRPM) student enrollment. This increase in the FRPM count is due to an alternative approach in identifying eligible students and not necessarily related to a downturn in the income status of the student's family. The Commission on Innovation and Excellence in Education recommended that Medicaid eligibility be used to determine FRPM eligibility once the Maryland State Department of Education and the Maryland Department of

Health have the necessary memorandum of understanding and information systems in place. This is the first time that this approach has been used to determine FRPM eligibility.

The General Assembly also passed legislation with significant implications for State aid for public schools. **House Bill 448 (Chapter 648)** requires a nonpublic school in which a child receiving special education services is placed to pay its teachers a salary that is equivalent to the local school salaries, phased in as specified over three years, beginning in fiscal 2024. Consequently, State expenditures increase by an estimated \$3.5 million in fiscal 2024 and by an estimated \$11.4 million in fiscal 2028. The local government share of nonpublic placements also increases under the legislation. The fiscal 2024 State budget provides \$148.6 million in State aid for nonpublic placements (a \$7.2 million increase), including \$3.0 million for the State's share of increasing salaries of nonpublic school special education teachers.

Senate Bill 559 (Chapter 628) increases mandated annual funding by \$4.5 million, from \$7.6 million to \$12.1 million, for the Maryland Meals for Achievement In-Classroom Breakfast Program, beginning in fiscal 2025. The fiscal 2024 budget similarly includes an additional \$4.5 million for this purpose, contingent upon enactment of this legislation. Consequently, public school food service State aid increases by \$4.5 million, to a total of \$20.3 million in fiscal 2024.

Local Libraries

State aid to local libraries will total \$91.7 million in fiscal 2024, an increase of \$2.3 million, which includes \$70.1 million in direct aid and \$21.6 million in retirement payments. Local libraries account for approximately 1% of total State aid to local governments, with funding targeted to local library systems, regional resource centers, and the State Library Resource Center in Baltimore City.

The State provides funding to local library systems through a formula that determines the State and local shares of a minimum per capita library program. Per capita funding is \$17.90 in fiscal 2024 and is set to increase to \$19.10 annually, beginning in fiscal 2027. Fiscal 2024 funding totals \$45.7 million. In addition, Baltimore City continues to receive \$3.0 million annually to support expanded operations as it has since fiscal 2018. The State also provides State library network funding in the form of per capita funding to regional resource centers (\$9.39 per capita in fiscal 2024) and for the State Library Resource Center (\$1.97 annually). Regional resource per capita funding is set to increase annually until reaching \$9.99 by fiscal 2027. State library network funding totals \$21.4 million in fiscal 2024, an increase of \$473,700.

Community Colleges

State aid to local community colleges will total \$476.3 million in fiscal 2024, an increase of \$41.0 million, which includes \$430.3 million in direct aid and \$46.1 million in retirement payments. Community colleges account for 4.6% of total State aid to local governments. The Cade funding formula is the main source of State funding in support of community colleges. The formula is based on a percentage (29%) of the current year's State aid to selected four-year public

higher education institutions and the total number of FTE students at the community colleges. The total is then distributed to each college based on the previous year's direct grant, enrollment, and a small-size factor.

Local Health

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 local health 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. In fiscal 2024, State funding for local health departments will total \$115.8 million, which accounts for 1.1% of total State aid. This funding amount includes \$60.8 million under the formula and \$55.0 million in supplemental funding.

Transportation

The Maryland Department of Transportation provides capital transportation grants to local governments based on the amount of revenue allocated to the Gasoline and Motor Vehicle Revenue Account (GMVRA). This funding is allocated to local governments through the local highway user revenues program. In fiscal 2024, funding to local governments is based on 15.6% of total GMVRA revenues. Allocations to counties and municipalities are based on the percentage of road miles and vehicle registrations within each local jurisdiction. Baltimore City receives a larger share of local highway user revenues than other jurisdictions because the State does not conduct highway maintenance or construction within the city (except for portions of I-95). In fiscal 2024, local highway user revenues will total \$331.4 million, a \$57.2 million increase over the fiscal 2023 amount. Of this amount, county governments will receive \$78.6 million, municipal governments will receive \$51.0 million, and Baltimore City will receive \$201.8 million.

The State budget also includes \$14.2 million in funding for a bus rapid transit system in Montgomery County, which continues funding that began in fiscal 2023. Local governments will also receive \$4.3 million for elderly and disabled transportation services and \$1.4 million in support for paratransit services, which reflect constant funding from the prior year.

Public Safety

State aid for public safety programs will total \$217.7 million in fiscal 2024, which represents a \$3.6 million decrease from the prior year. This decrease is primarily attributable to the removal of several one-time grants.

Maryland's counties and municipalities receive grants for police protection through the police aid formula. The police aid formula allocates funds on a per capita basis, and jurisdictions

with a higher population density receive greater per capita grants. Municipalities receive additional grants based on the number of sworn officers. State funding for police aid will total \$75.8 million in fiscal 2024, representing a slight decrease over the fiscal 2023 amount due to minor decreases in population. The State budget includes, for the second year, an additional \$45.9 million in enhanced police aid funding to address violent crime, with this funding allocated based on each jurisdiction's share of total violent offenses committed in the State.

Local law enforcement agencies receive additional State funding through targeted crime grants, which will total \$52.5 million in fiscal 2024, a decrease of \$2.75 million due to the removal of one-time funding for cross jurisdictional task forces and for local police departments to purchase license plate readers. The fiscal 2024 budget includes funding for one new statewide initiative to support warrant apprehension efforts and to reduce the number of outstanding warrants.

State funding for county 9-1-1 systems, which consists of funding from the State 9-1-1 fee and 25% of the prepaid wireless E 9-1-1 fee, is level funded in fiscal 2024, at \$28.4 million. Local governments will also receive \$15.0 million for fire and rescue aid in fiscal 2024, which reflects constant funding from the prior year.

Disparity Grants

The disparity grant program provides funding to low-wealth jurisdictions where per capita local income tax revenue is below 75% of the statewide average. 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. In fiscal 2024, disparity grant funding will total \$220.2 million, which represents a \$58.9 million increase from the prior year.

Gaming Impact Grants

From the proceeds generated by video lottery terminals (VLT) at video lottery facilities in the State, generally 5.5% is distributed to local governments in which a video lottery facility is operating. In addition, 5.0% of table game revenues are distributed to local jurisdictions where a video lottery facility is located. In fiscal 2024, gaming impact grants total \$108.0 million, an increase of \$793,500 over fiscal 2023 levels.

Other Grants

The fiscal 2024 budget includes several one-time grants to local governments. Local education effort grants are provided to two local governments for the purpose of funding the local appropriation to the public school system. Baltimore City will receive \$10.0 million, and Kent County will receive \$250,000. Grants totaling \$1.5 million and \$200,000 are also provided to Baltimore City to support the 2023 Artscape Festival and a middle school basketball league.

The Neighborhood Revitalization program within the Department of Housing and Community Development provides local communities, nonprofit and community development

organizations, and small businesses with access to resources that leverage new investment for priority Smart Growth initiatives. The fiscal 2024 budget enhances funding for this program in the amount of \$1.0 million to provide a grant to Prince George's County to support an emergency rental assistance fund for seniors.

Summary of State Mandates	
Community Colleges	3
Cybersecurity	1
Education	4
Elections	3
Finances and Taxes	1
Personnel	1
Public Safety	1
Total	14

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 3/HB 271	9-8-8 Trust Fund – Funding (Ch. 260/Ch. 261)	Potential significant increase in reimbursement revenues for behavioral health crisis response services.	No
SB 61	Property Tax Credit – Public Safety Officer (Ch. 559)	Potential decrease in county and municipal property tax revenues.	No
SB 141/HB 180	Income Tax – Subtraction Modification for Adoption Expenses – Alterations (Ch. 550/Ch. 551)	Local income tax revenues decrease by \$54,000 annually.	No
SB 224/HB 230	Department of the Environment – Zero-Emission Medium- and Heavy-Duty Vehicles – Regulations (Clean Trucks Act of 2023) (Ch. 96/Ch. 97)	Potential grant revenues (duplicative of impact for HB 550).	No
SB 226	Criminal Law – Child Pornography – Accessing and Intentionally Viewing (Ch. 759)	Minimal fine revenues.	No
SB 228/HB 614	Department of Aging – Long-Term Care and Dementia Care Navigation Programs (Ch. 667/Ch. 668)	Beginning in FY 2025, State funding for area agencies on aging that are units of local government.	No
SB 240	Income Tax – Out-of-State Taxes Paid by Pass-Through Entities – Addition Modification (Ch. 445)	Potential increase in local income tax revenues.	No
SB 248/HB 384	Institutions of Higher Education – Transcripts – Prohibition on Punitive Measures Related to Student Debt (Ch. 748/Ch. 749)	Decrease in collection revenues for local community colleges. Foregone revenues may be partially offset by increased tuition and fees.	Yes
SB 273	National Capital Strategic Economic Development Fund – Annual Appropriation and Authorized Uses (Ch. 494)	Potential financial assistance revenues for Montgomery and Prince George’s counties.	No

Legislation Affecting Local Government Revenues (Continued)

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
SB 282/HB 289	Maryland Forestry Education Fund – Establishment (Ch. 480/Ch. 479)	Potential grant revenues beginning in FY 2025.	No
SB 283/HB 418	Mental Health – Workforce Development – Fund Established (Ch. 286/Ch. 287)	Potential reimbursement revenues.	No
SB 300/HB 243	Baltimore City Young Readers Program and Young Readers Matching Grant Program – Alterations (Ch. 650/Ch. 649)	Potential grant revenues.	No
SB 310	Natural Resources – Black Bear Damage Prevention and Reimbursement Fund – Uses (Ch. 565)	Potential grant revenues.	No
SB 313/HB 561	Town of Mount Airy (Carroll County and Frederick County) – Urban Renewal Authority (Ch. 125/Ch. 124)	Potential land and property sales revenues.	No
SB 333/HB 471	Economic Development – Regional Institution Strategic Enterprise Zone Program – Alterations and Financing (Ch. 523/Ch. 522)	Potential tax increment financing revenues beginning in FY 2024. Beginning in FY 2025, potential decrease in local property tax revenues for Baltimore City and Montgomery, Prince George’s, and Wicomico counties.	No
SB 343	Maryland Achieving a Better Life Experience (ABLE) Program – Account Establishment – Procedures (Ch. 637)	Decrease in local income tax revenues.	No
SB 435/HB 508	Property Tax Credit – Disabled Law Enforcement Officers and Rescue Workers – Definition and Eligibility (Ch. 534/Ch. 533)	Potential decrease in property tax revenues.	No
SB 442	Economic Development – Sports Entertainment Facilities – Financing and Construction (Ch. 468)	Potential economic activity revenues.	No

Legislation Affecting Local Government Revenues (Continued)

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
SB 452	Film Production Activity Income Tax Credit – Alterations and Maryland Entertainment Council (Ch. 434)	Local highway user revenues decrease by \$79,400 in FY 2024, \$176,400 in FY 2025, and \$298,700 in FY 2026.	No
SB 470	Natural Resources – Land Conservation – Establishment of Goals and Programs (Maryland the Beautiful Act) (Ch. 546)	Beginning in FY 2025, potential revenues related to land conservation and environmental education and stewardship. In FY 2025 only, potential (though unlikely) offsetting decrease in revenues from Program Open Space and the Rural Legacy Program.	No
SB 516/HB 556	Cannabis Reform (Ch. 255/Ch. 254)	Statewide, local revenues increase by an estimated \$1.8 million in FY 2024 and an estimated \$7.9 million in FY 2028 due to the distribution of sales and use tax revenues from the sale of cannabis. In addition, potential significant funding from the Cannabis Public Health Fund.	No
SB 518/HB 779	Tax Sales – Revisions (Ch. 80/Ch. 79)	Potential property tax and other revenue collections.	No
SB 525/HB 922	Economic Development – Program Participation – Cannabis Business Establishments (Ch. 472/Ch. 471)	Potential decrease in local highway user revenues.	No
SB 526/HB 723	Natural Resources – Forest Preservation and Retention (Ch. 542/Ch. 541)	Potential indeterminate effect on fee-in-lieu revenues beginning as early as FY 2025.	No
SB 549/HB 552	Economic Development – Build Our Future Grant Pilot Program and Fund (Innovation Economy Infrastructure Act of 2023) (Ch. 431/Ch. 430)	Potential grant revenues in FY 2024 through 2027.	No
SB 552/HB 547	Family Prosperity Act of 2023 (Ch. 3/Ch. 4)	Local income tax revenues decrease by \$6.1 million in FY 2024 and \$6.6 million in FY 2028.	No
SB 553/HB 554	Income Tax – Subtraction Modification for Military Retirement Income (Keep Our Heroes Home Act) (Ch. 614/Ch. 613)	Local income tax revenues decrease by \$7.3 million in FY 2024 and by \$8.6 million in FY 2028.	No
SB 555	Fair Wage Act of 2023 (Ch. 2)	Minimal increase in local income tax revenues in FY 2024 through 2026.	No

Legislation Affecting Local Government Revenues (Continued)

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
SB 559	Education – Maryland Meals for Achievement In-Classroom Breakfast Program – Annual Appropriation (Ch. 628)	State education aid to local school systems increases by nearly \$4.5 million annually beginning in FY 2024. Federal matching funds increase by nearly \$10.0 million annually beginning in FY 2024.	No
SB 580/HB 751	Public Safety – Officer and Community Wellness Training Grant Fund (Ch. 752/Ch. 753)	Grant revenues for local law enforcement agencies beginning as early as FY 2025.	No
SB 611/HB 874	Office of the Attorney General – Environmental and Natural Resources Crimes Unit – Establishment (Ch. 689/Ch. 690)	Potential criminal penalty revenues.	No
SB 624/HB 1074	Income Tax – Automated External Defibrillator Tax Credit (Joe Sheya Act) (Ch. 307/Ch. 306)	Local highway user revenues may decrease by a total of \$69,000 in FY 2024 through 2026.	No
SB 650	Public Safety – State Disaster Recovery Fund (Ch. 549)	Potential disaster recovery assistance revenues.	No
SB 691	Home Amenity Rentals – Sales and Use Tax Imposed and Local Tax Authorized (Ch. 805)	Potential home amenity rental tax revenues beginning in FY 2025.	No
SB 699/HB 781	Maryland Technology Development Corporation – Equitech Growth Fund and Commission (Ch. 461/Ch. 462)	Potential financial assistance award revenues.	No
SB 721	Income Tax – Credit for Federal Security Clearance Costs – Alterations (Ch. 438)	Local highway user revenues decrease by \$36,400 to \$51,400 annually in FY 2025 through 2028. Minimal increase in local income tax revenues in FY 2025 through 2028.	No
SB 783	Preservation and Reuse of Historic Complexes Study and Alterations to the Income Tax Credit for Catalytic Revitalization Projects (Ch. 173)	Potential decrease in local highway user revenues.	No
SB 841	Local School Systems – Student Field Trips – Funding (Ch. 747)	Grant revenues for local school systems increase by \$500,000 annually (statewide) beginning in FY 2025.	No

Legislation Affecting Local Government Revenues (Continued)

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
SB 848	Statewide Rental Assistance Voucher Program – Establishment (Ch. 446)	State rental assistance program funds.	No
SB 858	Firearm Safety – Storage Requirements and Youth Suicide Prevention (Jaelynn’s Law) (Ch. 622)	Potential grant revenues for local school systems and local health departments.	No
SB 968	Income Tax – Captive Real Estate Investment Trusts – Alterations (Ch. 478)	Potential decrease in local highway user revenues.	No
HB 2	Income Tax – Subtraction Modification – Union Dues (Ch. 513)	Local income tax revenues decrease by \$6.45 million in FY 2024 and by \$7.54 million in FY 2028.	No
HB 12	Equitable and Inclusive Transit-Oriented Development Enhancement Act (Ch. 512)	Potential grant revenues.	No
HB 57	Property Tax – Tax Sales – Requirement to Sell (Ch. 272)	Potential delay of property tax collections.	No
HB 90	Local Government – Regulatory Powers – Regulation of Invasive Bamboo (Ch. 517)	Potential fine revenues.	No
HB 169	Public Utilities – Energy Efficiency and Conservation Programs – Energy Performance Targets and Low-Income Housing (Ch. 572)	Grant revenues for energy efficiency and conservation measures.	No
HB 180/SB 141	See entry for SB 141.		No
HB 226	Criminal Law – Person in a Position of Authority – Sexual Offenses With a Minor (Ch. 730)	Minimal fine revenues.	No
HB 230/SB 224	See entry for SB 224.		No
HB 243/SB 300	See entry for SB 300.		No

Legislation Affecting Local Government Revenues (Continued)

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
HB 271/SB 3	See entry for SB 3.		No
HB 289/SB 282	See entry for SB 282.		No
HB 371	Recordation Tax – Indemnity Mortgage Exemption – Threshold Amount (Ch. 800)	Potential significant reduction in local recordation tax revenues beginning in FY 2025.	No
HB 384/SB 248	See entry for SB 248.		Yes
HB 391	Vehicle Laws – Parking Enforcement – Citations (Ch. 451)	Potential delay in fine revenues.	No
HB 404	Property Tax – Local Homeowners’ Credit Supplement – Limitation on Combined Gross Income (Ch. 530)	Potential decrease in local property tax revenues.	No
HB 418/SB 283	See entry for SB 283.		No
HB 471/SB 333	See entry for SB 333.		No
HB 503	Natural Resources – Greenspace Equity Program – Establishment (Ch. 487)	Potential grant revenues beginning in FY 2025.	No
HB 508/SB 435	See entry for SB 435.		No
HB 524	Maryland Stadium Authority – Camden Yards Sports Facilities Funds and Bus Rapid Transit Fund (Ch. 112)	Bus rapid transit system grant revenues for Montgomery County decrease by \$14.2 million in FY 2024. Potential indeterminate effect on grant revenues for certain local jurisdictions beginning in FY 2025.	No
HB 547/SB 552	See entry for SB 552.		No
HB 550	Maryland Energy Administration – Energy Programs – Modifications (Clean Transportation and Energy Act) (Ch. 98)	Potential grant, rebate, and loan revenues.	No

Legislation Affecting Local Government Revenues (Continued)

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
HB 552/SB 549	See entry for SB 549.		No
HB 554/SB 553	See entry for SB 553.		No
HB 556/SB 516	See entry for SB 516.		No
HB 561/SB 313	See entry for SB 313.		No
HB 584	Income Tax Credit – Food Donations by Qualified Farms – Sunset Repeal and Alterations (Farmers Feeding Families Act) (Ch. 454)	Minimal decrease in local highway user revenues beginning in FY 2025.	No
HB 614/SB 228	See entry for SB 228.		No
HB 706	Community Development – Sustainable Communities – Business Facade Improvement Program (Ch. 437)	Statewide, local revenues increase by \$1.5 million in FY 2024 and by \$4.9 million annually thereafter due to receipt of business facade improvement program funds.	No
HB 723/SB 526	See entry for SB 526.		No
HB 751/SB 580	See entry for SB 580.		No
HB 770	Blueprint for Maryland’s Future – Various Policies and Prekindergarten Enrollment and Funding – Alterations (Ch. 119)	State aid to local school systems increases by a significant amount in FY 2024 and is altered by lesser amounts in future years.	No
HB 779/SB 518	See entry for SB 518.		No
HB 781/SB 699	See entry for SB 699.		No
HB 824	Public Safety – Regulated Firearms – Possession and Permits to Carry, Wear, and Transport a Handgun (Ch. 651)	Minimal fine revenues.	No

Legislation Affecting Local Government Revenues (Continued)

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
HB 874/SB 611	See entry for SB 611.		No
HB 908	Electricity – Community Solar Energy Generating Systems Program and Property Taxes (Ch. 652)	Potential decrease in personal property tax revenues beginning in FY 2026.	No
HB 922/SB 525	See entry for SB 525.		No
HB 923	Higher Education – Appointment of Secretary and Student Financial Assistance – Accommodations at Public Institutions for Religious Beliefs (Ch. 634)	Potential State funding support for locally funded community colleges to offset scholarship administration costs.	No
HB 1071	Criminal Law and Procedure – Cannabis – Fines for Smoking in Public, Stops, and Searches (Ch. 802)	Minimal decrease in fine revenues.	No
HB 1074/SB 624	See entry for SB 624.		No

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 472/HB 520	City of Annapolis – Alcoholic Beverages – Art Establishment (Ch. 351/Ch. 352)	Potential decrease in license fee revenues.	No
SB 679/HB 710	Anne Arundel County – Speed Monitoring Systems – Residential Districts (Ch. 593/Ch. 592)	Potential significant fine revenues.	No
HB 520/SB 472	See entry for SB 472.		No
HB 710/SB 679	See entry for SB 679.		No
<i>Baltimore City</i>			
SB 41/HB 249	Baltimore City – Property Tax – Retroactive Exemption (Ch. 230/Ch. 229)	Baltimore City property tax revenues decrease by about \$285,000 annually in FY 2023 through 2027.	Yes
SB 588/HB 886	Baltimore City – 40th District – Alcoholic Beverages (Ch. 388/Ch. 389)	Minimal license fee revenues.	No
SB 847/HB 916	Baltimore City – Alcoholic Beverages – Violation Procedures and Fines (Ch. 393/Ch. 394)	Potential penalty and fine revenues.	No
SB 855	Baltimore City – Property Tax – In Rem Foreclosure of Vacant or Nuisance Property (Ch. 408)	Potential property sales and property tax revenues.	No
HB 249/SB 41	See entry for SB 41.		Yes
HB 886/SB 588	See entry for SB 588.		No
HB 916/SB 847	See entry for SB 847.		No

Legislation Affecting Local Government Revenues (Continued)

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
<i>Baltimore County</i>			
SB 347/HB 248	Baltimore County – Class B-ECF/DS (Education Conference Facility/Dining Service) License – Towson University (Ch. 774/Ch. 775)	License fee revenues increase by \$2,500 in FY 2024 and by \$2,000 annually thereafter.	No
HB 248/SB 347	See entry for SB 347.		No
<i>Carroll County</i>			
SB 305	Carroll County – Public Facilities Bond (Ch. 81)	Bond revenues increase by up to \$65.6 million.	No
<i>Charles County</i>			
SB 521/HB 947	Charles County – Property Tax – Credit for Volunteer Emergency Responders (Ch. 600/Ch. 599)	Charles County property tax revenues decrease by \$347,300 in FY 2024 and by \$375,900 in FY 2028 to the extent the property tax credit is granted.	No
HB 947/SB 521	See entry for SB 521.		No
<i>Frederick County</i>			
HB 644	Frederick County – Alcoholic Beverages Licenses – Golf Simulator Facility (Ch. 82)	Minimal license fee revenues.	No
HB 989	Frederick County – Alcoholic Beverages – Miniature Golf Course License (Ch. 420)	License fee revenues increase by \$1,500 annually.	No
<i>Harford County</i>			
SB 654/HB 1063	Harford County – Alcoholic Beverages – Class HC (Health Club) License (Ch. 395/Ch. 396)	Minimal license fee revenues.	No

Legislation Affecting Local Government Revenues (Continued)

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
SB 738/HB 1059	Harford County – Alcoholic Beverages – Performing Arts Theater License (Ch. 397/Ch. 398)	License fee revenues increase by \$500 annually.	No
HB 1059/SB 738	See entry for SB 738.		No
HB 1063/SB 654	See entry for SB 654.		No
<i>Prince George's County</i>			
SB 156	Prince George's County – Prince George's County Reentry Employment Incentive Program – Funding (Ch. 791)	Grant revenues increase by \$500,000 annually in FY 2025 through 2028.	No
SB 506/HB 825	Town of Forest Heights (Prince George's County) – Urban Renewal Authority for Blight Clearance (Ch. 210/Ch. 209)	Potential land and property sales revenues.	No
HB 435	Prince George's County – Speed Monitoring Systems – Maryland Route 210 (Indian Head Highway) PG 304-23 (Ch. 606)	Fine revenues beginning as early as FY 2023.	No
HB 436	Prince George's County – Alcoholic Beverages – Licensing PG 305-23 (Ch. 93)	Potential license fee revenues.	No
HB 444	Prince George's County – Payment in Lieu of Taxes Agreements – Low-Income Housing PG 403-23 (Ch. 208)	Potential decrease in property tax revenues.	No
HB 825/SB 506	See entry for SB 506.		No
HB 946	Prince George's County – Alcoholic Beverages – Main Street Laurel Development PG 404-23 (Ch. 94)	Potential license fee revenues.	No

Legislation Affecting Local Government Revenues (Continued)

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
HB 1109	Prince George's County – Economic Development – Business Improvement Districts PG 407-23 (Ch. 608)	Potential business improvement district tax revenues.	No
<i>St. Mary's County</i>			
SB 457	St. Mary's County – Public Facilities Bond (Ch. 130)	Bond revenues increase by up to \$56.0 million.	No
HB 247	St. Mary's County – Transfer Tax – Sunset Extension (Ch. 427)	Transfer tax revenues of \$8.0 million are maintained through FY 2028.	No
HB 526	St. Mary's County – Transfer of Child Support Unit and Personnel to the Child Support Administration (Ch. 242)	Decrease in federal fund revenues for child support enforcement.	No
<i>Talbot County</i>			
HB 700	Talbot County – Speed Monitoring Systems – Intersection of Maryland Route 333 (Oxford Road) and Bonfield Avenue (Ch. 610)	Fine revenues in FY 2024 through 2029.	No
<i>Wicomico County</i>			
SB 246/HB 1004	Wicomico County – Sanitary District – Authorization (Ch. 510/Ch. 509)	Potential utility fee revenues.	No
HB 1004/SB 246	See entry for SB 246.		No

Legislation Affecting Local Government Revenues (Continued)

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
<i>Worcester County</i>			
SB 135/HB 113	Worcester County – Alcoholic Beverages – Ocean City Promoter’s License (Ch. 345/Ch. 346)	License fee revenues increase by \$25,000 in FY 2024.	No
HB 113/SB 135	See entry for SB 135.		No

Effect of the 2023 Legislative Program on the Financial Condition of the State

Legislation Affecting Local Government Expenditures

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
Legislation Affecting All/Multiple Local Jurisdictions			
SB 3/HB 271	9-8-8 Trust Fund – Funding (Ch. 260/Ch. 261)	Potential significant increase in behavioral health service expenditures correspond with increased available funding.	No
SB 114	Property Tax – Real Property Tax Assessment and Tax Rate Increases – Notice Requirements (Ch. 531)	Potential decrease in notification costs beginning in FY 2024. In FY 2023, potential increase in specified notification costs.	No
SB 129/HB 4	Criminal Law – Sexual Crimes – Repeal of Spousal Defense (Ch. 729/Ch. 728)	Minimal incarceration costs.	No
SB 139	State Police Retirement System and Law Enforcement Officers’ Pension System – Deferred Retirement Option Program – Alterations (Ch. 400)	Minimal decrease in pension costs beginning in FY 2025.	No
SB 224/HB 230	Department of the Environment – Zero-Emission Medium- and Heavy-Duty Vehicles – Regulations (Clean Trucks Act of 2023) (Ch. 96/Ch. 97)	Potential transportation costs. In addition, potential grant expenditures (duplicative of impact for HB 550).	No
SB 226	Criminal Law – Child Pornography – Accessing and Intentionally Viewing (Ch. 759)	Minimal incarceration costs.	No
SB 228/HB 614	Department of Aging – Long-Term Care and Dementia Care Navigation Programs (Ch. 667/Ch. 668)	Beginning in FY 2025, program costs for area agencies on aging that are units of local government.	No
SB 256/HB 470	Environment – Fire-Fighting Training – Oriented Strand Board – Prohibition (Ch. 579/Ch. 580)	Potential compliance costs.	No

Legislation Affecting Local Government Expenditures (Continued)

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
SB 263/HB 573	Maryland Higher Education Commission – Access to Mental Health Advisory Committee – Establishment (Ch. 401/Ch. 402)	Potential staffing costs for local community colleges.	No
SB 273	National Capital Strategic Economic Development Fund – Annual Appropriation and Authorized Uses (Ch. 494)	Potential economic development expenditures for Montgomery and Prince George’s counties.	No
SB 282/HB 289	Maryland Forestry Education Fund – Establishment (Ch. 480/Ch. 479)	Potential grant expenditures beginning in FY 2025.	No
SB 300/HB 243	Baltimore City Young Readers Program and Young Readers Matching Grant Program – Alterations (Ch. 650/Ch. 649)	Potential grant expenditures.	No
SB 310	Natural Resources – Black Bear Damage Prevention and Reimbursement Fund – Uses (Ch. 565)	Potential grant expenditures.	No
SB 313/HB 561	Town of Mount Airy (Carroll County and Frederick County) – Urban Renewal Authority (Ch. 125/Ch. 124)	Potential land acquisition and urban renewal project costs.	No
SB 333/HB 471	Economic Development – Regional Institution Strategic Enterprise Zone Program – Alterations and Financing (Ch. 523/Ch. 522)	Potential debt service payments funded by tax increment financing revenues.	No
SB 368/HB 791	Law Enforcement Officers’ Pension System – Membership – Emergency Medical Technicians (Ch. 189/Ch. 188)	Potential pension costs.	No
SB 377	Workers’ Compensation – Benefits – Offset and Study (Ch. 410)	Potential workers’ compensation costs.	No

Legislation Affecting Local Government Expenditures (Continued)

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
SB 379/HB 535	Election Law – Ballot Issuance, Processing, and Reporting Procedures and 2024 Primary Date (Ch. 152/Ch. 151)	Election costs.	Yes
SB 404/HB 333	Hospitals – Financial Assistance – Medical Bill Reimbursement Process (Ch. 311/Ch. 310)	Potential administrative costs for local education agencies.	No
SB 407/HB 848	Drinking Water – Indirect Potable Reuse Pilot Program – Establishment (Ch. 123/Ch. 122)	Potential significant water treatment costs relating to pilot program participation.	No
SB 442	Economic Development – Sports Entertainment Facilities – Financing and Construction (Ch. 468)	Potential economic development expenditures.	No
SB 470	Natural Resources – Land Conservation – Establishment of Goals and Programs (Maryland the Beautiful Act) (Ch. 546)	Beginning in FY 2025, potential expenditures related to land conservation and environmental education and stewardship.	No
SB 471	Sediment Control Plans, Discharge Permits for Stormwater Associated With Construction Activity, and Notice and Comment Requirements (Ch. 547)	Potential training and enforcement costs beginning in FY 2026. In addition, potential permitting and project costs beginning in FY 2026.	No
SB 483/HB 11	Private Well Safety Act of 2023 (Ch. 586/Ch. 587)	Potential water quality testing costs.	No
SB 516/HB 556	Cannabis Reform (Ch. 255/Ch. 254)	Statewide, local expenditures increase by an estimated \$1.8 million in FY 2024 and an estimated \$7.9 million in FY 2028 due to the expenditure of sales and use tax revenues from the sale of cannabis that are distributed to counties, including expenditures to make certain required distributions to municipalities. In addition, potential significant expenditures associated with funding received from the Cannabis Public Health Fund.	No
SB 518/HB 779	Tax Sales – Revisions (Ch. 80/Ch. 79)	Potential property acquisition and maintenance costs.	No

Legislation Affecting Local Government Expenditures (Continued)

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
SB 526/HB 723	Natural Resources – Forest Preservation and Retention (Ch. 542/Ch. 541)	Potential reforestation/afforestation costs beginning as early as FY 2025.	No
SB 534	Preserve Telehealth Access Act of 2023 (Ch. 382)	Potential health insurance costs through FY 2025.	No
SB 545	Towing or Removal of Vehicles – Reclamation Hours (Ch. 803)	Minimal signage costs in FY 2024.	No
SB 549/HB 552	Economic Development – Build Our Future Grant Pilot Program and Fund (Innovation Economy Infrastructure Act of 2023) (Ch. 431/Ch. 430)	Potential infrastructure grant expenditures and matching expenditures.	No
SB 555	Fair Wage Act of 2023 (Ch. 2)	Potential significant employee compensation costs in FY 2024 and 2025.	No
SB 559	Education – Maryland Meals for Achievement In-Classroom Breakfast Program – Annual Appropriation (Ch. 628)	State education aid expenditures for school meals increase by nearly \$4.5 million annually beginning in FY 2024. Federal matching fund expenditures for school meals increase by nearly \$10.0 million annually beginning in FY 2024.	No
SB 580/HB 751	Public Safety – Officer and Community Wellness Training Grant Fund (Ch. 752/Ch. 753)	Grant expenditures for local law enforcement agencies beginning as early as FY 2025.	No
SB 582/HB 1148	Behavioral Health Care – Treatment and Access (Behavioral Health Model for Maryland) (Ch. 290/Ch. 291)	Potential health insurance costs through FY 2025 (duplicative of impact for SB 534.)	No
SB 650	Public Safety – State Disaster Recovery Fund (Ch. 549)	Potential disaster recovery assistance expenditures.	No

Legislation Affecting Local Government Expenditures (Continued)

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
SB 678/HB 1151	Health Insurance – Reimbursement for Services Rendered by a Pharmacist (Ch. 300/Ch. 301)	Potential health insurance costs.	No
SB 686/HB 1	Civil Actions – Child Sexual Abuse – Definition, Damages, and Statute of Limitations (The Child Victims Act of 2023) (Ch. 5/Ch. 6)	Insurance-related expenses and potential litigation costs and claims payments.	No
SB 691	Home Amenity Rentals – Sales and Use Tax Imposed and Local Tax Authorized (Ch. 805)	Potential administrative costs.	No
SB 699/HB 781	Maryland Technology Development Corporation – Equitech Growth Fund and Commission (Ch. 461/Ch. 462)	Potential infrastructure and workforce development grant expenditures and matching expenditures.	No
SB 781	Offshore Wind Energy – State Goals and Procurement (Promoting Offshore Wind Energy Resources Act) (Ch. 95)	Potential significant effect on local electricity costs beginning as early as FY 2028.	No
SB 801	Economic Development – Cybersecurity – Cyber Maryland Program (Ch. 578)	Potential cybersecurity grant expenditures.	No
SB 828/HB 988	Family and Medical Leave Insurance Program – Modifications (Ch. 259/Ch. 258)	Decrease in payroll costs in FY 2024 and likely FY 2025 due to delay in employer contributions.	No
SB 841	Local School Systems – Student Field Trips – Funding (Ch. 747)	Grant expenditures for local school systems increase by \$500,000 annually (statewide) beginning in FY 2025.	No
SB 848	Statewide Rental Assistance Voucher Program – Establishment (Ch. 446)	Administrative costs and distribution of State rental assistance funds.	No
SB 858	Firearm Safety – Storage Requirements and Youth Suicide Prevention (Jaelynn’s Law) (Ch. 622)	Potential safe storage education grant expenditures for local school systems and health departments.	No

Legislation Affecting Local Government Expenditures (Continued)

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
SB 965/HB 815	Cancer Screening – Health Insurance and Assessment of Outreach, Education, and Health Disparities (Ch. 353/Ch. 354)	Potential health insurance costs.	No
HB 1/SB 686	See entry for SB 686.		No
HB 4/SB 129	See entry for SB 129.		No
HB 11/SB 483	See entry for SB 483.		No
HB 12	Equitable and Inclusive Transit-Oriented Development Enhancement Act (Ch. 512)	Potential grant expenditures for transit-oriented developments.	No
HB 161	Northeast Maryland Waste Disposal Authority – Evaluation, Termination of Bond Authority, and Assumption of Functions, Employees, and Contracts (Northeast Maryland Waste Disposal Authority Sunset Act) (Ch. 68)	Potential fees (in FY 2024 and/or 2025) and reduced project financing options for members of the Northeast Maryland Waste Disposal Authority.	No
HB 169	Public Utilities – Energy Efficiency and Conservation Programs – Energy Performance Targets and Low-Income Housing (Ch. 572)	Grant expenditures for energy efficiency and conservation measures.	No
HB 226	Criminal Law – Person in a Position of Authority – Sexual Offenses With a Minor (Ch. 730)	Minimal incarceration costs.	No
HB 230/SB 224	See entry for SB 224.		No
HB 243/SB 300	See entry for SB 300.		No
HB 271/SB 3	See entry for SB 3.		No
HB 289/SB 282	See entry for SB 282.		No

Legislation Affecting Local Government Expenditures (Continued)

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
HB 333/SB 404	See entry for SB 404.		No
HB 391	Vehicle Laws – Parking Enforcement – Citations (Ch. 451)	Minimal administrative costs.	Yes
HB 410	Elections – Polling Place Plan, Prohibited Acts, and 2024 Primary Election Date (Ch. 221)	Election-related costs increase by at least \$37,500 (statewide) in FY 2024 and by similar, increasing minimum amounts in future primary election years.	Yes
HB 448	Nonpublic Education – Placements of Children With Disabilities – Teacher Salaries (Teacher Pay Parity Act) (Ch. 648)	County government expenditures for the local share of nonpublic placements increase by \$5.0 million in FY 2024 and by \$16.3 million in FY 2028.	Yes
HB 470/SB 256	See entry for SB 256.		No
HB 471/SB 333	See entry for SB 333.		No
HB 503	Natural Resources – Greenspace Equity Program – Establishment (Ch. 487)	Potential grant expenditures beginning in FY 2025.	No
HB 524	Maryland Stadium Authority – Camden Yards Sports Facilities Funds and Bus Rapid Transit Fund (Ch. 112)	Bus rapid transit system grant expenditures for Montgomery County decrease by \$14.2 million in FY 2024. Potential indeterminate effect on grant expenditures for certain local jurisdictions beginning in FY 2025.	No
HB 535/SB 379	See entry for SB 379.		Yes
HB 550	Maryland Energy Administration – Energy Programs – Modifications (Clean Transportation and Energy Act) (Ch. 98)	Potential grant and loan expenditures.	No
HB 552/SB 549	See entry for SB 549.		No
HB 556/SB 516	See entry for SB 516.		No
HB 561/SB 313	See entry for SB 313.		No
HB 573/SB 263	See entry for SB 263.		No

Legislation Affecting Local Government Expenditures (Continued)

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
HB 614/SB 228	See entry for SB 228.		No
HB 706	Community Development – Sustainable Communities – Business Facade Improvement Program (Ch. 437)	Statewide, local expenditures increase by \$1.5 million in FY 2024 and by \$4.9 million annually thereafter due to distribution of business facade improvement program grants. In addition, potential administrative costs.	No
HB 723/SB 526	See entry for SB 526.		No
HB 751/SB 580	See entry for SB 580.		No
HB 770	Blueprint for Maryland's Future – Various Policies and Prekindergarten Enrollment and Funding – Alterations (Ch. 119)	Statewide, minimum local appropriations for prekindergarten increase by \$1.7 million in FY 2024, increase by \$636,800 in FY 2025, and are altered by substantially lesser amounts through FY 2028. In addition, local school system expenditures increase significantly in FY 2024 and are altered by lesser amounts in future years, reflecting altered State aid revenues.	Yes
HB 779/SB 518	See entry for SB 518.		No
HB 781/SB 699	See entry for SB 699.		No
HB 791/SB 368	See entry for SB 368.		No
HB 797	Maryland-National Capital Park and Planning Commission – Collective Bargaining Agreement Implementation – Dispute Arbitration MC/PG 103-23 (Ch. 605)	Potential mediator-arbitrator costs for Montgomery and Prince George's counties.	No
HB 815/SB 965	See entry for SB 965.		No
HB 824	Public Safety – Regulated Firearms – Possession and Permits to Carry, Wear, and Transport a Handgun (Ch. 651)	Minimal incarceration costs.	No
HB 848/SB 407	See entry for SB 407.		No

Legislation Affecting Local Government Expenditures (Continued)

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
HB 910	Energy Storage – Targets and Maryland Energy Storage Program – Establishment (Ch. 570)	Potential significant electricity costs beginning as early as FY 2025.	No
HB 923	Higher Education – Appointment of Secretary and Student Financial Assistance – Accommodations at Public Institutions for Religious Beliefs (Ch. 634)	Scholarship administration costs for locally funded community colleges.	Yes
HB 969	Public Service Commission – Cybersecurity Staffing and Assessments (Critical Infrastructure Cybersecurity Act of 2023) (Ch. 499)	Potential significant cybersecurity assessment and compliance costs for municipal electric utilities.	Yes
HB 982	State Employees – Programs and Scholarships for Human Services Careers and Probation Agents and State Contributions to Supplemental Retirement Plans (Ch. 100)	Potential program implementation costs for Baltimore City, Baltimore County, and Prince George’s County school systems.	No
HB 988/SB 828	See entry for SB 828.		No
HB 1071	Criminal Law and Procedure – Cannabis – Fines for Smoking in Public, Stops, and Searches (Ch. 802)	Minimal decrease in incarceration costs.	No
HB 1148/SB 582	See entry for SB 582.		No
HB 1151/SB 678	See entry for SB 678.		No
HB 1188	Public Utilities – Certificate of Public Convenience and Necessity and Meter Aggregation (Ch. 460)	Potential significant review and regulatory costs.	No
HB 1200	Elections – Election Judges – Minimum Compensation (Ch. 157)	Election-related costs increase by \$3.2 million to \$3.8 million annually (statewide).	Yes
HB 1237	Special Education – Judicial Actions – Attorney’s Fees and Related Costs (Ch. 708)	Potential legal costs for local school systems.	No

Legislation Affecting Local Government Expenditures (Continued)

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
Legislation Affecting Local Governments by Subdivision			
<i>Allegany County</i>			
SB 276/HB 792	Law Enforcement Officers' Pension System – Frostburg City Police Department (Ch. 75/Ch. 76)	City of Frostburg pension costs may increase by \$130,300 annually.	No
HB 792/SB 276	See entry for SB 276.		No
<i>Anne Arundel County</i>			
SB 679/HB 710	Anne Arundel County – Speed Monitoring Systems – Residential Districts (Ch. 593/Ch. 592)	Implementation costs and potential significant public safety expenditures (covered by increased fine revenues).	No
HB 710/SB 679	See entry for SB 679.		No
<i>Baltimore City</i>			
SB 588/HB 886	Baltimore City – 40th District – Alcoholic Beverages (Ch. 388/Ch. 389)	Minimal license fee revenues.	No
SB 855	Baltimore City – Property Tax – In Rem Foreclosure of Vacant or Nuisance Property (Ch. 408)	Potential administrative costs and property maintenance and improvement costs.	No
HB 529	Gaming – Video Lottery Terminals – Local Impact Grants and Pimlico Community Development Authority Membership – Baltimore City (Ch. 220)	Redistribution of video lottery terminal local impact grants among specified purposes.	No
HB 886/SB 588	See entry for SB 588.		No

Legislation Affecting Local Government Expenditures (Continued)

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
<i>Baltimore County</i>			
SB 342/HB 555	Baltimore County – Circuit Court Judgeships (Ch. 657/Ch. 656)	Circuit court personnel costs.	No
SB 560/HB 626	Animal Testing and Research – Human-Relevant Research Funding and Animal Testing and Research Contributions (Ch. 448/Ch. 447)	Community College of Baltimore County expenditures increase by \$5,000 annually to pay a required fee.	Yes
HB 555/SB 342	See entry for SB 342.		No
HB 626/SB 560	See entry for SB 560.		Yes
<i>Calvert County</i>			
HB 1178	Calvert County – Length of Service Award Program – Benefits (Ch. 789)	Length of Service Award Program contributions may increase by a minimum of \$450,000 annually.	No
<i>Carroll County</i>			
SB 305	Carroll County – Public Facilities Bond (Ch. 81)	Debt service expenditures increase by about \$4.4 million annually over a 20-year period.	No
<i>Charles County</i>			
SB 521/HB 947	Charles County – Property Tax – Credit for Volunteer Emergency Responders (Ch. 600/Ch. 599)	Personnel costs may increase by \$115,900 in FY 2024 and by \$130,400 in FY 2028.	No
HB 947/SB 521	See entry for SB 521.		No

Legislation Affecting Local Government Expenditures (Continued)

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
<i>Howard County</i>			
HB 146	Howard County – Alcoholic Beverages – Public Hearing Ho. Co. 13-23 (Ch. 88)	Administrative costs decrease by up to \$14,000 annually.	No
<i>Montgomery County</i>			
SB 552/HB 547	Family Prosperity Act of 2023 (Ch. 3/Ch. 4)	Potential earned income credit supplement expenditures.	No
HB 547/SB 552	See entry for SB 552.		No
HB 764	Montgomery County Housing Opportunities Commission – Collective Bargaining Agreement Implementation – Impasse Arbitration MC 10-23 (Ch. 92)	Potential mediator-arbitrator costs.	No
<i>Prince George's County</i>			
SB 156	Prince George's County – Prince George's County Reentry Employment Incentive Program – Funding (Ch. 791)	Grant expenditures for the Prince George's County Reentry Employment Incentive Program increase by \$500,000 annually in FY 2025 through 2028.	No
SB 191/HB 433	Prince George's County – Office of the Sheriff – Deputy Sheriffs and Labor Organizations (Ch. 725/Ch. 724)	Personnel costs increase by approximately \$331,600 annually.	Yes
SB 411	Prince George's County – Judges of the Orphans' Court – Compensation (Ch. 695)	Potential indeterminate effect on orphans' court judge compensation costs beginning in FY 2027.	No
SB 506/HB 825	Town of Forest Heights (Prince George's County) – Urban Renewal Authority for Blight Clearance (Ch. 210/Ch. 209)	Potential land acquisition and urban renewal project costs.	No

Legislation Affecting Local Government Expenditures (Continued)

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
HB 433/SB 191	See entry for SB 191.		Yes
HB 435	Prince George's County – Speed Monitoring Systems – Maryland Route 210 (Indian Head Highway) PG 304-23 (Ch. 606)	Implementation costs beginning as early as FY 2023 (covered by fine revenues).	No
HB 437	Prince George's County Public Schools – Alterations to Title of Chief Executive Officer and Establishment of Office of Integrity and Compliance PG 501-23 (Ch. 792)	Personnel costs increase by at least \$741,000 annually.	Yes
HB 825/SB 506	See entry for SB 506.		No
HB 1079	Prince George's County – Board of Education and School System Revisions PG 502-23 (Ch. 793)	Board member compensation costs increase by \$48,400 in FY 2027 and by \$83,000 annually thereafter. Potential legal costs beginning in FY 2024.	Yes
HB 1109	Prince George's County – Economic Development – Business Improvement Districts PG 407-23 (Ch. 608)	Potential costs associated with the formation of business improvement districts.	No
<i>St. Mary's County</i>			
SB 457	St. Mary's County – Public Facilities Bond (Ch. 130)	Debt service expenditures increase by about \$3.8 million annually over a 20-year period.	No
HB 526	St. Mary's County – Transfer of Child Support Unit and Personnel to the Child Support Administration (Ch. 242)	Child support enforcement costs decrease by approximately \$249,200 in FY 2024 and by at least \$332,300 annually thereafter. In FY 2024, expenditure decreases are partially offset by any employee compensation costs due to termination of county employment and the transfer of local pension liabilities to the State.	No

Legislation Affecting Local Government Expenditures (Continued)

<u>Bill #</u>	<u>Title</u>	<u>Comment</u>	<u>Mandate</u>
<i>Somerset County</i>			
SB 68/HB 163	Law Enforcement Officers' Pension System – Crisfield Police Department (Ch. 71/Ch. 72)	City of Crisfield pension costs may increase by about \$120,700 annually.	No
HB 163/SB 68	See entry for SB 68.		No
<i>Talbot County</i>			
SB 82/HB 10	Correctional Officers' Retirement System – Talbot County (Ch. 73/Ch. 74)	Pension costs may increase by about \$94,000 annually.	No
HB 10/SB 82	See entry for SB 82.		No
HB 700	Talbot County – Speed Monitoring Systems – Intersection of Maryland Route 333 (Oxford Road) and Bonfield Avenue (Ch. 610)	Implementation costs (covered by fine revenues).	No
<i>Washington County</i>			
SB 325	Washington County – Sheriff's Salary – Alteration (Ch. 243)	Salary expenditures increase by at least \$21,100 in FY 2027 and by at least \$36,200 annually thereafter.	No
<i>Wicomico County</i>			
SB 246/HB 1004	Wicomico County – Sanitary District – Authorization (Ch. 510/Ch. 509)	Potential costs associated with the establishment of sanitary districts.	No
HB 1004/SB 246	See entry for SB 246.		No

Chapter 5. Vetoed Legislation

- Vetoed Legislation

Vetoed Legislation

The following are 2023 bills that were vetoed by the Governor for policy reasons. The fiscal impact of the legislation is summarized below.

SB 217/HB 472 Transit – Commuter Bus Service – Procurement

Maryland Transit Administration (MTA) operations would have potentially been affected to the extent the bill resulted in more complex procurements for commuter bus service. Any effect on State expenditures could not be reliably estimated, as it would have been dependent on the bills' effects on the competitiveness of procurements for commuter bus service and on the factors used by MTA as the basis for award of contracts procured using competitive sealed proposals. State revenues would not have been affected. Local government operations and finances would not have been affected.

