SB 1040

Department of Legislative Services
Maryland General Assembly
2019 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 1040 (Chair, Budget and Taxation Committee, *et al.*)
Budget and Taxation

Budget Reconciliation and Financing Act of 2019

This bill executes actions to provide mandate relief, contain costs, and reduce future year general fund expenditures. **The bill takes effect June 1, 2019.**

Fiscal Summary

State Effect: General fund revenues increase by $10.0 million in FY 2019 and $46.0 million in FY 2020; general fund expenditures decrease by $49.9 million in FY 2019 and $41.0 million in FY 2020. The effects on the general fund are primarily due to mandate relief and cost control measures. Special fund revenues decrease by $26.0 million in FY 2020 and then increase by $20.0 million annually thereafter; special fund expenditures increase by $32.0 million in FY 2020 and by $20.0 million annually thereafter. The effects on special funds are primarily due to mandate relief and required transfers. Federal funds are also affected. Future estimates reflect the ongoing effects of the bill. **The bill affects existing mandated appropriations.**

($ in millions)	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
GF Revenue	$10.0	$46.0	$0	$0	$0
SF Revenue	$0	($26.0)	$20.0	$20.0	$20.0
FF Revenue	($2.9)	$0	$0	$0	$0
GF Expenditure	($49.9)	($41.0)	($29.0)	($29.0)	($25.0)
SF Expenditure	$0	$32.0	$20.0	$20.0	$20.0
FF Expenditure	($2.9)	$0	$0	$0	$0
Net Effect	$59.9	$29.0	$29.0	$29.0	$25.0

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: The bill does not affect local government revenues, as discussed below. Expenditures are not affected.

Small Business Effect: Minimal.

Analysis

Bill Summary: A brief overview of the bill's provisions is provided below. In general, the bill's actions provide mandate relief, contain costs, swap funds, and reduce future year general fund expenditures.

Mandate Relief

- Reduces – from $3.0 million to $1.0 million in fiscal 2019 (by withdrawing $2.0 million included in the fiscal 2019 appropriation) and from $5.0 million to $1.0 million from fiscal 2020 through 2022 – the annual amount of funding that the Governor must provide for the Teacher Induction, Retention, and Advancement Pilot Program.
- Decreases the maximum amount of projected nonwithholding income tax revenue that, under certain circumstances, must be subtracted from projected general fund revenue estimates in fiscal 2020.
- Alters the mandated fiscal 2020 reduction in the level of funding from the Medicaid Deficit Assessment in the Medicaid program from $40.0 million to $20.0 million.

Fund Swaps, Cost Shifts, and Cost Control

- Requires the Maryland Department of Transportation to deposit revenues from resource sharing agreements into the Major Information Technology Development Project Fund instead of retaining them in the Transportation Trust Fund.
- Authorizes, for fiscal 2020 only, the use of $10.0 million in funds retained after the repeal of the Maryland Health Insurance Plan for Medicaid provider reimbursements.
- Reduces funding for two contracts in the fiscal 2019 budget for the Developmental Disabilities Administration that will not be procured in fiscal 2019.
- Reduces the fiscal 2019 general fund appropriation for the Department of Juvenile Services per diems by $4.0 million.
- Reduces the fiscal 2019 general fund appropriation for correctional officers by $15.0 million.
- Reduces the fiscal 2019 general fund appropriation for Medicaid by $25.0 million based on favorable enrollment and spending trends.
- Withdraws an intended fiscal 2019 grant of $10.0 million in the Economic Development Opportunities Account (commonly referred to as the Sunny Day Fund).
- Authorizes, for fiscal 2020 only, $2.0 million from the Maryland Trauma Physician Services Fund to be used for Medicaid provider reimbursements.

Current Law: The Maryland Constitution requires the Governor to submit, and the General Assembly to pass, a balanced budget. The General Assembly cannot add spending to the budget introduced by the Governor, nor can general funds be used to restore reductions made by the General Assembly after adoption of the budget, except through an approved deficiency appropriation in the following year's budget.

Background: In December 2018, the Spending Affordability Committee recommended that the fiscal 2020 budget eliminate 100% of the structural deficit forecast for fiscal 2020 and leave a closing general fund balance of at least $100 million. The committee also recommended maintaining a Rainy Day Fund balance of at least 6.0% of estimated general fund revenues. The Governor's proposed fiscal 2020 budget, as introduced, fell short of structural balance by $62 million and left a $105 million closing fund balance.

The Board of Revenue Estimates is scheduled to officially revise the State's general fund revenue estimate on March 7, 2019. The Department of Legislative Services anticipates a revenue write-down of about $200 million across fiscal 2019 and 2020. A write-down of this magnitude will require about $200 million of legislative actions, including $150 million of structural actions, to attain the Spending Affordability Committee goals.

State Effect: Estimates of the fiscal 2019 and 2020 impact of the bill on the State general fund, totaling $146.9 million, are shown in **Exhibit 1**.

A discussion of each provision in the bill is provided in **Appendix A** (beginning on page 5). The fiscal 2019 through 2024 State effects for each provision, including the general fund impacts, the effects on any other fund types, and other related information are included with the discussions. **Appendix B** (beginning on page 17) identifies the fiscal impact of separate provisions by fund type.

Exhibit 1
General Fund Impact of the Budget Reconciliation and Financing Act of 2019
Fiscal 2019 and 2020
($ in Millions)

	FY 2019	FY 2020
Revenues		
Mandate Relief	$0.0	$46.0
Cost Containment	10.0	0.0
Revenue Subtotal	*10.0*	*46.0*
Expenditures		
Mandate Relief	($2.0)	($24.0)
Fund Swaps and Cost Shifts	(47.9)	(17.0)
Expenditure Subtotal	*(49.9)*	*(41.0)*
Total Impact	**$59.9**	**$87.0**

Note: Numbers may not sum to total due to rounding.
Source: Department of Legislative Services

Additional Information

Prior Introductions: None.

Cross File: HB 1407 (Chair, Appropriations Committee) - Appropriations.

Information Source(s): Department of Information Technology; Department of Commerce; Comptroller's Office; Maryland State Treasurer's Office; Maryland State Department of Education; Department of Budget and Management; Maryland Department of Health; Department of Juvenile Services; Department of Public Safety and Correctional Services; Maryland Department of Transportation; Department of Legislative Services

Fiscal Note History: First Reader - March 6, 2019
mm/ljm

Analysis by: Stephen M. Ross

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Appendix A – Contents

Teacher Induction, Retention, and Advancement Pilot Program

Provisions in the Bill: Reduce from $3.0 million to $1.0 million in fiscal 2019, by withdrawing $2.0 million included in the fiscal 2019 appropriation for the program, and from $5.0 million to $1.0 million from fiscal 2020 through 2022 the annual amount of funding that the Governor must provide for the Teacher Induction, Retention, and Advancement (TIRA) Pilot Program.

Agency: Maryland State Department of Education (MSDE)

Type of Action: Mandate relief

Fiscal	*($ in millions)*					
Impact:	**FY 2019**	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**	**FY 2024**
GF Exp	($2.0)	($4.0)	($4.0)	($4.0)	$0	$0

State Effect: General fund expenditures decrease by $2.0 million in fiscal 2019 and by $4.0 million annually from fiscal 2020 through 2022.

Local Effect: Local school system revenues are likely not affected, due to limited participation in the pilot program. Local school system expenditures are likely not affected for the same reason.

Program Description: Chapter 740 of 2016 established the TIRA Pilot Program for first-year teachers, which remains in effect through fiscal 2022. Under the pilot program, first-year teachers and experienced mentor teachers selected by their local school systems are afforded more time on specified professional development activities. Any costs incurred must be borne 80% by the State, up to $5.0 million annually, and 20% by the local boards of education that choose to participate in the pilot program.

Recent History: The Budget Reconciliation and Financing Act (BRFA) of 2017 (Chapter 23) lowered the mandated funding amount for fiscal 2018 to $2.1 million, while the BRFA of 2018 (Chapter 10) lowered the mandated funding amount for fiscal 2019 to $3.0 million. Even with these reductions, the full appropriation for the TIRA Pilot Program has not been necessary to support all applying local school systems. In fiscal 2018, three local school systems applied for the program (Montgomery, Prince George's, and Washington counties) and received a total of $1.1 million. For fiscal 2019, MSDE reports that only the Montgomery County school system applied for, and is receiving, funding of $500,183.

Location of Provisions in the Bill: Section 1 (p. 2); Section 8 (p. 7)

Analysis prepared by: Kyle D. Siefering

Cap on Nonwithholding Income Tax Revenues Limit

Provision in the Bill: Decreases the maximum amount of projected nonwithholding income tax revenue that must, under certain circumstances, be subtracted from projected general fund revenue estimates in fiscal 2020. The maximum amount is reduced from 0.5% to 0.25% of general fund revenues.

Agency: State Reserve Fund – Revenue Stabilization Account (Rainy Day Fund) and the Fiscal Responsibility Fund

Type of Action: Mandate relief

Fiscal	*($ in millions)*					
Impact:	**FY 2019**	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**	**FY 2024**
GF Rev	$0	$46.0	$0	$0	$0	$0
SF Rev	$0	($46.0)	$0	$0	$0	$0

State Effect: General fund revenues available to support the budget increase by $46.0 million in fiscal 2020. Special fund revenues for the Rainy Day Fund and Fiscal Stabilization Fund decrease correspondingly.

Local Effect: None.

Recent History: Chapters 4 and 550 of 2017 established a cap on income tax nonwithholding revenues. The cap applies when the share of estimated general fund revenues attributable to income tax nonwithholding exceeds the 10-year average. If nonwithholding revenues, as a percentage of general fund revenues, are less than the 10-year average percentage, there is no effect. The cap requires reducing the estimate of nonwithholding income tax revenues so that nonwithholding income tax revenues do not exceed the 10-year average. In some years, actual income tax nonwithholding revenues will exceed the capped estimate. In those years, the Acts specify how the excess revenues are to be allocated. Chapters 4 and 550 originally set the cap at 2% of general fund revenues beginning in fiscal 2020. Chapter 10 of 2018 phased in the cap over three years, with no more than 0.5% of projected general fund revenues subject to the cap in fiscal 2020.

Location of Provision in the Bill: Section 1 (pp. 4-5)

Analysis prepared by: Simon G. Powell

Medicaid Deficit Assessment

Provision in the Bill: Alters the mandated fiscal 2020 reduction in the level of funding from the Medicaid Deficit Assessment in the Medicaid program from $40.0 million to $20.0 million. The required Medicaid Deficit Assessment for fiscal 2020 is increased from $294,825,000 to $314,825,000.

Agency: Maryland Department of Health

Type of Action: Mandate relief

Fiscal Impact:			*($ in millions)*			
	FY 2019	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**	**FY 2024**
SF Rev	$0	$20.0	$20.0	$20.0	$20.0	$20.0
GF Exp	$0	($20.0)	($20.0)	($20.0)	($20.0)	($20.0)
SF Exp	$0	$20.0	$20.0	$20.0	$20.0	$20.0

State Effect: General fund expenditures decrease by $20.0 million annually beginning in fiscal 2020, as the reduction in fiscal 2021 and subsequent years is based on the prior year assessment level. Special fund revenues and expenditures increase correspondingly.

Local Effect: None.

Recent History: During the most recent recession, a Medicaid Deficit Assessment was imposed on Maryland hospitals to support the Medicaid program. The assessment consists of (1) an amount included in hospital rates (and paid by hospital users) and (2) a remittance from hospitals. The Budget Reconciliation and Financing Act (BRFA) of 2014 (Chapter 464) required the Health Services Cost Review Commission (HSCRC) to calculate the general fund savings to Medicaid resulting from implementation of the all-payer model contract. Any savings were to be used to reduce the Medicaid Deficit Assessment. The BRFA of 2015 (Chapter 489) delayed the reduction in the assessment based on the methodology developed by HSCRC by one year and also replaced the savings methodology with a simple reduction of $25.0 million over the prior year appropriation. The fiscal 2017 budget was the first to contain a reduction in the Medicaid Deficit Assessment, from $389.8 million to $364.8 million. The BRFA of 2017 (Chapter 23) included a one-year delay in the assessment reduction but amended the reduction required in fiscal 2019 and 2020 to be $35.0 million in each year and specified the deficit assessment level. The BRFA of 2018 (Chapter 10) decreased the reduction in fiscal 2019 to $30.0 million, which required a $40.0 million reduction in fiscal 2020.

Location of Provision in the Bill: Section 1 (pp. 5-6)

Analysis prepared by: Simon G. Powell

Maryland Department of Transportation Resource Sharing Agreements

Provision in the Bill: Requires the Maryland Department of Transportation (MDOT) to deposit revenues from resource sharing agreements (RSAs) into the Major Information Technology Development Project Fund (MITDPF) instead of retaining them in the Transportation Trust Fund (TTF).

Agency: Maryland Department of Transportation; Department of Information Technology

Type of Action: Fund swap

Fiscal Impact:	*($ in millions)* **FY 2019**	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**	**FY 2024**
GF Exp	$0	($5.0)	($5.0)	($5.0)	($5.0)	($5.0)

State Effect: General fund expenditures decrease by $5.0 million beginning in fiscal 2020 due to the availability of additional funds in MITDPF for information technology projects. TTF revenues and expenditures decrease by $5.0 million annually beginning in fiscal 2020; MITDPF special fund revenues and expenditures increase correspondingly. This analysis assumes no effect in fiscal 2019, despite the bill's June 1, 2019 effective date.

Local Effect: None.

Program Description: RSAs permit private companies to install, operate, and maintain communications systems on State resources. In exchange, the private companies provide the State with monetary compensation, equipment, or services. Funds collected from RSAs must be deposited into MITDPF to fund major information technology project development. Funds collected from RSAs by MDOT, the Maryland Transportation Authority, Maryland Public Television, and agencies within the Judicial and Legislative branches of State government are retained by those agencies and not deposited into MITDPF. The Maryland Port Administration, the University System of Maryland, St. Mary's College of Maryland, Morgan State University, and the Maryland Stadium Authority are exempt from Department of Information Technology oversight and also are not required to deposit RSA funds into MITDPF.

Location of Provision in the Bill: Section 1 (pp. 2-4)

Analysis prepared by: Patrick S. Frank

Divert Funding Retained from the Maryland Health Insurance Plan to Medicaid

Provision in the Bill: Authorizes, for fiscal 2020 only, the use of $10.0 million in funds retained after the repeal of the Maryland Health Insurance Plan (MHIP) for Medicaid.

Agency: Maryland Department of Health

Type of Action: Fund swap

Fiscal Impact:	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
	($ in millions)					
GF Exp	$0	($10.0)	$0	$0	$0	$0
SF Exp	$0	$10.0	$0	$0	$0	$0

State Effect: General fund expenditures for Medicaid decrease by $10.0 million in fiscal 2020 due to the availability of special funds. Special fund expenditures increase correspondingly.

Local Effect: None.

Recent History: MHIP was the State's high-risk health insurance pool for people with medical conditions that prevented them from accessing affordable health insurance. MHIP plans were subsidized through an assessment on Maryland's hospitals. With the passage of the federal Patient Protection and Affordable Care Act and its prohibition against denying coverage for pre-existing conditions, MHIP was repealed. However, funding that supported MHIP remained in the MHIP Fund. The Budget Reconciliation and Financing Act of 2015 (Chapter 489) authorized $55.0 million of the fund balance to be transferred to Medicaid, with the remainder to be used in fiscal 2016 through 2019 for integrated care networks. The fiscal 2020 budget proposes spending most of the remaining balance of the integrated care network funding (estimated at $12.0 million) although, to date, no legislation has been introduced to authorize the use of the funds.

Location of Provision in the Bill: Section 1 (p. 6)

Analysis prepared by: Simon G. Powell

Developmental Disabilities Administration Fiscal 2019 Contracts

Provisions in the Bill: Reduce funding for two contracts in the fiscal 2019 budget for the Developmental Disabilities Administration (DDA) in the Maryland Department of Health that will not be procured in fiscal 2019.

Agency: Maryland Department of Health

Type of Action: Cost containment

Fiscal Impact:	*($ in millions)* **FY 2019**	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**	**FY 2024**
GF Exp	($3.9)	$0	$0	$0	$0	$0
FF Rev	(2.9)	$0	$0	$0	$0	$0
FF Exp	(2.9)	$0	$0	$0	$0	$0

State Effect: General fund expenditures decrease by $3.9 million in fiscal 2019. Federal fund revenues and expenditures decrease by $2.9 million in fiscal 2019.

Local Effect: None.

Program Description: The fiscal 2019 budget includes (1) $3.1 million in general funds and $2.3 million in federal funds for the execution of a contract to conduct utilization review audits and (2) $815,496 in general funds and $602,758 in federal funds for execution of a financial management services contract for self-directed services. DDA expects to procure the utilization review audit contract in July 2019 and the financial management services contract in January 2020. As a result, the fiscal 2019 funding is not needed.

Recent History: The Budget Reconciliation and Financing Act of 2018 (Chapter 10) reduced fiscal 2018 funding for utilization review audits ($3.2 million in general funds and $2.4 million in federal funds) as the contract to conduct those audits was not going to be procured in fiscal 2018.

Location of Provisions in the Bill: Section 2 (p. 6); Section 3 (pp. 6-7)

Analysis prepared by: Anne P. Wagner

Department of Juvenile Services Per Diem Savings

Provision in the Bill: Reduces fiscal 2019 funding for the Department of Juvenile Services (DJS) per diems by $4.0 million.

Agency: Department of Juvenile Services

Type of Action: Cost containment

Fiscal Impact:	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
	($ in millions)					
GF Exp	($4.0)	$0	$0	$0	$0	$0

State Effect: DJS general fund expenditures decrease by $4.0 million in fiscal 2019.

Local Effect: None.

Program Description/Recent History: The residential per diem population has fallen by nearly 60% in the past five years, and fiscal 2019 year-to-date population data shows the average daily population (ADP) on par with the fiscal 2018 ADP. Similarly, nonresidential caseloads have been falling since fiscal 2009, declining 62% over the past decade. Data through the first half of the fiscal year suggests that the downward trend for nonresidential per diem programming will continue in fiscal 2019.

The fiscal 2019 appropriation for contractual programming is approximately $7.0 million more than fiscal 2018 actual expenditures. A $4.0 million general fund reduction for per diems better aligns the fiscal 2019 appropriation with actual funding needs, based on current population data. This amount is also consistent with the sizeable year-end reversions generated from the department as population declines have exceeded expectations in recent years.

Location of Provision in the Bill: Section 4 (p. 7)

Analysis prepared by: Rebecca J. Ruff

Public Safety Correctional Officer Funding

Provision in the Bill: Reduces the fiscal 2019 general fund appropriation for correctional officers by $15.0 million.

Agency: Department of Public Safety and Correctional Services (DPSCS)

Type of Action: Cost containment

Fiscal Impact:	*($ in millions)* **FY 2019**	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**	**FY 2024**
GF Exp	($15.0)	$0.0	$0.0	$0.0	$0.0	$0.0

State Effect: General fund expenditures in DPSCS decrease by $15.0 million in fiscal 2019. The number of authorized positions is unaffected by this provision.

Local Effect: None.

Program Description/Recent History: At DPSCS, correctional officer vacancies have been very high for several fiscal years. In fiscal 2019, the Division of Correction (DOC) and the Division of Pretrial Detention (DPD) have 1,161 vacancies that represent an estimated $62.9 million in unused salary funding ($44.2 million for DOC and $18.7 million for DPD).

Location of Provision in the Bill: Section 5 (p. 7)

Analysis prepared by: Kenneth Weaver

Fiscal 2019 Medicaid Surplus

Provision in the Bill: Reduces the fiscal 2019 general fund appropriation for Medicaid by $25.0 million based on favorable enrollment and spending trends.

Agency: Maryland Department of Health

Type of Action: Cost containment

Fiscal Impact:	($ in millions) **FY 2019**	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**	**FY 2024**
GF Exp	($25.0)	$0	$0	$0	$0	$0

State Effect: General fund expenditures decrease by $25.0 million in fiscal 2019.

Local Effect: None.

Program Description: Based on current enrollment and spending trends, the Department of Legislative Services estimates that Medicaid will underspend the fiscal 2019 budget. Even after accounting for the need to cover deficits in fiscal 2018 that have been rolled into fiscal 2019, and moving proposed fiscal 2020 one-time spending into fiscal 2019, there is at least $25.0 million in general funds that will not be needed for Medicaid expenses.

Location of Provision in the Bill: Section 6 (p. 7)

Analysis prepared by: Simon G. Powell

Fiscal 2019 Amazon Grant

Provision in the Bill: Withdraws the fiscal 2019 grant of $10.0 million in the Economic Development Opportunities Account (commonly referred to as the Sunny Day Fund) intended for Amazon because Maryland was not the chosen location for the second headquarters.

Agency: State Reserve Fund – Sunny Day Fund

Type of Action: Cost Containment

Fiscal Impact:	*($ in millions)* **FY 2019**	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**	**FY 2024**
GF Rev	$10.0	$0.0	$0.0	$0.0	$0.0	$0.0

State Effect: General fund revenues increase by $10.0 million in fiscal 2019, reflecting the reversion of funds from the State Reserve Fund – Sunny Day Fund.

Local Effect: None.

Program Description: The Sunny Day Fund provides conditional loans and investments to take advantage of extraordinary development opportunities defined, in part, as those situations that create or retain substantial numbers of jobs and where considerable private investment is leveraged. The fiscal 2019 appropriation to the Sunny Day Fund includes $10.0 million as part of what was intended to be a $150.0 million grant to Amazon as part of an incentive package to encourage the company to build a second headquarters in Montgomery County.

Recent History: Montgomery County was not chosen as the location for Amazon's second headquarters and, therefore, the funds are not needed for this purpose.

Location of Provision in the Bill: Section 7 (p. 7)

Analysis prepared by: Jason A. Kramer

Authorize Use of the Maryland Trauma Physician Services Fund for Medicaid

Provision in the Bill: Authorizes, for fiscal 2020 only, $2.0 million from the Maryland Trauma Physician Services Fund to be used for Medicaid provider reimbursements.

Agency: Maryland Department of Health

Type of Action: Fund swap

Fiscal Impact:	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
	($ in millions)					
GF Exp	$0	($2.0)	$0	$0	$0	$0
SF Exp	$0	$2.0	$0	$0	$0	$0

State Effect: General fund expenditures for Medicaid provider reimbursements decrease by $2.0 million in fiscal 2020. Special fund expenditures for the Maryland Trauma Physician Services Fund increase correspondingly.

Local Effect: None.

Program Description: The Maryland Trauma Physician Services Fund was established in 2003 and covers the cost of medical care provided by trauma physicians at Maryland's designated trauma centers for uncompensated care, Medicaid-enrolled patients, trauma-related on-call and standby expenses, and trauma equipment grants. For Medicaid-enrolled patients, the fund covers half of the difference between the standard Medicaid rate and 100% of the Medicare rate (with federal funds covering the other half). The fund is supported by a $5 surcharge on motor vehicle registrations and renewals and is administered by the Maryland Health Care Commission. In the fiscal 2018 Maryland Trauma Physician Services Fund annual report, it was noted that the fund had a fiscal 2018 year-end fund balance of $11.0 million, up from $10.4 million in fiscal 2017. In fiscal 2018, the fund received $12.4 million from the $5 surcharge and other recoveries and disbursed $11.9 million. The projected fiscal 2019 year-end fund balance was $4.9 million after a transfer of $8.0 million to Medicaid, which was authorized in the Budget Reconciliation and Financing Act (BRFA) of 2018 (Chapter 10).

Recent History: The BRFA of 2018 authorized the use of $8.0 million from the Maryland Trauma Physician Services Fund for Medicaid.

Location of Provision in the Bill: Section 9 (p. 7)

Analysis prepared by: Simon G. Powell

Appendix B
($ in Dollars)

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
GENERAL FUND REVENUES						
Cap on Nonwithholding Income Tax Revenues Limit	$0	$46,000,000	$0	$0	$0	$0
Fiscal 2019 Amazon Grant	10,000,000	0	0	0	0	0
TOTAL GENERAL FUND REVENUES	**$10,000,000**	**$46,000,000**	**$0**	**$0**	**$0**	**$0**
GENERAL FUND EXPENDITURES						
Mandate Relief						
Teacher Induction, Retention, and Advancement Pilot Program	($2,000,000)	($4,000,000)	($4,000,000)	($4,000,000)	$0	$0
Medicaid Deficit Assessment	0	(20,000,000)	(20,000,000)	(20,000,000)	(20,000,000)	(20,000,000)
Subtotal – Mandate Relief	***($2,000,000)***	***($24,000,000)***	***($24,000,000)***	***($24,000,000)***	***($20,000,000)***	***($20,000,000)***
Fund Swaps, Cost Shifts, and Cost Control						
Maryland Department of Transportation Resource Sharing Agreements	$0	($5,000,000)	($5,000,000)	($5,000,000)	($5,000,000)	($5,000,000)
Divert Funding Retained from the Maryland Health Insurance Plan to Medicaid	0	(10,000,000)	0	0	0	0
Developmental Disabilities Administration Fiscal 2019 Contracts	(3,939,918)	0	0	0	0	0
Department of Juvenile Services Per Diem Savings	(4,000,000)	0	0	0	0	0
Public Safety Correctional Officer Funding	(15,000,000)	0	0	0	0	0
Fiscal 2019 Medicaid Surplus	(25,000,000)	0	0	0	0	0
Authorize Use of the Maryland Trauma Physician Services Fund for Medicaid	0	(2,000,000)	0	0	0	0
Subtotal – Fund Swaps and Cost Shifts	***($47,939,918)***	***($17,000,000)***	***($5,000,000)***	***($5,000,000)***	***($5,000,000)***	***($5,000,000)***
TOTAL GENERAL FUND EXPENDITURES	**($49,939,918)**	**($41,000,000)**	**($29,000,000)**	**($29,000,000)**	**($25,000,000)**	**($25,000,000)**
SPECIAL FUND REVENUES						
Cap on Nonwithholding Income Tax Revenues Limit	$0	($46,000,000)	$0	$0	$0	$0
Medicaid Deficit Assessment	0	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
TOTAL SPECIAL FUND REVENUES	**$0**	**($26,000,000)**	**$20,000,000**	**$20,000,000**	**$20,000,000**	**$20,000,000**
SPECIAL FUND EXPENDITURES						
Medicaid Deficit Assessment	$0	$20,000,000	$20,000,000	$20,000,000	$20,000,000	$20,000,000
Divert Funding Retained from the Maryland Health Insurance Plan to Medicaid	0	10,000,000	0	0	0	0
Authorize Use of the Maryland Trauma Physician Services Fund for Medicaid	0	2,000,000	0	0	0	0
TOTAL SPECIAL FUND EXPENDITURES	**$0**	**$32,000,000**	**$20,000,000**	**$20,000,000**	**$20,000,000**	**$20,000,000**

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
FEDERAL FUND REVENUES						
Developmental Disabilities Administration Fiscal 2019 Contracts	($2,912,113)	$0	$0	$0	$0	$0
TOTAL FEDERAL FUND REVENUES	**($2,912,113)**	**$0**	**$0**	**$0**	**$0**	**$0**
FEDERAL FUND EXPENDITURES						
Developmental Disabilities Administration Fiscal 2019 Contracts	($2,912,113)	$0	$0	$0	$0	$0
TOTAL FEDERAL FUND EXPENDITURES	**($2,912,113)**	**$0**	**$0**	**$0**	**$0**	**$0**

Source: Department of Legislative Services