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Maryland
DEPARTMENT OF BUDGET AND MANAGEMENT

DAVID R. BRINKLEY
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Deputy Secretary

HOUSE BILL 383 Young Readers Programs - Establishment (Korman)

STATEMENT OF INFORMATION
DATE: February 10, 2022
COMMITTEE: House Appropriations

SUMMARY OF BILL:. HB 383 establishes the Baltimore City Young Readers Program and the Young Readers Matching Grant Program within the Governor's Office of Crime Prevention, Youth, and Victim Services (GOCPYVS) for the other 23 jurisdictions, the purpose of which is to mail books to children from birth to school age, without regard to family income. The bill mandates annual appropriations in the amount of $200,000 for the Baltimore City Program and $500,000 for the 23 other jurisdictions.

EXPLANATION: The Department of Budget and Management's focus is not on the underlying policy proposal being advanced by the legislation, but rather on the mandated appropriation provisions. The Administration began funding the Young Readers Program in GOCPYVS during the 2015-2018 term. GOCPYVS utilizes a portion of the Children Cabinet Interagency Funds in the Maryland State Department of Education's budget to support the program. The FY 2022 amount is approximately $200,000. It is anticipated that a similar amount will be available for this purpose in FY 2023.

DBM has the responsibility of submitting a balanced budget to the General Assembly annually, which will require spending allocations for FY 2024 to be within the official revenues estimates approved by the Board of Revenue Estimates in December 2022.

Changes to the Maryland Constitution in 2020 provide the General Assembly with additional budgetary authority, beginning in the 2023 Session, to realign total spending by increasing and adding items to appropriations in the budget submitted by the Governor. The legislature's new budgetary power diminishes, if not negates, the need for mandated appropriation bills.

Fully funding the implementation of the Blueprint for Maryland's Future (Kirwan) will require fiscal discipline in the years ahead, if the State is to maintain the current projected structural budget surpluses. Mandated spending increases need to be reevaluated within the context of this education funding priority and the Governor's tax relief proposals.

Economic conditions remain precarious as a result of COVID-19. High rates of inflation and workforce shortages may be short lived or persist, thereby impacting the Maryland economy. While current budget forecasts project structural surpluses, the impact of the ongoing COVID-19 pandemic continues to present a significant budgetary vulnerability. The Department continues to urge the General Assembly to focus on maintaining the structural budget surplus.

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