Effect of the 2016 Legislative Program on the Financial Condition of the State

DEPARTMENT OF LEGISLATIVE SERVICES 2016

Effect of the 2016 Legislative Program on the Financial Condition of the State

Department of Legislative Services
Office of Policy Analysis
Annapolis, Maryland

July 2016

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DEPARTMENT OF LEGISLATIVE SERVICES
OFFICE OF POLICY ANALYSIS
MARYLAND GENERAL ASSEMBLY

Warren G. Deschenaux
Executive Director

July 2016

The Honorable Thomas V. Mike Miller, Jr., President of the Senate
The Honorable Michael E. Busch, Speaker of the House of Delegates
Members of the Maryland General Assembly

State law requires the Department of Legislative Services to annually prepare a report that summarizes the effect of the preceding legislative program on State and local governments (State Government Article, Section 2-1237). In accordance with this requirement, I am pleased to submit the following report, *Effect of the 2016 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 2017 operating budget (**Senate Bill 190/Chapter 143**).

Chapter 2 summarizes the fiscal 2017 capital budget program, including the 2016 capital budget bill (**Senate Bill 191/Chapter 27**).

Chapter 3 identifies enacted legislation from the 2016 session other than **Senate Bill 190 and 191** that affects State revenues or expenditures. The revenue and expenditure effects of the legislation are summarized, as are the number of regular and contractual positions required to implement the legislation.

Chapter 4 identifies enacted legislation from the 2016 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 2016 bills vetoed by the Governor for policy reasons and the bills' associated fiscal impact if they had been enacted. However, 2016 bills for which the vetoes were subsequently overridden are discussed with the enacted legislation.

Further information on issues considered during the 2016 session may be found in *The 90 Day Report – A Review of the 2016 Legislative Session*, issued by the Department of Legislative Services following the adjournment of the General Assembly.

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The enclosed report is prepared by the staff of the Office of Policy Analysis. Jennifer Botts, Mya Dempsey, Richard Duncan, Scott Gates, David Juppe, Kathleen Kennedy, Matthew Klein, Steven McCulloch, and Sasika Subramaniam each contributed to the content or editing of the report. The work was coordinated by Scott Kennedy and reviewed by John Rohrer and David Romans. I 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 me.

Sincerely,

Warren G. Deschenaux
Executive Director

WGD/mpd

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Abbreviations

BOND	–	Bond
Ch.	–	Chapter
FF	–	Federal Fund
FY	–	Fiscal Year
GF	–	General Fund
HB	–	House Bill
HE	–	Higher Education
MAIF	–	Maryland Automobile Insurance Fund
MHBE	–	Maryland Health Benefit Exchange
M-NCPPC	–	Maryland-National Capital Park and Planning Commission
NB	–	Nonbudgeted
PAYGO	–	pay-as-you-go
SB	–	Senate Bill
SF	–	Special Fund
SITF	–	State Insurance Trust Fund
TEDCO	–	Technology Development Corporation
( )	–	Indicates Decrease

Fiscal Effects of the 2016 Legislative Program

The fiscal 2017 budget (operating budget bill), Senate Bill 190 (Chapter 143) of 2016, provides $42.2 billion in appropriations for fiscal 2017, a 4.9% ($2.0 billion) increase above fiscal 2016. The appropriations consist of 40.7% in general fund spending, 28.5% in federal fund spending, 20.8% in special fund spending, and 10.0% in spending of higher education revenue.

The Maryland Consolidated Capital Bond Loan (MCCBL) of 2016 (capital budget bill), Senate Bill 191 (Chapter 27), authorizes $1.0 billion in general obligation (GO) bonds for capital spending. The overall capital budget program passed by the General Assembly for fiscal 2017 totals $4.4 billion, consisting primarily of the $1.0 billion in GO bonds authorized under the MCCBL of 2016, $2.8 billion for the transportation program (consisting of revenue bond funding and pay-as-you-go (PAYGO) special and federal funding), and $0.5 billion in other PAYGO funding.

The fiscal 2017 budget and the MCCBL of 2016 are consistent with recommendations of the Spending Affordability Committee (SAC) and Capital Debt Affordability Committee (CDAC). The fiscal 2017 budget includes a rate of growth on a spending affordability basis (4.55%) below the rate recommended by SAC (4.85%) and is estimated to meet or exceed the SAC recommendations for a minimum closing general fund balance ($100 million) and a minimum Rainy Day Fund balance ($1.0 billion). The net amount of new GO bond authorizations in the MCCBL of 2016 ($995.0 million: $1.005 billion in new GO bond authorizations and de-authorization of $10.1 million in GO bonds from prior years) is within both the CDAC ($995.0 million) and SAC ($1.055 billion) recommended limits.

While the fiscal effect of enacted legislation other than the fiscal 2017 operating and capital budget bills cannot be fully quantified overall due to certain fiscal impacts that could not be reliably estimated, the impacts of legislation that have been quantified in fiscal and policy notes total to a net decrease in general fund revenues of $40.2 million and a net increase in general fund expenditures of $51.8 million in fiscal 2017, an overall negative general fund impact of $92.0 million. The quantified impacts of 2016 legislation have a more significant negative net general fund impact, in the range of $200-$280 million each year, in fiscal 2018 through 2021. Special fund revenues decrease by a net amount of $2.2 million and special fund expenditures increase by a net amount of $51.5 million in fiscal 2017. Federal fund revenues decrease by a net amount of $5.5 million and federal fund expenditures decrease by a net amount of $5.3 million in fiscal 2017. In addition, fiscal and policy notes in which personnel impacts were able to be quantified included an overall net increase of 119.3 regular and contractual positions beginning in fiscal 2017.

Total of Quantified General Fund Impacts of 2016 Legislation
(exclusive of the operating and capital budget bills)

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
General Fund Revenues	($40,167,332)	($101,015,067)	($66,384,168)	($69,417,751)	($73,502,771)
General Fund Expenditures	$51,848,352	$167,184,678	$135,079,988	$144,626,790	$202,287,370
Net General Fund Impact	($92,015,684)	($268,199,745)	($201,464,156)	($214,044,541)	($275,790,141)

A number of the expenditure impacts of 2016 legislation are reflected in the fiscal 2017 budget; however, impacts of certain enacted legislation expected to require increased expenditures beginning in fiscal 2017 are not accounted for in the fiscal 2017 budget. Of the impacts that have been quantified in fiscal and policy notes, $20.4 million in general fund expenditure increases are not accounted for in the fiscal 2017 budget and may result in deficiency appropriations for the affected agencies in the next budget bill, or agencies may absorb the added costs into their existing budgets. In the case of special and federal fund expenditure increases that are not reflected in the enacted budget, State agencies may add special and federal funds through the budget amendment process and in certain cases the expenditure impacts are offset by corresponding revenue increases.

Fiscal 2017 Expenditure Increases (Resulting from 2016 Legislation)
Not Included in the Budget

General Funds	Special Funds	Federal Funds
$20,418,757	$30,753,290	$1,494,018

Although not contributing to the totals shown above and in Chapter 3 of the report, each bill with an unquantified impact is listed in Chapter 3 with an indication of whether it is expected to have a positive or negative impact on the budget. All estimates of the impact of 2016 enacted legislation (aside from the fiscal 2017 budget and MCCBL of 2016) are based on the assumptions stated in the fiscal and policy notes for the bills.

Chapter 4 includes a discussion of State aid to local governments and briefly describes impacts on local governments of legislation enacted in 2016 other than the fiscal 2017 budget and the MCCBL of 2016.

Chapter 1. Operating Budget

- Overview
- Budget in Brief
- Framing the Session: 2015 Interim Activity
- Governor's Spending Plan as Introduced
- Legislative Consideration of the Budget
- Outlook for Future Budgets
- By the Numbers

Overview

The State's fiscal posture showed marked improvement over prior years. Stronger revenue growth, coupled with favorable spending trends, yielded the first projected general fund structural surplus since fiscal 2006. An improved economy and stock market led to stronger than expected income tax attainment, at the same time that significant declines were realized in Medicaid enrollment and utilization. After accounting for spending shortfalls, the general fund is projected to close fiscal 2016 with over $550 million in fund balance.

The Governor introduced a fiscal 2017 budget that funded all mandated spending and increased the balance in the Rainy Day Fund. As part of his fiscal plan, the Governor proposed legislation to phase-in limited tax and fee relief over five years. At the 2016 session, the legislature passed elements of the Governor's plan along with other legislation that reflected legislative priorities. The fiscal 2017 budget grows by 4.9%, to $42.2 billion, and final action on the budget leaves an estimated general fund cash balance of $363.3 million at the end of fiscal 2017, in addition to $1.0 billion in the Rainy Day Fund. The legislature also met all of the recommendations of the Spending Affordability Committee (SAC). While the near-term cash position is favorable, the out-year forecast shows that structural deficits are expected to return by fiscal 2018, because ongoing spending outpaces ongoing revenue growth. By fiscal 2021, this imbalance is estimated to exceed $500 million.

Budget in Brief

The Fiscal Year 2017 Budget Bill, **Senate Bill 190 (Chapter 143)**, provides $42.2 billion in appropriations for fiscal 2017 – an increase of $2.0 billion (4.9%) above fiscal 2016. **Exhibit 1.1** illustrates funding by type of revenue. General fund spending accounts for 40.7% of the total budget. Federal funds support 28.5% of all spending. Special funds constitute 20.8% of the budget, and higher education revenue provides the remaining 10.0%. State agency operations constitute the largest area of spending, representing 41.2% of the total budget. Entitlements account for 27.5% of the budget, and 19.9% is provided as aid to local governments. Remaining appropriations fund pay-as-you-go (PAYGO) capital spending, debt service on State general obligation (GO) bonds, and transfers to the State Reserve Fund.

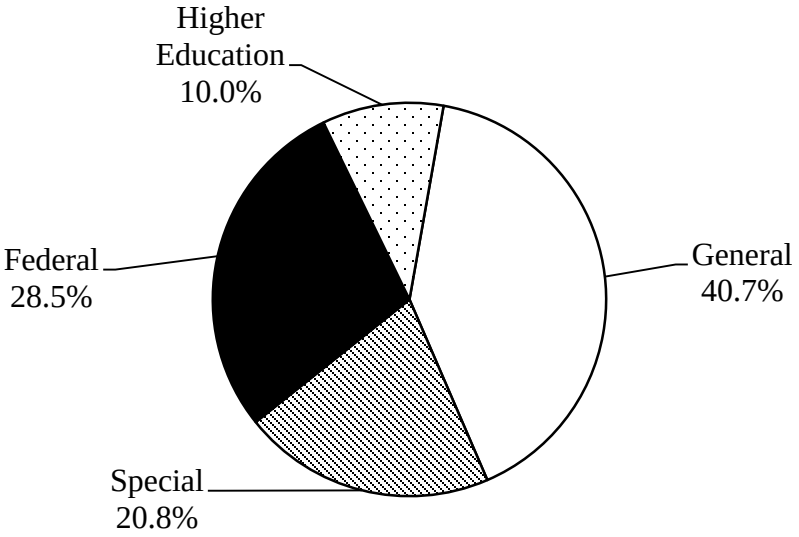
General fund appropriations increase by $965.5 million, or 5.9%, over the fiscal 2016 working appropriation. The most significant general fund growth is within the Medicaid program, which increases by $295.2 million, or 11.2%. This increase is attributable to less reliance on special fund revenue sources and the first year of State support for Medicaid expansion under the Affordable Care Act (ACA). State aid to local jurisdictions for education and library services increases by $123.2 million, reflecting full funding of the Geographic Cost of Education Index (GCEI) and increased funding for teacher retirement and other statutory education funding formulas. Debt service on GO bonds requires an increase of $30.6 million. Additional general funds are provided in fiscal 2017 to fund employee increments ($85.3 million), improve hiring within the Department of State Police (DSP), fund provider rate increases, and support projects and programs funded through PAYGO capital appropriations. The legislature restricted nearly

$80.0 million within the Rainy Day Fund appropriation for the purpose of funding legislative priorities. This includes $42.9 million to pay for capital projects and $19.0 million to help the school systems absorb the additional cost of teacher retirement. Other priorities include lead remediation in the homes of Medicaid-eligible children, funding for the food supplement program, evaluation and management rates for physicians and psychiatrists, and smaller miscellaneous programmatic funding.

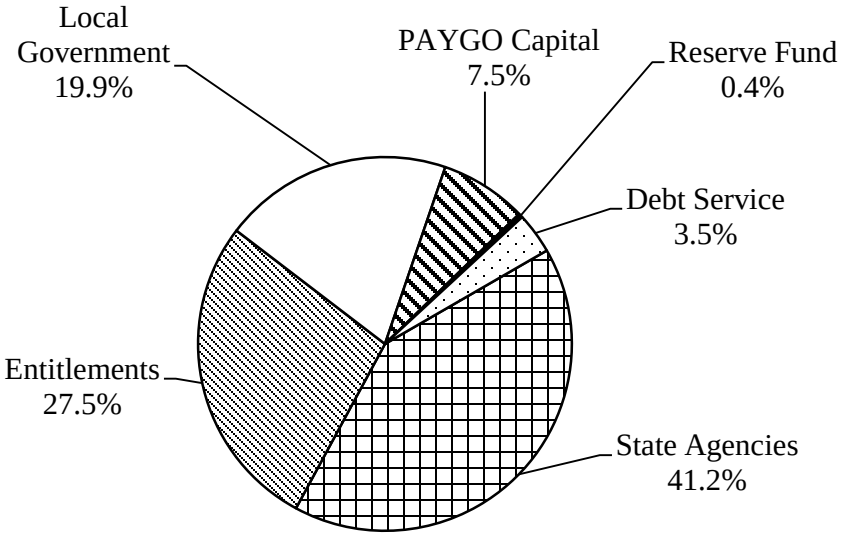
Fiscal 2017 special fund appropriations total nearly $8.8 billion, which reflects an increase of $394.8 million, or 4.7%, over the fiscal 2016 working appropriation. About one-third of the increase is related to transportation and environmental capital projects funded with PAYGO. The Maryland Department of Transportation (MDOT) receives a special fund increase of approximately $146.8 million, primarily to fund debt service and major projects within the State Highway Administration. Additional funding is included in the Department of Natural Resources (DNR) for Program Open Space and to provide an additional $13.7 million to the Chesapeake Bay 2010 Trust Fund for pollution reduction projects. The PAYGO capital appropriation for the Maryland Department of the Environment reflects an additional $16.2 million to fund new one-time energy-water infrastructure projects. Significant special fund growth also occurs within the Maryland Health Benefit Exchange (MHBE), Education Trust Fund revenues dedicated to primary and secondary education, and video lottery terminal revenues used to fund local impact grants. These increases are offset by the elimination of funding for the Maryland Health Insurance Program, which has discontinued plan coverage as a result of the ACA, and a significant reduction in special funds available for the Medicaid program.

Exhibit 1.1
Maryland's $42.2 Billion Fiscal 2017 Budget

Where It Comes From: Budget by Fund Source



Where It Goes: Budget by Purpose



PAYGO: pay-as-you-go

Federal fund spending increases by $541.7 million, or 4.7%, in fiscal 2017. Additional funding for major capital projects overseen by the Maryland Transit Administration, such as the Purple Line light rail project and the procurement of new buses, accounts for nearly 60.0% of the increase. The next largest increase is in the Medicaid program, with the growth mainly attributable to increases in provider rates in fiscal 2017. Federal funds passed through to local school systems, primarily for food services programs and to fund education resources for low-income students, grow by $92.7 million, or 8.6%, based on changes in enrollment. The budget also includes an additional $24.2 million in federal Victim of Crime Act grant funding to be allocated by the Governor's Office of Crime Control and Prevention to support services for crime victims. These increases are offset by a $28.5 million reduction in federal PAYGO funding for capital projects within the Military Department, based on project needs, and a $13.4 million decrease for MHBE due to lower operating costs and the end of federal establishment grant funding used to support information technology development.

The fiscal 2017 budget includes $5.7 billion for State colleges and universities, an increase of $119.4 million, or 2.1%, above the fiscal 2016 working appropriation. Of the increase, $37.6 million, or 31.5%, is from general funds and includes funds to hold in-state, undergraduate tuition growth to 2.0%. Formula aid to community colleges increases by $11.6 million in fiscal 2017 to $234.4 million. Aid to private colleges and universities grows $8.0 million, or nearly 19.0%, due to the scheduled formula increase and increasing State support to the public four-year institutions.

With respect to personnel, the size of the regular State workforce decreases by 0.7%, or 543 positions, to 80,331 regular positions in fiscal 2017. This reflects an across-the-board abolition of 657 positions and $25.0 million, per Section 20 of the fiscal 2017 budget bill. There is no funding for a general salary increase for most employees, although full merit increases are funded. Law enforcement officers receive retroactive merit increases, and in fiscal 2017, they will receive both a general salary increase and merit increases.

Framing the Session: 2015 Interim Activity

Fiscal 2015 closed with a balance of $320.4 million, approximately $268.0 million more than expected. General fund revenues were $214.0 million higher, largely due to higher personal income taxes. Additional agency reversions contributed another $53.7 million. Positive news continued into the fall as the Board of Revenue Estimates (BRE) revised fiscal 2016 revenue estimates upward by a combined $112.0 million at its meetings in September and December 2015. As a result, structural surpluses were projected in both fiscal 2016 and 2017 for the first time since fiscal 2006.

SAC Recommendations

SAC prepared its final report to the Governor in December 2015. Better than expected revenue attainment from the fiscal 2015 closeout, along with upward revenue revisions by BRE in September 2015, erased the structural general fund deficit, which existed since fiscal 2007. After

five straight years of recommendations aimed at reducing the structural deficit, the committee opted to transition back to the traditional recommendation based on a growth limit relative to spending at the prior legislative session.

Spending Limit

The committee recommended that the fiscal 2017 general fund budget maintain structural balance and that appropriations subject to the spending affordability limit be limited to growth of no greater than 4.85% over those approved at the 2015 session.

State Reserve Fund

SAC recommended that the balance of the Rainy Day Fund should be maintained at or above $1 billion unless otherwise provided by an action of the General Assembly.

General Fund Balance

Because the margin for maintaining structural balance was thin, the committee recommended a minimum general fund closing balance of at least $100 million for fiscal 2017. Based on the expectation that the cash balance could be higher, SAC further recommended that the cash balance could be increased above the $100 million threshold or be applied to one-time investments that enhance the long-term financial condition of the State, or address the State's infrastructure needs while minimizing future debt service expense. This could include PAYGO capital projects included in the 2015 *Capital Improvement Program*, particularly those that are ineligible for tax-exempt financing, or replenishment of the Catastrophic Event Fund.

Personnel

The committee recommended that the current complement of 80,831 regular positions was appropriate for the delivery of State services given the fiscal condition of the State. It was recommended that any additional positions necessary for new activities or facilities be accommodated within the current overall level.

Governor's Spending Plan as Introduced

For fiscal 2016, the Governor proposed $195.8 million of deficiency appropriations. The estimated closing fund balance of $502.4 million relied on an unprecedented level of targeted reversions totaling $303.7 million. For fiscal 2017, the Administration proposed $42.3 billion in total spending, reflecting a $2.0 billion (4.9%) increase over the revised fiscal 2016 spending plan, of which $848.3 million was general funds. The Governor's proposed budget also assumed a tax and fee relief plan that proposed to reduce general fund revenues in fiscal 2017 by $23.2 million.

The budget, as introduced, was $100.3 million below the 4.85% spending limit set by SAC. The net impact of the Administration's spending plan resulted in an estimated fiscal 2017

general fund balance of $449.5 million and a structural surplus of $185.0 million, after accounting for the proposed revenue actions. **Exhibit 1.2** details the Governor's original general fund spending plan for fiscal 2016 and 2017.

Exhibit 1.2
Governor's Original Budget Plan
Fiscal 2016-2017
($ in Millions)

	2016	2017
Opening Balance	**$320.4**	**$502.4**
Board of Revenue Estimates Revenues	$16,435.3	$17,081.9
Additional Revenues	21.9	-7.0
Transfers	4.5	0.0
Subtotal	***$16,461.7***	***$17,074.9***
Appropriations/Across-the-board Cuts/Deficiencies	$16,613.3	$17,159.3
Targeted Reversions	-303.7	-1.4
Reversions	-30.0	-30.0
Subtotal	***$16,279.6***	***$17,127.9***
Closing Balance	**$502.4**	**$449.5**

Source: Maryland Budget Highlights, Fiscal 2017

Fiscal 2016 Assumptions

Reversions

Assumed fiscal 2016 general fund reversions totaled $333.7 million, including $30.0 million in unspecified reversions and $303.7 million in specific reversions. Targeted reversions included:

- $207.1 million from Medicaid surpluses in fiscal 2015 and 2016 due to favorable trends in pharmacy rebates, underutilization of programs, and declining enrollment;
- $85.9 million in unspent fiscal 2016 withheld appropriations, including funding for the GCEI ($68.1 million) and the Prince George's County Hospital ($15.0 million);

- $6.4 million in the Department of Human Resources (DHR) due to favorable foster care and other out-of-home placement trends;

- $3.0 million in unspent prior year funds for information technology (IT) upgrades in the Department of Juvenile Services;

- $1.0 million in unspent State aid for out-of-county education placements and the Maryland Library for the Blind; and

- $0.3 million from the consolidation of IT and human resources support services among various State agencies.

Revenue Assumptions

The Governor's budget assumed $3.6 million in additional general fund revenue in fiscal 2016 available from the Maryland State Department of Education (MSDE) reversion of federal indirect costs per Statewide Cost Allocation Plan requirements.

Fiscal 2017 Assumptions

Across-the-board Reductions

The allowance included an across-the-board reduction of 657 regular positions from within the Executive Branch and an associated savings of $20.0 million in general funds and $5.0 million in special funds. An additional across-the-board action reduced funding for overbudgeted health insurance by $17.5 million.

Reversions

General fund reversions of $31.4 million were assumed in fiscal 2017, consisting of $30.0 million in unspecified reversions and $1.4 million in targeted reversions. The targeted reversions were assumed health insurance reductions for the Judicial and Legislative branches, consistent with the across-the-board action taken from executive agencies.

Revenue Assumptions

The Administration's fiscal 2017 spending plan assumed a net loss of $24.1 million in general fund revenue, requiring enactment of three pieces of legislation. Approximately $15.5 million in additional general fund revenue, generated from increased spending on lottery advertisements and $3.6 million from MSDE's reversion of federal indirect cost recovery funding, is offset by $43.2 million in proposed revenue reductions. The budget-related legislation introduced by the Administration included:

- **House Bill 462 (Chapter 10)** proposed to reduce the distribution of transfer tax revenues to the general fund by $20.0 million in fiscal 2017 and redirect the funds to a variety of land preservation programs via contingent special fund appropriations within DNR and the Maryland Department of Agriculture.

- **House Bill 452 (failed)** proposed to accelerate the amount of refundable earned income tax credit to 28% by tax year 2016, as opposed to reaching that target through a phased-in process by tax year 2018. The estimated impact assumed by the Administration was a loss of $18.0 million in general fund revenue in fiscal 2017.

- **House Bill 459 (Chapter 316)** proposed to reduce a variety of fees, including for birth and death certificates, fishing licenses, handgun licenses, and vanity license plates. The Administration estimated that this would reduce general fund revenues by approximately $5.2 million in fiscal 2017.

As part of the budget package the Governor also submitted legislation to effectuate relief from spending mandates. **Senate Bill 375/House Bill 449 (both failed)** would have permitted the Governor to limit funding for any program to the amount funded in fiscal 2018 except for mandated spending for K-12 education programs, debt service, contributions to the State employee retirement system, or the State Reserve Fund. This limitation would not have applied when the December BRE revenue estimate for the current year's budget was more than 2% higher than the revenue estimate for that budget from the prior December BRE report.

Legislative Consideration of the Budget

Revenue and Spending Changes

Following submission of the budget in January 2016, the Governor submitted three supplemental budgets. Revenues were revised by BRE in March, by a net -$51.4 million across fiscal 2016 and 2017.

Revenue Revisions

In March 2016, BRE revised its general fund projection for fiscal 2016 upward by $9.2 million, based on $75.2 million in higher corporate income and estate and inheritance taxes as well as better than expected performance by the State Lottery. These gains were offset by lagging performance by the State sales tax, resulting in a loss of $66.0 million. This adjustment to the sales tax outlook was carried forward into the fiscal 2017 estimate, lowering the amount expected to be collected by $60.6 million.

Supplemental Budgets

The Governor introduced three supplemental budgets, which proposed a total of $49.9 million in additional spending. **Exhibit 1.3** summarizes the supplemental budgets by fund type.

Exhibit 1.3
Summary of Supplemental Budget
2016 Session
($ in Millions)

	General Funds	Special Funds	Federal Funds	Total
Supplemental Budget No. 1	$15.0			$15.0
Supplemental Budget No. 2	26.6	$11.4	$0.1	38.1
Supplemental Budget No. 3	53.6	-3.0	-53.8	-3.2
Total	**$95.2**	**$8.4**	**-$53.7**	**$49.9**

- ***Supplemental Budget No. 1:*** The Governor provided $15.0 million in general funds as a grant to the University of Maryland Medical System, for operating support for a new Prince George's County Regional Medical System.

- ***Supplemental Budget No. 2:*** The second supplemental budget appropriated $38.1 million in spending for fiscal 2017. Spending was proposed for Project C.O.R.E. demolition in the Department of Housing and Community Development (DHCD) ($21.5 million), mandated Watershed Implementation Plan funding that was erroneously omitted from the allowance ($11.0 million), a new early graduation scholarship program in the Maryland Higher Education Commission ($3.0 million), a 2% rate increase for substance abuse providers in the Department of Health and Mental Hygiene ($2.3 million), and funding in DSP to address heroin and opioid abuse ($0.3 million).

- ***Supplemental Budget No. 3:*** The final supplemental budget reduced spending by a net $3.2 million. This included new spending of $135.5 million against withdrawn spending of $138.8 million. Larger increases were provided for five PAYGO capital higher education projects ($46.2 million), K-12 grants to Baltimore City and Calvert County to address declining student enrollment ($13.8 million), a new IT project in DHR ($13.8 million), funding for collectively bargained compensation increases for law enforcement positions ($12.1 million) and to address shortfalls in the Medicaid Children's Health Program ($10.0 million), and overtime in the Department of Public Safety and Correctional Services ($8.0 million). Due to a large decline in the Medicaid caseload, the supplemental budget

withdrew $116.2 million from that program and also assumed an additional $15.0 million Medicaid reversion.

Legislative Priorities and Reductions

As shown in **Exhibit 1.4**, the legislature acted to restrict $163.0 million in general and special fund appropriations to be used to fund legislative priorities. The largest restriction relates to $80.0 million in the appropriation to the Rainy Day Fund, which authorizes the Governor to transfer funds by budget amendment on an "all or nothing" basis to spending, otherwise the appropriations revert to the general fund. The specific priorities covered by this language include $42.9 million for PAYGO capital projects and $37.1 million for various grants and programs. The largest PAYGO restrictions would provide $15.0 million for the Facilities Renewal Fund and $9.2 million toward the Public Safety Communication System. Operating grants include $19.0 million to assist local school systems with the normal cost of teacher retirement pensions and $14.0 million to enhance Medicaid physician and psychiatrist evaluation and management rates to equal 96% of the Medicare rate. For a complete listing of the legislative priorities authorized for funding in the appropriation to the Rainy Day Fund, see Exhibit 1.10.

Another $46.2 million of general fund appropriations were restricted within the Board of Public Works (BPW) – Capital Appropriation program to pay for programs that are not eligible for tax-exempt financing. This action is expected to produce debt service savings in future operating budgets.

Exhibit 1.4
Funds Restricted for Legislative Priorities
Fiscal 2016 and 2017

Rainy Day Fund Pay-as-you-go (PAYGO) Items and Other Grants	$79,959,234
PAYGO Funding to Replace Tax Exempt Debt	46,200,000
Special Fund Restrictions	27,300,000
Other Grants and Programs	9,544,000
Grand Total Uses	**$163,003,234**

Finally, another $36.8 million in general and special fund restrictions were withheld to fund other operating and PAYGO priorities. Chief among these is $22.0 million to fund improvements at the Greenbelt Metro Station site, should that location be selected for the new headquarters of the Federal Bureau of Investigation. Other large restrictions included $3.3 million for the Maryland Clean Energy Center, $2.0 million for sound barriers, $1.7 million to restore dietary positions and operations in the Department of Health and Mental Hygiene, $3.2 million for fiscal 2016 college completion initiatives, and $1.6 million for need-based financial aid programs. For a complete listing of these other restrictions, see Exhibit 1.11.

Reductions

The legislature reduced the fiscal 2017 budget by $68.1 million. Most of this was due to a combined reduction of $54.6 million in special funds in MDOT. The largest reduction of $28.6 million was made to proposed PAYGO capital grants to local jurisdictions based on the allocation of statutory Highway User Revenue (HUR) grants. The Administration had included $53.6 million in the allowance for this purpose, with the intention of phasing up the level of discretionary grant funding until the combination of HUR and discretionary grants equaled 30% of revenues credited to the Gasoline and Motor Vehicle Revenue Account. Final legislative action restricted $25.0 million to be allocated based on grants in fiscal 2016, which provided $19.0 million for municipalities, $4.0 million for counties, and $2.0 million for Baltimore City. Another reduction of $26.0 million was made to the Washington Metropolitan Area Transit Authority (WMATA), because the amount in the allowance was overbudgeted relative to the projected WMATA capital budget.

Other reductions included $3.0 million in overbudgeted Mortgage Settlement special funds in the Office of the Attorney General, $2.7 million in general funds in the Judiciary for turnover and operating expenses, and $2.2 million ($1.1 million each in general and special funds) in the State Department of Assessments and Taxation to prohibit the use of aerial technology for conducting assessments. The legislature added $0.4 million to its own budget to address underfunded employee health insurance and $0.3 million to the Judiciary budget to add 1 judge and 2 clerks contingent on enactment of **House Bill 74 (Chapter 91)** creating new judgeships.

Final Actions Related to SAC

Limiting Spending Growth

Exhibit 1.5 indicates that budget growth on a spending affordability basis is 4.55% following final action at the 2016 session. This rate of growth is 30 basis points below the 4.85% limit recommended by SAC.

Exhibit 1.5
Operating Budget Affordability Limit
($ in Millions)

Funds	2015 Session	2016 Session	$ Change	% Change
General	$16,171.3	$16,809.6	$638.3	3.95%
Special	5,666.4	6,045.0	378.6	6.68%
Higher Education	2,579.2	2,673.2	94.0	3.65%
Estimated Budget Growth	**$24,416.9**	**$25,527.8**	**$1,111.0**	**4.55%**
SAC Limit	**$24,416.9**	**$25,601.1**	**$1,184.2**	**4.85%**
Over (Under) Limit			**-73.3**	**-0.30%**

SAC: Spending Affordability Committee

Source: Department of Legislative Services

Personnel

The budget as introduced funded 80,321 positions, based on an unspecified across-the-board abolition of 657 positions per Section 20 of the budget bill. Another 7 positions were created through Supplemental Budget No. 3 for the Department of General Services related to the Crownsville complex. The legislature abolished 2 positions from the base budget, but Section 20 stipulated that any position reductions made by the legislature would count toward the total to be abolished. The legislature also created 3 new positions for an additional Baltimore City circuit court judge and 2 clerks for the Judiciary related to **House Bill 74**. At 80,331 positions, the fiscal 2017 personnel complement is 500 positions below the 80,831 cap recommended by SAC for the 2016 session. Thus, the final action for State employment is consistent with the SAC recommendation.

General Fund and State Reserve Fund Balances

Final legislative action yielded an estimated closing fiscal 2017 balance of $363.3 million, which is above the $100.0 million general fund balance recommended by SAC. With respect to the Rainy Day Fund, an appropriation of $155.4 million, net of $80.0 million in funds restricted for legislative priorities, results in an estimated $1.0 billion balance. This level of balance is equal to 5.9% of estimated general fund revenues. In accordance with intent expressed by SAC, the Governor provided a deficiency appropriation of $10.0 million to the Catastrophic Event Account as well as $46.2 million in PAYGO capital appropriations in a supplemental budget. Legislative action entailed restricting the $46.2 million for projects that are not eligible for tax-exempt debt. Final action on the budget complied with the SAC recommendations to maintain a general fund balance

of at least $100.0 million, a balance in the Rainy Day Fund at or above $1.0 billion, and use of balances for infrastructure or to enhance the financial condition of the State.

Summary of Fiscal 2016 Legislative Activity

Exhibit 1.6 shows the impact of the legislative budget on the general fund balance for fiscal 2016 and 2017. The fiscal 2016 balance is estimated to be $551.4 million, assuming $401.5 million in reversions. At the end of fiscal 2017, the closing balance is estimated to be $363.3 million, assuming $30.3 million in reversions.

Exhibit 1.6
Final Legislative Budget Action with SB 190
Fiscal 2016-2017
($ in Millions)

	2016	2017
Opening Balance	**$320.4**	**$551.4**
Board of Revenue Estimates Revenues	$16,444.5	$17,021.3
Additional Revenues	21.9	36.2
Legislation	0.0	-40.2
Transfers	4.5	0.0
Subtotal	***$16,470.9***	***$17,017.3***
Appropriations/Across-the-board Cuts/Deficiencies	$16,613.3	$17,159.3
Supplemental Budgets	28.2	82.0
Reductions	0.0	-5.7
Targeted Reversions	-371.5	-0.3
Reversions	-30.0	-30.0
Subtotal	***$16,239.9***	***$17,205.4***
Closing Balance	**$551.4**	**$363.3**

Source: Department of Legislative Services

With respect to budget reductions through BPW, legislation was enacted to require additional transparency prior to the adoption of any actions under Section 7-213 of the State Finance and Procurement Article. Under current law, the Governor may reduce any appropriation up to 25%, except for K-12 education, debt service, the Maryland School for the Blind, and the salary of a public officer. **Senate Bill 370/House Bill 368 (Chapters 14 and 15)** require notification of the reductions to the Legislative Policy Committee and the budget

committees, as well as publication on the websites of the Department of Budget and Management and BPW, at least three business days prior to BPW approval of any reductions.

Outlook for Future Budgets

As shown in **Exhibit 1.7**, fiscal 2017 is projected to end with a $363 million fund balance. This is $188 million less than the projected fiscal 2016 fund balance. In fiscal 2017, ongoing revenues exceed ongoing spending by $99 million.

A structural deficit appears in fiscal 2018, however, when ongoing spending is projected to exceed ongoing revenues by $30 million. This structural deficit grows in each following year and is projected to reach $519 million in fiscal 2021. Between fiscal 2017 and 2021 ongoing revenues are projected to grow at an average annual rate of 3.8% while ongoing spending grows at an average annual rate of 4.6%.

The forecast is impacted by legislation enacted during the 2016 session. This includes impacts on revenues and spending. Legislation affecting revenues include:

- **Senate Bill 1007/House Bill 1378 (Chapters 323 and 324)** establish the Maryland Small Business Retirement Savings Program and Trust, which requires specified private-sector employers to make the program available to their employees. Employers who participate in the program or otherwise offer a retirement savings arrangement to their employees as specified in the bill are exempt from the State's annual filing fee for corporations and business entities. General funds are projected to decrease by about $40.0 million per year from fiscal 2018 through 2021. Full implementation of the legislation is contingent on an opinion being obtained from legal counsel or the federal government that the program's offerings qualify for favorable tax treatment;

- **House Bill 462 (Chapter 10)** reduces existing authorizations for the Governor to transfer funds from the transfer tax special fund to the general fund by $20 million in fiscal 2017 and by $40 million in fiscal 2018;

- **House Bill 422 (Chapter 322)** alters the calculation of the annual interest rate that the Comptroller sets for tax deficiencies and refunds by setting the rate at equal to the greater of 12.0% for calendar 2017, 11.5% for calendar 2018, 11.0% for calendar 2019, 10.5% for calendar 2020, 10.0% for calendar 2021, 9.5% for calendar 2022, and 9.0% for each year thereafter or three percentage points above the average prime rate of interest in the previous fiscal year, based on information from the Federal Reserve Bank. General funds are projected to decrease by $2.1 million for fiscal 2017 and by progressively larger amounts in subsequent years reaching almost $12.0 million in fiscal 2021;

Exhibit 1.7
General Fund Budget Outlook
Fiscal 2016-2021
($ in Millions)

Revenues	2016 Working	2017 Leg. Approp.	2018 Est.	2019 Est.	2020 Est.	2021 Est.	2017-21 Avg. Annual Change
Opening Fund Balance	$320	$551	$363	$167	$0	$0	
Transfers	5	0	0	176	68	29	
Subtotal One-time Revenue	***$325***	***$551***	***$363***	***$343***	***$68***	***$29***	
Ongoing Revenues	$16,466	$17,057	$17,750	$18,353	$19,071	$19,809	
Revenue Adjustments and Legislation	0	-40	-100	-65	-67	-71	
Subtotal Ongoing Revenue	***$16,466***	***$17,017***	***$17,650***	***$18,288***	***$19,004***	***$19,738***	***3.8%***
Total Revenues and Fund Balance	**$16,791**	**$17,569**	**$18,014**	**$18,631**	**$19,073**	**$19,767**	**3.0%**
Ongoing Spending							
Operating Spending	$16,714	$17,355	$18,106	$18,878	$19,769	$20,693	
VLT Revenues Supporting Education	-394	-459	-534	-541	-549	-557	
Multi-year Commitments	9	9	24	24	14	14	
Ongoing (Reductions)/Additions	0	12	13	14	16	17	
Ongoing Spending – Legislation	0	0	71	85	83	89	
Subtotal Ongoing Spending	***$16,329***	***$16,918***	***$17,680***	***$18,460***	***$19,333***	***$20,256***	***4.6%***
One-time Spending							
PAYGO Capital	$30	$70	$23	$26	$1	$1	
One-time Reductions	-28	-18	0	0	0	0	
Legislation/One-time Adjustments/Swaps	-174	0	44	44	41	92	
Appropriation to Rainy Day Fund	81	235	100	100	50	83	
Subtotal One-time Spending	***-$89***	***$287***	***$167***	***$170***	***$92***	***$176***	
Total Spending	**$16,240**	**$17,205**	**$17,847**	**$18,630**	**$19,425**	**$20,432**	**4.4%**
Ending Balance	**$551**	**$363**	**$167**	**$0**	**-$352**	**-$666**	
Rainy Day Fund Balance	$831	$1,002	$1,068	$957	$954	$990	
Balance Over 5% of GF Revenues	8	149	180	40	0	0	
As % of GF Revenues	5.05%	5.87%	6.01%	5.22%	5.00%	5.00%	
Structural Balance	**$137**	**$99**	**-$30**	**-$172**	**-$329**	**-$519**	

GF: general fund
PAYGO: pay-as-you-go
VLT: video lottery terminal

- **Senate Bill 1112 (Chapter 320)** creates a tax credit against the State income tax for a business that is certified by the Department of Commerce as operating a qualifying aerospace, electronics, or defense contract tax credit project. The Department of Commerce may award a maximum of $7.5 million in tax credits in each year to a business that is certified as meeting the requirements of the program. General funds are projected to decrease by $6.0 million annually from fiscal 2017 through 2021;

- **Senate Bill 676/House Bill 1014 (Chapters 689 and 690)** establish a matching State contribution for eligible college savings accounts; create a refundable tax credit of up to $5,000 for undergraduate student loan debt; alter authorized uses of, and clarify eligibility criteria for, specified student financial aid; and establish conditions under which students with unpaid balances may continue to attend public institutions of higher education. General funds are projected to decrease by $5.0 million annually from fiscal 2018 through 2021; and

- **House Bill 459 (Chapter 316)** reduces fees for birth and death certificates from $24 to $10. General funds are projected to decrease by $3.6 million annually beginning in fiscal 2017.

Legislation affecting expenditures includes:

- **House Bill 462 (Chapter 10)** takes various actions to restore funding to the special fund into which transfer tax revenues are deposited (transfer tax special fund) and programs and purposes supported by the fund; and increases the amount of the State's share of Program Open Space funding that must be allocated for direct grants to Baltimore City for park purposes. General fund spending is projected to increase by $5.0 million in fiscal 2018, escalating to $72.4 million in fiscal 2021;

- **Senate Bill 1052 (Chapter 25)** creates a strategic partnership between the University of Maryland, College Park and the University of Maryland, Baltimore to be called the University of Maryland; makes various changes and requires various planning activities to take place; requires the University System of Maryland headquarters to move to Baltimore City; and mandates the appropriation of funds for various purposes beginning in fiscal 2018. Spending is projected to increase over time from $11.2 million in fiscal 2018 to $32.3 million in fiscal 2021;

- **Senate Bill 324 (Chapter 13)** requires the State and Prince George's County to provide specified operating and capital funding for a new Prince George's County Regional Medical Center. General fund expenditures increase by $30.0 million in fiscal 2018, $15.0 million in fiscal 2019, and $5.0 million in both fiscal 2020 and 2021;

- **House Bill 686 (Chapter 30)** establishes the Strategic Demolition and Smart Growth Impact Fund within DHCD to provide grants and loans to government agencies and community development organizations for revitalization projects in any area designated as

a "sustainable community" under current law. General fund PAYGO appropriations in fiscal 2018 and 2019 will be $25.6 million and $28.5 million, respectively;

- **House Bill 684 (Chapter 29)** codifies the existing Baltimore Regional Neighborhood Initiative Program within DHCD. The bill also establishes a Baltimore Regional Neighborhood Initiative Program Fund and requires the Governor, for fiscal 2018 through 2022, to include in the annual budget bill an appropriation of $12.0 million to the fund. For fiscal 2018 only, the Governor must also include in the budget bill an appropriation of $250,000 for the Baltimore Metropolitan Council;

- **Senate Bill 676/House Bill 1014 (Chapters 689 and 690)**, summarized under the legislation affecting revenues, also impact State expenditures. Spending is projected to increase by $5.4 million in fiscal 2018, $7.3 million in fiscal 2019, and $10.3 million in fiscal 2020 and 2021;

- **House Bill 1402 (Chapter 32)** establishes a Public School Opportunities Enhancement Program and Grant in MSDE. MSDE must develop and administer the grant program to assist local school systems, public community schools, and nonprofit organizations in the State in expanding or creating extended day and summer enhancement programs and to assist nonprofit organizations in the State and community schools in expanding or supporting existing educational programming during the school day. For fiscal 2018 through 2021, the Governor must include $7.5 million annually in the State budget for the program. To receive grants, eligible entities must provide services in a county in which at least 50% of the students are eligible to receive a free lunch under the National School Lunch Program;

- **Senate Bill 493 (Chapter 740)** establishes a Teacher Induction, Retention, and Advancement Pilot Program. The bill mandates an appropriation of $5.0 million annually for the program. The bill also increases the maximum State matching stipend for teachers who hold National Board Certification from $2,000 to $4,000 and requires the State to provide a stipend for certain teachers in Anne Arundel County public schools. Spending is projected to increase by $8.2 million in fiscal 2018 and 2019 and by $6.4 million in fiscal 2020 and 2021;

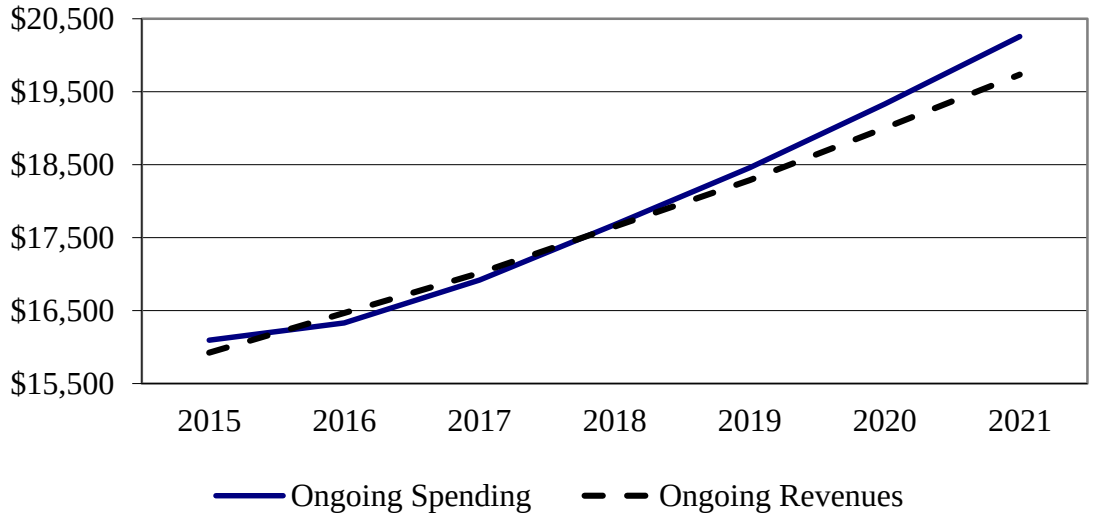
- **House Bill 1400 (Chapter 31)** establishes a Seed Community Development Anchor Institution Fund within DHCD to provide grants and loans to "anchor institutions" for community development projects in "blighted areas" of the State. For fiscal 2018 through 2022, the Governor must include in the annual budget bill an appropriation of $5.0 million to the fund; and

- **House Bill 1403 (Chapter 33)** reestablishes the College Readiness Outreach Program as the Next Generation Scholars of Maryland Program to (1) allow eligible students in grades 7 and 8 (and specified students in grade 9) to prequalify for a Guaranteed Access Grant; (2) require students to agree in writing to meet specified qualifications; and (3) require that

specified services be provided to students participating in the program. For each year from fiscal 2018 through 2023, the Governor must include $5.0 million in general funds for the program to be administered in school systems in which at least 50% of the students are eligible to receive a free lunch under the National School Lunch Program in the 2015-2016 school year.

Exhibit 1.8 illustrates the current projections for general fund structural balance from fiscal 2015 through 2021. In the short-term, the general fund budget is expected to be in structural balance in fiscal 2016 and 2017, with ongoing revenues exceeding ongoing spending by approximately $100 million in fiscal 2017. Throughout the forecast period, ongoing spending outpaces revenues by not quite 1% per year. A small deficit appears in fiscal 2018, growing to nearly -$200 million in fiscal 2019. In part, due to the phased effects of legislation, a deficit in excess of $500 million appears by fiscal 2021. While an improving economy may mitigate a portion of this shortfall, additional spending or revenue actions may be needed to ensure future fiscal equilibrium.

Exhibit 1.8
The General Fund Structural Deficit
Is Projected to Exceed $500 Million by Fiscal 2021
Fiscal 2015-2021
($ in Millions)



Source: Department of Legislative Services

By the Numbers

A number of exhibits summarize the legislative budget action. These exhibits are described below.

Exhibit 1.9, the fiscal note on the budget bill, depicts the Governor's allowance, funding changes made through three supplemental budgets, legislative reductions, and final appropriations for fiscal 2016 and 2017 by fund source. The Governor's original request provided for $42.3 billion in fiscal 2017 expenditures and $195.8 million in fiscal 2016 deficiencies.

The Governor added $33.1 million in fiscal 2016 spending in a supplemental budget, resulting in an appropriation of $40.3 billion for fiscal 2016. The fiscal 2017 budget was increased by $31.7 million through three supplemental budgets offset by legislative reductions totaling $68.1 million. This resulted in a final appropriation of $42.2 billion.

Exhibit 1.10 details $80 million in general funds restricted for legislative priorities in the Rainy Day Fund of **Senate Bill 190**. Legislative priorities support a mix of PAYGO capital uses and grants. This includes funding for facilities renewal, aging schools, public safety communications, demolition of buildings at the Baltimore City correctional complex, and the Maryland Agricultural Cost-Share Program. Operating priorities would fund grants to 22 jurisdictions to provide one-time assistance with local pension funding requirements, increase physician rates, restore grant funding to Baltimore City to fiscal 2014 levels for assisting Medicaid enrollees in accessing care, and fund various grants related to crime prevention, arts, education, and lead paint remediation. If the Governor does not opt to transfer funds for these legislative priorities, then the entire $80 million appropriation reverts to the general fund.

Exhibit 1.11 lists $36.8 million in general and special fund appropriations that represent additional restrictions throughout the budget to only be used to implement legislative initiatives. Each item can be considered separately by the Governor, and those items that are not used for the restricted purpose either revert to the general fund at the end of the fiscal year or are cancelled. Cancelled special funds will either be credited to the Transportation Trust Fund or the Strategic Energy Investment Fund.

Exhibit 1.12 illustrates budget changes by major expenditure category by fund. Total spending increases by $2.0 billion, or 4.9%. Debt service grows by $83.6 million, or 5.9%, based on the issuance of GO and transportation debt. Aid to local government increases by $377.4 million, or 4.7%, largely due to formula-based education aid. Entitlement spending grows by $321.1 million, or 2.8%, driven by provider rate increases. State agency spending increases by $591.6 million, or 3.5%, largely due to personnel expenses for employee increments, health care, and retirement. PAYGO capital expenditures increase by $503.2 million, or 18.8%, due mostly to greater spending on transportation projects. This includes continued development of the Purple Line light rail transit system and a variety of highway and bridge projects.

Exhibit 1.9

Fiscal Note – Summary of the Fiscal 2017 Budget Bill – Senate Bill 190

	General Funds	Special Funds	Federal Funds	Education Funds	Total Funds
Governor's Allowance					
Fiscal 2016 Budget	$16,211,797,944	$8,374,816,134	$11,494,820,220	$4,136,376,216	$40,217,810,514 [(1)]
Fiscal 2017 Budget	17,129,093,019	8,823,809,822	12,099,982,117	4,215,323,887	42,268,208,845 [(2)]
Supplemental Budget No. 1					
Fiscal 2016 Deficiencies	$0	$0	$0	$0	$0
Fiscal 2017 Budget	15,000,000	0	0	0	15,000,000
Subtotal	***$15,000,000***	***$0***	***$0***	***$0***	***$15,000,000***
Supplemental Budget No. 2					
Fiscal 2016 Deficiencies	$0	$0	$0	$0	$0
Fiscal 2017 Budget	26,554,092	11,420,644	82,803	0	38,057,539
Subtotal	***$26,554,092***	***$11,420,644***	***$82,803***	***$0***	***$38,057,539***
Supplemental Budget No. 3					
Fiscal 2016 Deficiencies	$28,150,781	$700,760	$4,258,389	$0	$33,109,930
Fiscal 2017 Budget	40,422,702	-3,693,269	-58,067,363	0	-21,337,930
Subtotal	***$68,573,483***	***-$2,992,509***	***-$53,808,974***	***$0***	***$11,772,000***
Legislative Reductions					
Fiscal 2016 Deficiencies	$0	$0	$0	$0	$0
Fiscal 2017 Budget	-5,712,557	-61,178,350	-1,173,465	-42,203	-68,106,575
Total Reductions	**-$5,712,557**	**-$61,178,350**	**-1,173,464**	**-42,203**	**-$68,106,575**
Appropriations					
Fiscal 2016 Budget	$16,239,948,725	$8,375,516,894	$11,499,078,609	$4,136,376,216	$40,250,920,444
Fiscal 2017 Budget	17,205,357,256	8,770,358,847	12,040,824,092	4,215,281,684	42,231,821,879
Change	**$965,408,531**	**$394,841,953**	**$541,745,483**	**$78,905,468**	**$1,980,901,435**

[(1)] $195.8 million in proposed deficiencies, including $179.1 million in general funds, -$5.5 million in special funds, $6.1 million in federal funds, and $16.1 million in current unrestricted funds. Reversion assumptions total $401.6 million, including $30.0 million in unspecified reversions and $371.5 million in targeted reversions.

[(2)] General fund reversions of $30.3 million. Across-the-board cuts of $42.5 million for health insurance ($17.5 million) and abolish 657 positions ($25.0 million).

Exhibit 1.10
Legislative Budget Priorities

Sources	**General Funds**
Rainy Day Fund	$79,959,234
Total Reductions	**$79,959,234**

Uses	**General Funds**
Pay-as-you-go (PAYGO) Capital Uses	
Facilities Renewal Fund	$15,000,000
Public Safety Communication System	9,190,000
Baltimore City Correctional Complex Demolition	6,581,000
Aging Schools Program	6,109,000
Maryland Agricultural Cost-Share Program	6,000,000
Subtotal PAYGO Funding	***$42,880,000***
Operating Uses	
School Systems Share of Retirement Costs	$18,999,234
Physician and Psychiatrist Evaluation and Management Rates	14,080,000
Baltimore City Safe Streets Program	1,000,000
Food Supplement Program	1,000,000
Lead Remediation for Homes of Certain Medicaid Enrollees	500,000
Baltimore City Health Department Administrative Care Coordination Unit	500,000
Maryland Business Roundtable on Education	300,000
Maryland Center for Construction Education and Innovation	250,000
National Great Blacks in Wax Museum	200,000
Maryland Humanities Council	175,000
Arts Everyday	37,500
901 Arts	37,500
Subtotal Operating Funding	***$37,079,234***
Grand Total Uses	**$79,959,234**

Exhibit 1.11
Additional Legislative Budget Priorities
Fiscal 2016-2017

	General Funds	Special Funds
USM: College Completion Initiatives[1]	$3,200,000	
SHA: Greenbelt Metro Station		$22,000,000
MEA: Maryland Clean Energy Center		3,300,000
SHA: Sound Barriers		2,000,000
MHEC: Need-based Financial Aid	1,590,000	
DHMH: SHC Dietary Function	1,200,000	
DHMH: Substance Use Treatment Services	1,100,000	
DHMH: RICA-Gildner Dietary Function	530,000	
MHEC: Maryland Academy of Sciences and College Bound Foundation	460,000	
DHMH: RICA-Baltimore Operating Expenses	400,000	
MHEC: Early College High Schools	300,000	
MHEC: Consultant Review of Need-based Aid	250,000	
DHMH: PACT Helping Children Program in DDA	214,000	
MHEC: Maryland Corps Program	150,000	
DOC: National Center for the Veteran Institute for Procurement	150,000	
Grand Total	**$9,544,000**	**$27,300,000**

[1]Fiscal 2016 funding.

DOC: Department of Commerce
DDA: Developmental Disabilities Administration
DHMH: Department of Health and Mental Hygiene
MEA: Maryland Energy Administration
MHEC: Maryland Higher Education Commission
RICA: Regional Institute for Children and Adolescents
SHA: State Highway Administration
SHC: Springfield Hospital Center
USM: University System of Maryland

Source: Department of Budget and Management

Exhibit 1.12
State Expenditures – General Funds
($ in Millions)

Category	Actual FY 2015	Working Approp. FY 2016	Legislative Approp. FY 2017	Legislative Add Backs [1] FY 2017	Adjusted Legislative Approp. FY 2017	FY 2016 to 2017 $ Change	FY 2016 to 2017 % Change
Debt Service	$140.0	$252.4	$283.0	$0.0	$283.0	$30.6	12.1%
County/Municipal	247.0	254.7	265.1	1.0	266.1	11.4	4.5%
Community Colleges	290.3	297.5	314.3	0.0	314.3	16.9	5.7%
Education/Libraries	5,767.3	5,827.5	5,925.3	25.4	5,950.7	123.2	2.1%
Health	41.7	45.7	49.5	0.0	49.5	3.8	8.4%
Aid to Local Governments	***$6,346.3***	***$6,425.3***	***$6,554.2***	***$26.4***	***$6,580.6***	***$155.3***	***2.4%***
Foster Care Payments	186.1	185.2	177.8	0.0	177.8	-7.4	-4.0%
Assistance Payments	73.1	61.9	68.2	1.0	69.2	7.3	11.9%
Medical Assistance	2,765.3	2,646.4	2,926.6	15.1	2,941.6	295.2	11.2%
Property Tax Credits	76.0	81.5	85.7	0.0	85.7	4.3	5.2%
Entitlements	***$3,100.5***	***$2,974.9***	***$3,258.3***	***$16.1***	***$3,274.3***	***$299.4***	***10.1%***
Health	1,292.0	1,316.3	1,374.8	3.4	1,378.2	61.9	4.7%
Human Resources	361.2	359.0	380.5	0.0	380.5	21.5	6.0%
Children's Cabinet Interagency Fund	20.6	22.5	20.7	0.0	20.7	-1.8	-8.0%
Juvenile Services	274.8	272.5	284.5	0.0	284.5	12.0	4.4%
Public Safety/Police	1,407.8	1,479.2	1,505.9	0.0	1,505.9	26.6	1.8%
Higher Education	1,287.8	1,348.9	1,386.4	0.0	1,386.4	37.6	2.8%
Other Education	388.4	411.5	424.5	2.6	427.1	15.6	3.8%
Agriculture/Natural Res./ Environment	131.5	113.4	120.6	0.0	120.6	7.2	6.4%
Other Executive Agencies	654.0	673.3	771.8	1.0	772.8	99.5	14.8%
Judiciary	425.7	452.9	481.7	0.0	481.7	28.8	6.4%
Legislative	82.3	84.5	87.6	0.0	87.6	3.1	3.7%
Across-the-board Cuts	0.0	-0.2	-20.0	0.0	-20.0	-19.8	n/a
State Agencies	***$6,326.2***	***$6,534.0***	***$6,819.1***	***$7.0***	***$6,826.2***	***$292.2***	***4.5%***
Deficiencies (for prior years)	0.0	41.3	0.0	0.0	0.0	-41.3	-100.0%
Total Operating	**$15,912.9**	**$16,227.9**	**$16,914.6**	**$49.5**	**$16,964.1**	**$736.2**	***4.5%***
Capital [2]	11.5	26.5	32.9	83.0	115.9	89.3	337.1%
Subtotal	***$15,924.5***	***$16,254.4***	***$16,947.5***	***$132.5***	***$17,080.0***	***$825.4***	***5.1%***
Reserve Funds	14.8	72.5	155.4	0.0	155.4	82.9	114.3%
Appropriations	**$15,939.3**	**$16,326.9**	**$17,102.9**	**$132.5**	**$17,235.4**	**$908.4**	***5.6%***
Reversions	0.0	-87.0	-30.0	0.0	-30.0	57.0	-65.5%
Grand Total	**$15,939.3**	**$16,239.9**	**$17,072.9**	**$132.5**	**$17,205.4**	**$965.4**	***5.9%***

[1]The General Assembly reduced the allowance by $132.8 million but provided authorization for those funds to be used for a variety of purposes. However, spending the $132.8 million is at the discretion of the Governor. One of the add backs was contingent on legislation that was vetoed by the Governor reducing the total add backs to $132.5 million.
[2]Includes the Sustainable Communities Tax Credit Reserve Fund.

Note: The fiscal 2016 working appropriation includes $207.3 million in deficiencies and $371.5 million in targeted reversions.

Exhibit 1.12 (Continued)
State Expenditures – Special and Higher Education Funds*
($ in Millions)

Category	Actual FY 2015	Working Approp. FY 2016	Legislative Approp. FY 2017	Legislative Add Backs [1] FY 2017	Adjusted Legislative Approp. FY 2017	FY 2016 to FY 2017 $ Change	FY 2016 to FY 2017 % Change
Debt Service	$1,124.0	$1,149.6	$1,202.6	$0.0	$1,202.6	$52.9	4.6%
County/Municipal	257.4	278.8	340.8	0.0	340.8	62.0	22.2%
Community Colleges	0.0	0.0	0.0	0.0	0.0	0.0	n/a
Education/Libraries	386.8	387.9	458.8	0.0	458.8	71.0	18.3%
Health	0.0	0.0	0.0	0.0	0.0	0.0	n/a
Aid to Local Governments	***$644.2***	***$666.7***	***$799.6***	***$0.0***	***$799.6***	***$133.0***	***19.9%***
Foster Care Payments	2.2	4.8	2.2	0.0	2.2	-2.6	-53.8%
Assistance Payments	6.4	16.6	13.3	0.0	13.3	-3.3	-19.9%
Medical Assistance	1,031.1	998.5	946.8	0.0	946.8	-51.7	-5.2%
Property Tax Credits	0.0	0.0	0.0	0.0	0.0	0.0	n/a
Entitlements	***$1,039.8***	***$1,020.0***	***$962.3***	***$0.0***	***$962.3***	***-$57.6***	***-5.7%***
Health	394.4	488.4	517.5	0.0	517.5	29.1	6.0%
Human Resources	81.4	90.6	97.9	0.0	97.9	7.4	8.1%
Children's Cabinet Interagency Fund	0.0	0.0	0.0	0.0	0.0	0.0	n/a
Juvenile Services	3.7	4.9	3.9	0.0	3.9	-1.0	-21.2%
Public Safety/Police	214.6	221.7	220.9	0.0	220.9	-0.8	-0.3%
Higher Education	4,029.0	4,208.2	4,290.0	0.0	4,290.0	81.8	1.9%
Other Education	52.7	60.0	66.7	0.0	66.7	6.7	11.2%
Transportation	1,762.4	1,767.3	1,805.3	0.0	1,805.3	38.0	2.2%
Agriculture/Natural Res./ Environment	205.8	253.3	278.2	0.0	278.2	24.9	9.8%
Other Executive Agencies	615.9	687.4	717.7	3.3	721.0	33.6	4.9%
Judiciary	58.4	64.7	59.3	0.0	59.3	-5.4	-8.4%
Legislative	0.0	0.0	0.0	0.0	0.0	0.0	n/a
Across-the-board Cuts	0.0	0.0	-5.0	0.0	-5.0	-5.0	n/a
State Agencies	***$7,418.3***	***$7,846.4***	***$8,052.5***	***$3.3***	***$8,055.8***	***$209.4***	***2.7%***
Deficiencies (for prior years)	0.0	-5.5	0.0	0.0	0.0	5.5	-100.0%
Total Operating	**$10,226.2**	**$10,677.2**	**$11,017.0**	**$3.3**	**$11,020.3**	**$343.1**	**3.2%**
Capital	1,530.8	1,834.7	1,941.3	24.0	1,965.3	130.7	7.1%
-- Transportation	1,283.1	1,580.3	1,627.4	24.0	1,651.4	71.1	4.5%
-- Environment	196.5	193.3	210.1	0.0	210.1	16.7	8.7%
-- Other	51.3	61.0	103.8	0.0	103.8	42.8	70.3%
Grand Total	**$11,757.0**	**$12,511.9**	**$12,958.3**	**$27.3**	**$12,985.6**	**$473.7**	**3.8%**

[1]The General Assembly reduced the allowance by $27.3 million but provided authorization for those funds to be used for a variety of purposes. However, spending the $27.3 million is at the discretion of the Governor.

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

Note: The fiscal 2016 working appropriation reflects deficiencies of -$6.8 million.

Exhibit 1.12 (Continued)
State Expenditures – Federal Funds
($ in Millions)

Category	Actual FY 2015	Working Approp. FY 2016	Legislative Approp. FY 2017	FY 2016 to FY 2017 $ Change	FY 2016 to FY 2017 % Change
Debt Service	$11.5	$11.5	$11.5	$0.1	0.5%
County/Municipal	67.4	65.9	65.9	0.0	0.0%
Community Colleges	0.0	0.0	0.0	0.0	n/a
Education/Libraries	792.9	847.6	936.8	89.2	10.5%
Health	4.5	4.5	4.5	0.0	0.0%
Aid to Local Governments	***$864.8***	***$917.9***	***$1,007.1***	***$89.2***	***9.7%***
Foster Care Payments	81.0	98.7	82.3	-16.4	-16.6%
Assistance Payments	1,268.1	1,259.5	1,255.6	-4.0	-0.3%
Medical Assistance	5,736.7	5,929.8	6,029.4	99.6	1.7%
Property Tax Credits	0.0	0.0	0.0	0.0	n/a
Entitlements	***$7,085.8***	***$7,288.0***	***$7,367.3***	***$79.3***	***1.1%***
Health	891.8	946.6	975.6	28.9	3.1%
Human Resources	486.5	494.9	501.3	6.5	1.3%
Children's Cabinet Interagency Fund	0.0	0.0	0.0	0.0	n/a
Juvenile Services	7.9	7.4	4.8	-2.5	-34.3%
Public Safety/Police	34.2	37.4	42.5	5.2	13.9%
Higher Education	0.0	0.0	0.0	0.0	n/a
Other Education	271.4	246.0	252.9	6.9	2.8%
Transportation	89.8	96.6	97.2	0.7	0.7%
Agriculture/Natural Res./ Environment	64.4	69.8	66.0	-3.8	-5.4%
Other Executive Agencies	534.4	571.6	620.8	49.2	8.6%
Judiciary	1.0	1.2	0.2	-1.1	-86.7%
Across-the-board Cuts	0.0	0.0	0.0	0.0	n/a
State Agencies	***$2,381.4***	***$2,471.3***	***$2,561.3***	***$90.0***	***3.6%***
Total Operating	**$10,343.5**	**$10,688.7**	**$10,947.3**	**$258.5**	**2.4%**
Capital	741.2	810.4	1,093.6	283.2	34.9%
-- Transportation	674.4	705.5	1,020.4	314.9	44.6%
-- Environment	41.3	44.9	44.3	-0.5	-1.2%
-- Other	25.5	60.0	28.9	-31.1	-51.9%
Grand Total	**$11,084.7**	**$11,499.1**	**$12,040.8**	**$541.7**	**4.7%**

Note: The fiscal 2016 working appropriation includes $10.3 million in deficiencies.

Exhibit 1.12 (Continued)
State Expenditures – State Funds
($ in Millions)

Category	Actual FY 2015	Working Approp. FY 2016	Legislative Approp. FY 2017	Legislative Add Backs [1] FY 2017	Adjusted Legislative Approp. FY 2017	FY 2016 to FY 2017 $ Change	FY 2016 to FY 2017 % Change
Debt Service	$1,264.0	$1,402.0	$1,485.6	$0.0	$1,485.6	$83.5	6.0%
County/Municipal	504.4	533.5	605.9	1.0	606.9	73.4	13.8%
Community Colleges	290.3	297.5	314.3	0.0	314.3	16.9	5.7%
Education/Libraries	6,154.1	6,215.4	6,384.2	25.4	6,409.6	194.2	3.1%
Health	41.7	45.7	49.5	0.0	49.5	3.8	8.4%
Aid to Local Governments	***$6,990.5***	***$7,092.0***	***$7,353.8***	***$26.4***	***$7,380.2***	***$288.2***	***4.1%***
Foster Care Payments	188.3	190.1	180.0	0.0	180.0	-10.0	-5.3%
Assistance Payments	79.5	78.5	81.5	1.0	82.5	4.0	5.1%
Medical Assistance	3,796.4	3,644.9	3,873.3	15.1	3,888.4	243.5	6.7%
Property Tax Credits	76.0	81.5	85.7	0.0	85.7	4.3	5.2%
Entitlements	***$4,140.2***	***$3,994.9***	***$4,220.6***	***$16.1***	***$4,236.7***	***$241.8***	***6.1%***
Health	1,686.4	1,804.7	1,892.3	3.4	1,895.7	91.1	5.0%
Human Resources	442.6	449.6	478.4	0.0	478.4	28.8	6.4%
Children's Cabinet Interagency Fund	20.6	22.5	20.7	0.0	20.7	-1.8	-8.0%
Juvenile Services	278.4	277.4	288.4	0.0	288.4	11.0	4.0%
Public Safety/Police	1,622.4	1,700.9	1,726.8	0.0	1,726.8	25.9	1.5%
Higher Education	5,316.8	5,557.1	5,676.5	0.0	5,676.5	119.4	2.1%
Other Education	441.1	471.5	491.2	2.6	493.8	22.3	4.7%
Transportation	1,762.4	1,767.3	1,805.3	0.0	1,805.3	38.0	2.2%
Agriculture/Natural Res./ Environment	337.3	366.7	398.8	0.0	398.8	32.1	8.8%
Other Executive Agencies	1,269.9	1,360.7	1,489.5	4.3	1,493.8	133.1	9.8%
Judiciary	484.1	517.6	541.0	0.0	541.0	23.3	4.5%
Legislative	82.3	84.5	87.6	0.0	87.6	3.1	3.7%
Across-the-board Cuts	0.0	-0.2	-25.0	0.0	-25.0	-24.8	n/a
State Agencies	***$13,744.4***	***$14,380.4***	***$14,871.6***	***$10.3***	***$14,882.0***	***$501.6***	***3.5%***
Deficiencies (for prior years)	0.0	35.9	0.0	0.0	0.0	-35.9	-100.0%
Total Operating	**$26,139.1**	**$26,905.2**	**$27,931.6**	**$52.8**	**$27,984.4**	**$1,079.3**	**4.0%**
Capital [2]	1,542.3	1,861.2	1,974.2	107.0	2,081.2	220.0	11.8%
--Transportation	1,283.1	1,580.3	1,627.4	24.0	1,651.4	71.1	4.5%
--Environment	197.5	193.7	210.3	9.8	220.1	26.3	13.6%
--Other	61.8	87.1	136.5	73.2	209.7	122.6	140.8%
Subtotal	***$27,681.5***	***$28,766.3***	***$29,905.8***	***$159.8***	***$30,065.6***	***$1,299.3***	***4.5%***
Reserve Funds	14.8	72.5	155.4	0.0	155.4	82.9	114.3%
Appropriations	**$27,696.2**	**$28,838.8**	**$30,061.2**	**$159.8**	**$30,221.0**	**$1,382.2**	**4.8%**
Reversions	0.0	-87.0	-30.0	0.0	-30.0	57.0	-65.5%
Grand Total	**$27,696.2**	**$28,751.8**	**$30,031.2**	**$159.8**	**$30,191.0**	**$1,439.2**	**5.0%**

[1]The General Assembly reduced the allowance by $160.1 million but provided authorization for those funds to be used for a variety of purposes. However, spending the $160.1 million is at the discretion of the Governor. One of the add backs was contingent on legislation that was vetoed by the Governor reducing the total add backs to $159.8 million.
[2]Includes the Sustainable Communities Tax Credit Reserve Fund.

Note: The fiscal 2016 working appropriation includes $200.5 million in deficiencies and $371.5 million in targeted reversions.

Exhibit 1.12 (Continued)
State Expenditures – All Funds
($ in Millions)

Category	Actual FY 2015	Working Approp. FY 2016	Legislative Approp. FY 2017	Legislative Add Backs [1] FY 2017	Adjusted Legislative Approp. FY 2017	FY 2016 to FY 2017 $ Change	FY 2016 to FY 2017 % Change
Debt Service	$1,275.4	$1,413.5	$1,497.1	$0.0	$1,497.1	$83.6	5.9%
County/Municipal	571.9	599.3	671.7	1.0	672.7	73.4	12.2%
Community Colleges	290.3	297.5	314.3	0.0	314.3	16.9	5.7%
Education/Libraries	6,946.9	7,063.0	7,320.9	25.4	7,346.3	283.4	4.0%
Health	46.2	50.2	54.0	0.0	54.0	3.8	7.6%
Aid to Local Governments	***$7,855.3***	***$8,009.9***	***$8,360.9***	***$26.4***	***$8,387.3***	***$377.4***	***4.7%***
Foster Care Payments	269.3	288.7	262.3	0.0	262.3	-26.4	-9.1%
Assistance Payments	1,347.6	1,338.0	1,337.1	1.0	1,338.1	0.1	0.0%
Medical Assistance	9,533.1	9,574.7	9,902.8	15.1	9,917.8	343.1	3.6%
Property Tax Credits	76.0	81.5	85.7	0.0	85.7	4.3	5.2%
Entitlements	***$11,226.1***	***$11,282.9***	***$11,587.9***	***$16.1***	***$11,603.9***	***$321.1***	***2.8%***
Health	2,578.3	2,751.3	2,867.8	3.4	2,871.3	120.0	4.4%
Human Resources	929.1	944.4	979.7	0.0	979.7	35.3	3.7%
Children's Cabinet Interagency Fund	20.6	22.5	20.7	0.0	20.7	-1.8	-8.0%
Juvenile Services	286.3	284.7	293.2	0.0	293.2	8.5	3.0%
Public Safety/Police	1,656.6	1,738.3	1,769.3	0.0	1,769.3	31.1	1.8%
Higher Education	5,316.8	5,557.1	5,676.5	0.0	5,676.5	119.4	2.1%
Other Education	712.5	717.5	744.2	2.6	746.8	29.2	4.1%
Transportation	1,852.3	1,863.9	1,902.6	0.0	1,902.6	38.7	2.1%
Agriculture/Natural Res./ Environment	401.6	436.5	464.8	0.0	464.8	28.3	6.5%
Other Executive Agencies	1,804.3	1,932.3	2,110.3	4.3	2,114.6	182.3	9.4%
Judiciary	485.1	518.8	541.1	0.0	541.1	22.3	4.3%
Legislative	82.3	84.5	87.6	0.0	87.6	3.1	3.7%
Across-the-board Cuts	0.0	-0.2	-25.0	0.0	-25.0	-24.8	n/a
State Agencies	***$16,125.9***	***$16,851.7***	***$17,433.0***	***$10.3***	***$17,443.3***	***$591.6***	***3.5%***
Deficiencies (for prior years)	0.0	35.9	0.0	0.0	0.0	-35.9	-100.0%
Total Operating	**$36,482.7**	**$37,593.9**	**$38,878.9**	**$52.8**	**$38,931.7**	**$1,337.8**	**3.6%**
Capital [2]	2,283.5	2,671.5	3,067.8	107.0	3,174.8	503.2	18.8%
--Transportation	1,957.5	2,285.8	2,647.8	24.0	2,671.8	386.0	16.9%
--Environment	238.8	238.6	254.6	9.8	264.4	25.8	10.8%
--Other	87.3	147.1	165.4	73.2	238.6	91.5	62.2%
Subtotal	***$38,766.2***	***$40,265.4***	***$41,946.6***	***$159.8***	***$42,106.4***	***$1,841.0***	***4.6%***
Reserve Funds	14.8	72.5	155.4	0.0	155.4	82.9	114.3%
Appropriations	**$38,781.0**	**$40,337.9**	**$42,102.0**	**$159.8**	**$42,261.8**	**$1,923.9**	**4.8%**
Reversions	0.0	-87.0	-30.0	0.0	-30.0	57.0	-65.5%
Grand Total	**$38,781.0**	**$40,250.9**	**$42,072.0**	**$159.8**	**$42,231.8**	**$1,980.9**	**4.9%**

[1]The General Assembly reduced the allowance by $160.1 million but provided authorization for those funds to be used for a variety of purposes. However, spending the $160.1 million is at the discretion of the Governor. One of the add backs was contingent on legislation that was vetoed by the Governor reducing the total add backs to $159.8 million.
[2]Includes the Sustainable Communities Tax Credit Reserve Fund.

Note: The fiscal 2016 working appropriation includes $210.8 million in deficiencies and $371.5 million in targeted reversions.

Chapter 2. State Capital Program

- Summary
- PAYGO Capital
- Debt Affordability
- Higher Education
- School Construction
- Transfer Tax – Fiscal 2017 and 2018 Transfer Modification

Summary

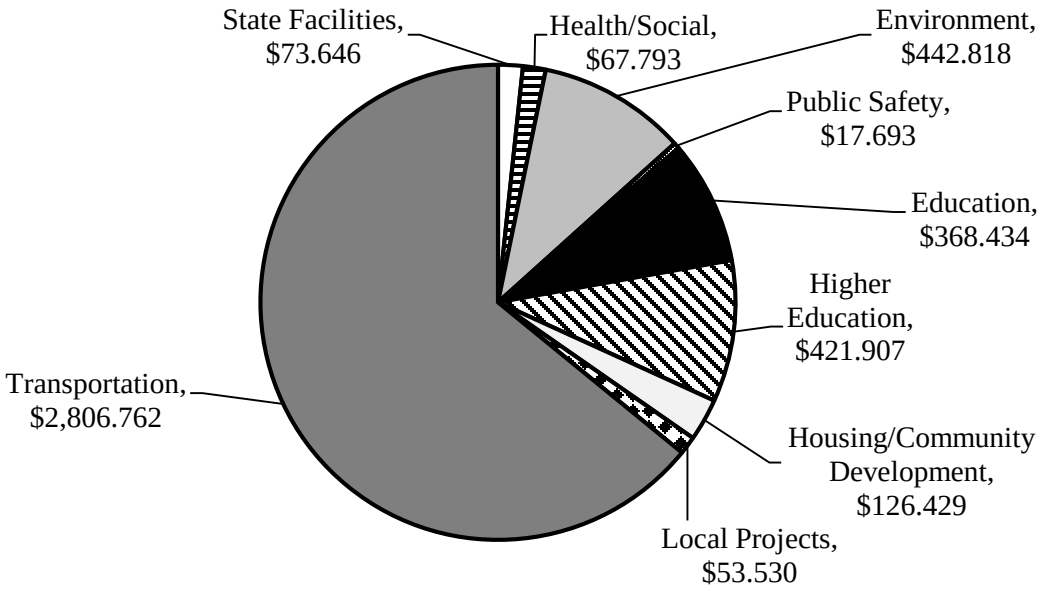
The 2016 General Assembly passed a fiscal 2017 capital program totaling $4.369 billion, including $2.807 billion for the transportation program but excluding deficiencies that affect fiscal 2016. Apart from transportation, the program totals $1.572 billion: $1.005 billion is funded with general obligation (GO) bonds authorized in the Maryland Consolidated Capital Bond Loan (MCCBL) of 2016, the 2016 capital budget **Senate Bill 191 (Chapter 27)**; $4.680 million is funded with Qualified Zone Academy Bonds (QZAB) authorized in **Senate Bill 379 (Chapter 198)**; $538.0 million is funded on a pay-as-you-go (PAYGO) basis in the operating budget; and $24.5 million is funded with Academic Revenue Bonds (ARB) for University System of Maryland (USM) facilities authorized in **Senate Bill 280 (Chapter 61)**.

Exhibit 2.1 provides a summary of the capital program by uses and sources, **Exhibit 2.2** presents an overview of the State's capital program for fiscal 2017, **Exhibit 2.3** provides a detailed list of capital projects and programs by function and fund source, and **Exhibit 2.4** provides the individual legislative initiative projects funded in the MCCBL of 2016. The fiscal 2017 capital program includes funding for:

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

Exhibit 2.1
Fiscal 2017 Capital Program Uses and Sources
($ in Millions)

Uses



Sources

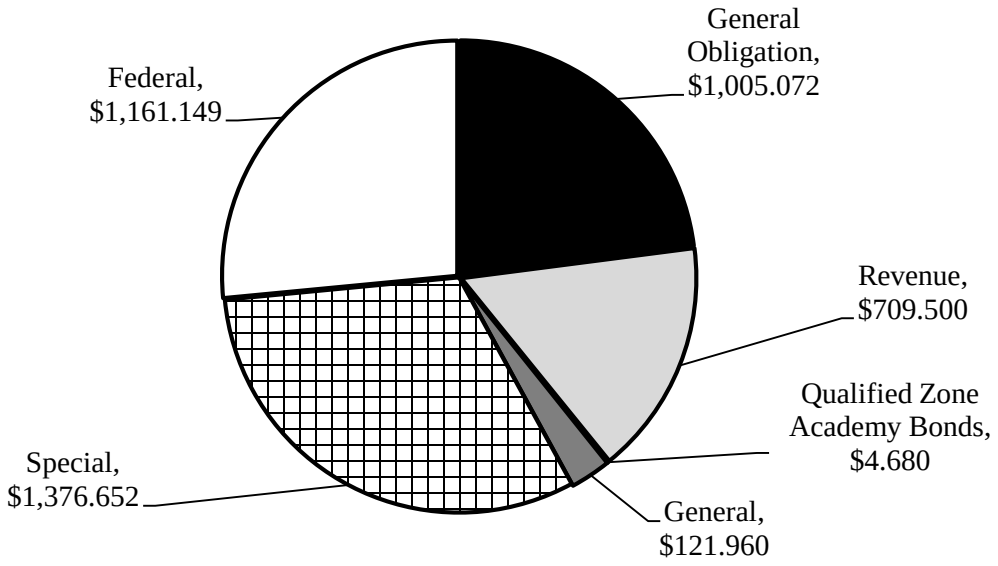


Exhibit 2.2

Capital Program Summary for the 2016 Session

($ in Millions)

	Bonds		Current Funds (PAYGO)			
Function	**GO**	**Revenue**	**General**	**Special**	**Federal**	**Total**
State Facilities						**$73.7**
Facilities Renewal	$1.7	$0.0	$15.0	$0.0	$0.0	
State Facilities Other	41.2	0.0	11.4	0.0	4.3	
Health/Social						**$67.8**
Health Other	8.9	0.0	0.0	0.0	0.0	
Health State Facilities	15.9	0.0	0.0	0.0	0.0	
Private Hospitals	43.0	0.0	0.0	0.0	0.0	
Environment						**$442.8**
Agriculture	0.8	0.0	6.0	22.2	0.0	
Energy	0.0	0.0	0.0	2.7	1.0	
Environment	28.0	0.0	10.0	210.1	44.3	
MD Environmental Service	24.8	0.0	0.0	0.0	0.0	
Natural Resources	10.8	0.0	0.0	74.3	7.9	
Public Safety						**$17.7**
Local Jails	2.9	0.0	0.0	0.0	0.0	
State Corrections	7.7	0.0	6.6	0.0	0.0	
State Police	0.6	0.0	0.0	0.0	0.0	
Education						**$363.7**
Education Other	34.1	0.0	0.0	0.0	0.0	
School Construction	323.5	0.0	6.1	0.0	0.0	
Higher Education						**$421.9**
Community Colleges	59.6	0.0	0.0	0.0	0.0	
Morgan State Univ.	40.4	0.0	0.0	0.0	0.0	
Private Colleges/Universities	9.6	0.0	0.0	0.0	0.0	
St. Mary's College of Maryland	2.7	0.0	0.0	0.0	1.7	
University System	283.3	24.5	0.0	0.0	0.0	
Housing and Community Development						**$126.5**
Housing	7.5	0.0	57.9	31.7	15.7	
Housing Other	4.6	0.0	9.0	0.2	0.0	

	Bonds		Current Funds (PAYGO)			
Function	**GO**	**Revenue**	**General**	**Special**	**Federal**	**Total**
Local Projects						**$53.5**
Local Projects Administration	13.2	0.0	0.0	0.0	0.0	
Local Projects Legislative	40.3	0.0	0.0	0.0	0.0	
De-authorizations						**-$10.1**
De-authorizations	-8.6	0.0	0.0	0.0	0.0	
De-authorizations Other	-1.5	0.0	0.0	0.0	0.0	
Total	**$995.0**	**$24.5**	**$122.0**	**$341.1**	**$74.9**	**$1,557.5**
Fiscal 2016 Deficiencies	**$0.0**	**$0.0**	**$0.0**	**$1.1**	**$0.0**	**$1.1**
Transportation CTP	**$0.0**	**$685.0**	**$0.0**	**$1,035.6**	**$1,086.2**	**$2,806.8**
Qualified Zone Academy Bonds	**$4.7**	**$0.0**	**$0.0**	**$0.0**	**$0.0**	**$4.7**
Grand Total	**$999.7**	**$709.5**	**$122.0**	**$1,377.8**	**$1,161.1**	**$4,370.2**

CTP: *Consolidated Transportation Program*
GO: general obligation
PAYGO: pay-as-you-go

Exhibit 2.3
Capital Program for the 2016 Session

Budget Code	Project Title	Bonds: General Obligation	Bonds: Revenue	Current Funds (PAYGO): General	Current Funds (PAYGO): Special	Current Funds (PAYGO): Federal	Total Funds
	State Facilities						
D55P04A	DVA: Cemetery Program	$0	$0	$2,180,000	$0	$0	$2,180,000
DA0201A	MDOD: Accessibility Modifications	750,000	0	0	0	0	750,000
DE0201A	BPW: Facilities Renewal Fund	0	0	15,000,000	0	0	15,000,000[1]
DE0201B	BPW: Fuel Storage Tank Replacement Program	1,700,000	0	0	0	0	1,700,000
DE0201C	BPW: Annapolis Post Office	750,000	0	0	0	0	750,000
DE0201D	BPW: New Catonsville District Court	28,501,000	0	0	0	0	28,501,000
DE0201E	BPW: Salisbury District Court Multi-Service Center	400,000	0	0	0	0	400,000
DH0104A	MD: Havre de Grace Readiness Center	4,115,000	0	0	0	2,158,000	6,273,000
DH0104B	MD: Freedom Readiness Center	0	0	0	0	2,171,000	2,171,000
DH0104C	MD: Easton Readiness Center	771,000	0	0	0	0	771,000
FB04A	DoIT: Public Safety Communications System	5,810,000	0	9,190,000	0	0	15,000,000[1]
RP00A	MPBC: Maryland Public Television Transmission Systems Replacement	150,000	0	0	0	0	150,000
	Subject Category Subtotal	***$42,947,000***	***$0***	***$26,370,000***	***$0***	***$4,329,000***	***$73,646,000***

Budget Code	Project Title	Bonds: General Obligation	Bonds: Revenue	Current Funds (PAYGO): General	Current Funds (PAYGO): Special	Current Funds (PAYGO): Federal	Total Funds
	Health/Social						
DA0701A	MDOA: Senior Centers Capital Grant Program	$1,680,000	$0	$0	$0	$0	$1,680,000
MA01A	DHMH: Community Health Facilities Grant Program	4,758,000	0	0	0	0	4,758,000
MA01B	DHMH: Federally Qualified Health Centers Grant Program	2,500,000	0	0	0	0	2,500,000
MA01C	DHMH: Rosewood Property Abatement	700,000	0	0	0	0	700,000
RQ00A	UMMS: Capital Infrastructure Improvements	4,000,000	0	0	0	0	4,000,000
RQ00B	UMMS: R Adams Cowley Shock Trauma Center Phase II	5,250,000	0	0	0	0	5,250,000
VE01A	DJS: New Female Detention Center	15,168,000	0	0	0	0	15,168,000
ZA00O	MISC: Sinai Hospital of Baltimore	2,000,000	0	0	0	0	2,000,000
ZA00N	MISC: Prince George's Hospital System	27,500,000	0	0	0	0	27,500,000
ZA01A	MHA: Adventist Behavioral Health and Wellness	392,000	0	0	0	0	392,000
ZA01B	MHA: Anne Arundel Health System	500,000	0	0	0	0	500,000
ZA01C	MHA: Doctors Community Hospital	500,000	0	0	0	0	500,000
ZA01D	MHA: Edward W. McCready Hospital	239,000	0	0	0	0	239,000
ZA01E	MHA: Medstar Franklin Square Hospital	877,000	0	0	0	0	877,000

Budget Code	Project Title	Bonds: General Obligation	Bonds: Revenue	Current Funds (PAYGO): General	Current Funds (PAYGO): Special	Current Funds (PAYGO): Federal	Total Funds
ZA01F	MHA: Medstar Montgomery Medical Center	300,000	0	0	0	0	300,000
ZA01G	MHA: Shady Grove Medical Center	279,000	0	0	0	0	279,000
ZA01H	MHA: University of Maryland Rehabilitation and Orthopedic Institute	150,000	0	0	0	0	150,000
ZA01I	MHA: University of Maryland, St. Joseph Medical Center	1,000,000	0	0	0	0	1,000,000
	Subject Category Subtotal	***$67,793,000***	***$0***	***$0***	***$0***	***$0***	***$67,793,000***
	Environment						
DA1302	MEA: Jane E. Lawton Loan Program	$0	$0	$0	$1,500,000	$0	$1,500,000
DA1303	MEA: State Agency Loan Program	0	0	0	1,200,000	1,000,000	2,200,000
KA0510A	DNR: Natural Resources Development Fund	0	0	0	3,062,000	0	3,062,000
KA0510B	DNR: Critical Maintenance Projects	0	0	0	6,000,696	0	6,000,696
KA0510C	DNR: POS – Stateside	0	0	0	19,368,428	5,750,000	25,118,428
KA0510D	DNR: POS – Local	0	0	0	21,690,973	0	21,690,973
KA05A	DNR: Community Parks and Playgrounds	2,500,000	0	0	0	0	2,500,000
KA05B	DNR: Rural Legacy Program	5,000,000	0	0	12,663,385	0	17,663,385
KA0906A	DNR: Ocean City Beach Maintenance	0	0	0	1,000,000	0	1,000,000

Budget Code	Project Title	Bonds: General Obligation	Bonds: Revenue	Current Funds (PAYGO): General	Current Funds (PAYGO): Special	Current Funds (PAYGO): Federal	Total Funds
KA1102A	DNR: Waterway Improvement Program	0	0	0	10,500,000	2,100,000	12,600,000
KA1701A	DNR: Oyster Restoration Program	3,300,000	0	0	0	0	3,300,000
LA1111	MDA: Agricultural Land Preservation Program	0	0	0	21,227,744	0	21,227,744
LA1205A	MDA: Salisbury Animal Health Laboratory Replacement	750,000	0	0	0	0	750,000
LA1213	MDA: Tobacco Transition Program	0	0	0	1,000,000	0	1,000,000
LA15A	MDA: Maryland Agricultural Cost-Share Program	0	0	6,000,000	0	0	6,000,000[1]
UA0104	MDE: Hazardous Substance Cleanup Program	0	0	200,000	0	0	200,000
UA0111	MDE: Bay Restoration Fund Wastewater Projects	0	0	0	80,000,000	0	80,000,000
UA0112	MDE: Bay Restoration Fund Septic System Program	0	0	0	14,000,000	0	14,000,000
UA0114	MDE: Energy-Water Infrastructure Program	0	0	0	16,200,000	0	16,200,000
UA01A	MDE: Biological Nutrient Removal Program	25,000,000	0	0	0	0	25,000,000
UA01B	MDE: Maryland Drinking Water Revolving Loan Fund	0	0	3,003,000	10,638,000	10,359,000	24,000,000[2]
UA01C	MDE: Maryland Water Quality Revolving Loan Fund	0	0	6,792,000	89,248,000	33,960,000	130,000,000[2]
UA01D	MDE: Mining Remediation Program	500,000	0	0	0	0	500,000

Budget Code	Project Title	Bonds: General Obligation	Bonds: Revenue	Current Funds (PAYGO): General	Current Funds (PAYGO): Special	Current Funds (PAYGO): Federal	Total Funds
UA01E	MDE: Water Supply Financial Assistance Program	2,480,000	0	0	0	0	2,480,000
UB00A	MES: Infrastructure Improvement Fund	24,825,000	0	0	0	0	24,825,000
	Subject Category Subtotal	***$64,355,000***	***$0***	***$15,995,000***	***$309,299,226***	***$53,169,000***	***$442,818,226***
	Public Safety						
QR0201A	DPSCS: Perimeter Security Improvements	$1,042,000	$0	$0	$0	$0	$1,042,000
QR0202A	DPSCS: Housing Unit Windows and Heating Systems Replacement	655,000	0	0	0	0	655,000
QS0101A	DPSCS: Jessup Region Electrical Infrastructure Upgrade	382,000	0	0	0	0	382,000
QS0208A	DPSCS: Hot Water and Steam System Improvements	1,945,000	0	0	0	0	1,945,000
QT04A	DPSCS: Demolition of Buildings at the Baltimore City Correctional Complex	0	0	6,581,000	0	0	6,581,000[1]
QT04C	DPSCS: New Youth Detention Center	3,647,000	0	0	0	0	3,647,000
WA01	DSP: New Cumberland Barrack and Garage	550,000	0	0	0	0	550,000
ZB02A	DPSCS: Montgomery County Pre-Release Center	403,000	0	0	0	0	403,000
ZB02B	DPSCS: Prince George's County Correctional Center	2,488,000	0	0	0	0	2,488,000
	Subject Category Subtotal	***$11,112,000***	***$0***	***$6,581,000***	***$0***	***$0***	***$17,693,000***

Budget Code	Project Title	Bonds: General Obligation	Bonds: Revenue	Current Funds (PAYGO): General	Current Funds (PAYGO): Special	Current Funds (PAYGO): Federal	Total Funds
	Education						
DE0202A	BPW: Aging Schools Program	$0	$0	$6,109,000	$0	$0	$6,109,000[1]
DE0202B	BPW: Public School Construction Program	280,000,000	0	0	0	0	280,000,000
DE0202C	BPW: Nonpublic Aging Schools Program	3,500,000	0	0	0	0	3,500,000
DE0202D	BPW: Supplemental Capital Grant Program for Local School Systems	40,000,000	0	0	0	0	40,000,000
RA01A	MSDE: Public Library Capital Grant Program	5,000,000	0	0	0	0	5,000,000
RA01B	MSDE: State Library Resource Center	26,410,000	0	0	0	0	26,410,000
RE01A	MSD: Water Main Replacement Project	2,735,000	0	0	0	0	2,735,000
	Subject Category Subtotal	***$357,645,000***	***$0***	***$6,109,000***	***$0***	***$0***	***$363,754,000***
	Higher Education						
RB21A	UMB: Central Electric Substation and Electrical Infrastructure Upgrades	$4,000,000	$0	$0	$0	$0	$4,000,000
RB21B	UMB: Health Sciences Research Facility III and Surge Building	81,000,000	0	0	0	0	81,000,000
RB22A	UMCP: A. James Clark Hall – New Bioengineering Building	62,455,000	7,500,000	0	0	0	69,955,000
RB22B	UMCP: Brendan Iribe Center for Computer Science and Innovation	27,000,000	0	0	0	0	27,000,000

Budget Code	Project Title	Bonds: General Obligation	Bonds: Revenue	Current Funds (PAYGO): General	Current Funds (PAYGO): Special	Current Funds (PAYGO): Federal	Total Funds
RB22C	UMCP: Edward St. John Learning and Teaching Center	5,100,000	0	0	0	0	5,100,000
RB22D	UMCP: New Cole Field House	3,000,000	0	0	0	0	3,000,000
RB23A	BSU: New Natural Sciences Center	31,501,000	0	0	0	0	31,501,000
RB24A	TU: New Science Facility	6,150,000	0	0	0	0	6,150,000
RB25A	UMES: School of Pharmacy and Allied Health Professions	3,500,000	0	0	0	0	3,500,000
RB26A	FSU: Education Professions and Health Sciences Center	2,500,000	0	0	0	0	2,500,000
RB28A	UB: Langsdale Library	9,300,000	0	0	0	0	9,300,000
RB29A	SU: Sea Gull Stadium	425,000	0	0	0	0	425,000
RB31A	UMBC: Interdisciplinary Life Sciences Building	7,640,000	0	0	0	0	7,640,000
RB36A	USMO: Southern Maryland Regional Higher Education Facility	3,061,000	0	0	0	0	3,061,000
RB36B	USMO: Capital Facilities Renewal Program	0	17,000,000	0	0	0	17,000,000
RB36C	USMO: Shady Grove Educational Center – Biomedical Sciences and Engineering Education Building	36,700,000	0	0	0	0	36,700,000
RC00A	BCCC: Liberty Campus Loop Road, Inner Loop and Entrance Improvements	248,000	0	0	0	0	248,000
RD00A	SMCM: Campus Infrastructure Improvements	900,000	0	0	0	1,741,000	2,641,000

Budget Code	Project Title	Bonds: General Obligation	Bonds: Revenue	Current Funds (PAYGO): General	Current Funds (PAYGO): Special	Current Funds (PAYGO): Federal	Total Funds
RD00B	SMCM: New Academic Building and Auditorium	1,800,000	0	0	0	0	1,800,000
RI00A	MHEC: Community College Facilities Grant Program	59,386,000	0	0	0	0	59,386,000
RM00A	MSU: New Behavioral and Social Sciences Center	35,700,000	0	0	0	0	35,700,000
RM00B	MSU: New Student Services Support Building	4,700,000	0	0	0	0	4,700,000
ZA00H	MICUA: Capitol Technology University	1,600,000	0	0	0	0	1,600,000
ZA00I	MICUA: The Johns Hopkins University	4,000,000	0	0	0	0	4,000,000
ZA00J	MICUA: Maryland Institute College of Art	4,000,000	0	0	0	0	4,000,000
	Subject Category Subtotal	***$395,666,000***	***$24,500,000***	***$0***	***$0***	***$1,741,000***	***$421,907,000***
	Housing and Community Development						
DW0108A	MDP: Patterson Center Renovation	$327,000	$0	$0	$0	$0	$327,000
DW0108B	MDP: St. Leonard's Creek Shoreline Erosion Control	3,091,000	0	0	0	0	3,091,000
DW0111A	MDP: African American Heritage Preservation Grant Program	1,000,000	0	0	0	0	1,000,000
DW0111B	MDP: Historical Preservation Loan Fund	150,000	0	0	150,000	0	300,000
DW0112	MDP: Sustainable Communities Tax Credit	0	0	9,000,000	0	0	9,000,000
SA2402A	DHCD: Community Development Block Grant Program	0	0	0	0	9,000,000	9,000,000

Budget Code	Project Title	Bonds: General Obligation	Bonds: Revenue	Current Funds (PAYGO): General	Current Funds (PAYGO): Special	Current Funds (PAYGO): Federal	Total Funds
SA2402B	DHCD: Neighborhood Revitalization	0	0	21,500,000	0	0	21,500,000
SA24A	DHCD: Community Legacy Program	2,095,000	0	3,905,000	0	0	6,000,000[2]
SA24B	DHCD: Neighborhood Business Development Program	0	0	3,400,000	1,600,000	0	5,000,000[2]
SA24C	DHCD: Baltimore Regional Neighborhoods Initiative	1,361,199	0	1,500,000	0	0	2,861,199[2]
SA2514A	DHCD: MD-BRAC Preservation Loan Fund	0	0	0	3,500,000	0	3,500,000
SA25A	DHCD: Homeownership Programs	0	0	8,500,000	1,400,000	0	9,900,000[2]
SA25B	DHCD: Housing and Building Energy Programs	0	0	1,000,000	6,850,000	700,000	8,550,000[2]
SA25C	DHCD: Partnership Rental Housing Program	0	0	6,000,000	500,000	0	6,500,000[2]
SA25D	DHCD: Rental Housing Program	2,500,000	0	10,000,000	15,500,000	4,000,000	32,000,000[2]
SA25E	DHCD: Shelter and Transitional Housing Facilities Grant Program	1,500,000	0	0	0	0	1,500,000
SA25F	DHCD: Special Loan Programs	0	0	2,100,000	2,300,000	2,000,000	6,400,000[2]
	Subject Category Subtotal	***$12,024,199***	***$0***	***$66,905,000***	***$31,800,000***	***$15,700,000***	***$126,429,199***
	Local Projects						
DB01A	HSMCC: Dove Pier	$300,000	$0	$0	$0	$0	$300,000
DB01B	HSMCC: Visitor Center	155,000	0	0	0	0	155,000
ZA00A	MISC: Angel's Watch Shelter	750,000	0	0	0	0	750,000
ZA00B	MISC: Arthur Perdue Stadium	775,000	0	0	0	0	775,000

Budget Code	Project Title	Bonds: General Obligation	Bonds: Revenue	Current Funds (PAYGO): General	Current Funds (PAYGO): Special	Current Funds (PAYGO): Federal	Total Funds
ZA00C	MISC: Center Stage	3,000,000	0	0	0	0	3,000,000
ZA00D	MISC: Charles E. Smith Life Communities	400,000	0	0	0	0	400,000
ZA00E	MISC: Chesapeake Bay Maritime Museum	250,000	0	0	0	0	250,000
ZA00F	MISC: Historic Annapolis	1,000,000	0	0	0	0	1,000,000
ZA00G	MISC: Kennedy Krieger Institute	1,750,000	0	0	0	0	1,750,000
ZA00K	MISC: Maryland Zoo in Baltimore	3,500,000	0	0	0	0	3,500,000
ZA00L	MISC: National Sailing Hall of Fame	1,000,000	0	0	0	0	1,000,000
ZA00M	MISC: Peale Center	400,000	0	0	0	0	400,000
ZA00P	MISC: Western Maryland Scenic Railroad	400,000	0	0	0	0	400,000
ZA00Q	MISC: Glen Burnie High School Field House and Concession Stand	1,000,000	0	0	0	0	1,000,000
ZA00R	MISC: Merriweather Post Pavilion	2,000,000	0	0	0	0	2,000,000
ZA00S	MISC: Community Action Council Food Bank Facility	200,000	0	0	0	0	200,000
ZA00T	MISC: Historic Sotterley Plantation	100,000	0	0	0	0	100,000
ZA00U	MISC: Eastern Family Resource Center	1,500,000	0	0	0	0	1,500,000
ZA00V	MISC: Baltimore County Streetscaping	5,000,000	0	0	0	0	5,000,000
ZA00W	MISC: Torah School of Greater Washington	200,000	0	0	0	0	200,000

Budget Code	Project Title	Bonds: General Obligation	Bonds: Revenue	Current Funds (PAYGO): General	Current Funds (PAYGO): Special	Current Funds (PAYGO): Federal	Total Funds
ZA00X	MISC: Talmudical Academy Gymnasium	250,000	0	0	0	0	250,000
ZA00Y	MISC: Leadenhall Community Outreach Center	500,000	0	0	0	0	500,000
ZA00Z	MISC: Harbor Point Parks and Infrastructure	250,000	0	0	0	0	250,000
ZA00AA	MISC: Emergency Operations Center	250,000	0	0	0	0	250,000
ZA00AB	MISC: National Cryptologic Museum	1,000,000	0	0	0	0	1,000,000
ZA00AC	MISC: Sheppard Pratt at Elkridge	2,500,000	0	0	0	0	2,500,000
ZA00AD	MISC: YWCA of Annapolis and Anne Arundel County Domestic Violence Shelter	300,000	0	0	0	0	300,000
ZA00AE	MISC: Maryland Hall for the Creative Arts	750,000	0	0	0	0	750,000
ZA00AF	MISC: BARCO North Avenue Arts Building	500,000	0	0	0	0	500,000
ZA00AG	MISC: Innovative Center for Autonomous Systems	250,000	0	0	0	0	250,000
ZA00AH	MISC: Baltimore Food Hub	150,000	0	0	0	0	150,000
ZA00AI	MISC: Prince George's County Public High School Athletic Facilities	2,700,000	0	0	0	0	2,700,000
ZA00AJ	MISC: Maryland SoccerPlex Fields	500,000	0	0	0	0	500,000
ZA00AK	MISC: Randallstown High School Infrastructure Improvements	500,000	0	0	0	0	500,000

Budget Code	Project Title	Bonds: General Obligation	Bonds: Revenue	Current Funds (PAYGO): General	Current Funds (PAYGO): Special	Current Funds (PAYGO): Federal	Total Funds
ZA00AL	MISC: Worthington Valley Roundabout	400,000	0	0	0	0	400,000
ZA00AM	MISC: Millford Mill High School Athletic Facilities Improvements	450,000	0	0	0	0	450,000
ZA00AN	MISC: Baltimore City Parks	1,500,000	0	0	0	0	1,500,000
ZA00AO	MISC: Reisterstown Community Cemetery Project	25,000	0	0	0	0	25,000
ZA00AP	MISC: Chesapeake Math and IT Academy Gymnasium	250,000	0	0	0	0	250,000
ZA00AQ	MISC: Baltimore Regional Education and Training Center	300,000	0	0	0	0	300,000
ZA00AR	MISC: Downtown Frederick Hotel and Conference Center	1,000,000	0	0	0	0	1,000,000
ZA00AS	MISC: Damascus High School Field Turf	75,000	0	0	0	0	75,000
ZA00AT	MISC: Franklin High School Infrastructure Improvements	450,000	0	0	0	0	450,000
ZA02	Local Senate Initiatives	7,500,000	0	0	0	0	7,500,000
ZA03	Local House Initiatives	7,500,000	0	0	0	0	7,500,000
	Subject Category Subtotal	***$53,530,000***	***$0***	***$0***	***$0***	***$0***	***$53,530,000***
	Current Year Non-transportation Total	**$1,005,072,199**	**$24,500,000**	**$121,960,000**	**$341,099,226**	**$74,939,000**	**$1,567,570,425**

Budget Code	Project Title	Bonds: General Obligation	Bonds: Revenue	Current Funds (PAYGO): General	Current Funds (PAYGO): Special	Current Funds (PAYGO): Federal	Total Funds
	De-authorizations						
ZF00	De-authorizations as Introduced	-$8,572,199	$0	$0	$0	$0	-$8,572,199
ZF00A	Additional De-authorizations	-1,500,000	0	0	0	0	-1,500,000
	Subject Category Subtotal	**-$10,072,199**	**$0**	**$0**	**$0**	**$0**	**-$10,072,199**
	Adjusted Current Year Non-transportation Total	**$995,000,000**	**$24,500,000**	**$121,960,000**	**$341,099,226**	**$74,939,000**	**$1,557,498,226**
	Transportation CTP	**$0**	**$685,000,000**	**$0**	**$1,035,552,248**	**$1,086,210,000**	**$2,806,762,248**
	Qualified Zone Academy Bonds	**$4,680,000**	**$0**	**$0**	**$0**	**$0**	**$4,680,000**
	Current Year Total	**$999,680,000**	**$709,500,000**	**$121,960,000**	**$1,376,651,474**	**$1,161,149,000**	**$4,368,940,746**
	Fiscal 2016 Deficiencies						
KA0510B	DNR: Critical Maintenance Projects	$0	$0	$0	$1,100,000	$0	$1,100,000
D55P04A	DVA: Cemetery Program	0	0	26,000	0	0	26,000
	Subject Category Subtotal	***$0***	***$0***	***$26,000***	***$1,100,000***	***$0***	***$1,126,000***
	Adjusted Total	**$999,680,000**	**$709,500,000**	**$121,986,000**	**$1,377,751,474**	**$1,161,149,000**	**$4,370,066,474**

BCCC: Baltimore City Community College
BPW: Board of Public Works
BSU: Bowie State University
CTP: *Consolidated Transportation Program*
DHCD: Department of Housing and Community Development
DHMH: Department of Health and Mental Hygiene
DJS: Department of Juvenile Services
DNR: Department of Natural Resources
DPSCS: Department of Public Safety and Correctional Services
DoIT: Department of Information Technology
DSP: Department of State Police
DVA: Department of Veteran Affairs
FSU: Frostburg State University
HSMCC: Historic St. Mary's City Commission
MD: Military Department
MD-BRAC: Maryland Base Realignment and Closure
MDA: Maryland Department of Agriculture
MDE: Maryland Department of the Environment
MDOA: Maryland Department of Aging
MDOD: Maryland Department of Disabilities
MDP: Maryland Department of Planning
MEA: Maryland Energy Administration
MES: Maryland Environmental Service
MHA: Maryland Hospital Association
MHEC: Maryland Higher Education Commission
MICUA: Maryland Independent College and University Association
MISC: miscellaneous
MPBC: Maryland Public Broadcasting Commission
MSD: Maryland School for the Deaf
MSDE: Maryland State Department of Education
MSU: Morgan State University
PAYGO: pay-as-you-go
POS: Program Open Space
SMCM: St. Mary's College of Maryland
SU: Salisbury University
TU: Towson University
UB: University of Baltimore
UMB: University of Maryland, Baltimore
UMBC: University of Maryland Baltimore County
UMCP: University of Maryland, College Park
UMES: University of Maryland Eastern Shore
UMMS: University of Maryland Medical System
USMO: University System of Maryland Office

[1] The general funds reflected are restricted appropriations in the State Reserve Fund (Program Y01A). Language allows the Governor to transfer these funds by budget amendment for the capital projects/programs specified.
[2] The general funds are included in the fiscal 2017 budget in Supplemental Budget No.3 in the Board of Public Works (Program D06E02.01 Public Works Capital Appropriation). As introduced, the funds were proposed to be used to support various higher education capital projects but were instead repurposed to support capital programs in DHCD and MDE that require the use of taxable general obligation bonds which cost more to service than the more traditional tax-exempt financing. The restrictive language allows the Governor to transfer the funds by budget amendment for the uses specified.

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

Exhibit 2.4
Legislative Projects – 2016 Session

Project Title	Senate Initiative	House Initiative	Other	Total Funding	Match Requirements
Statewide					
Baltimore Museum of Industry		$200,000		$200,000	Soft (1)
Girl Scouts of Central Maryland Urban Program and STEM Center	$250,000			250,000	Soft (1)
Patriot Point	250,000	250,000		500,000	Hard
Port Discovery Children's Museum	300,000	200,000		500,000	Grant
Ulman Cancer Fund Home for Young Adult Cancer Patients and Caregivers	200,000			200,000	Soft (all)
Subtotal				***$1,650,000***	
Allegany					
Friends Aware Facility		$75,000		$75,000	Soft (all)
Frostburg Museum Relocation Project	$50,000	50,000		100,000	Soft (1)
Lefty Grove Statue	50,000	25,000		75,000	Soft (all)
Subtotal				***$250,000***	
Anne Arundel					
206 West Social Enterprise Project	$250,000			$250,000	Hard
Belvoir-Scott's Plantation Historic Manor House	75,000			75,000	Soft (2)
Broadneck High School Field House		$300,000		300,000	Grant
Downs Park Amphitheater	75,000			75,000	Soft (all)

Project Title	Senate Initiative	House Initiative	Other	Total Funding	Match Requirements
Glen Burnie High School Field House and Concession Stand			$1,000,000	1,000,000	Soft (all)
Historic Linthicum Walks		100,000		100,000	Soft (2)
Lake Shore Athletic Association	50,000			50,000	Hard
The Arc of the Central Chesapeake Region		300,000		300,000	Hard
William Brown House at Historic London Town		125,000		125,000	Soft (2, 3)
Woods Community Center	50,000	50,000		100,000	Hard
YWCA Domestic Violence Safe House Shelter	100,000		300,000	400,000	Hard
Subtotal				***$2,775,000***	
Baltimore City					
A Penn-North Initiative Youth Violence Prevention Center	$30,000			$30,000	Soft (3)
Baltimore Regional Education and Training Center	132,500		$300,000	432,500	Soft (all)
Berean Child Care Center	100,000	$60,000		160,000	Soft (1, 3)
Community Empowerment and Wellness Center		150,000		150,000	Soft (1, 2)
Creative Alliance Project		250,000		250,000	Soft (all)
Cylburn Arboretum Carriage House and Nature Museum		150,000		150,000	Soft (all)
Dr. Christina Phillips Community Center	150,000			150,000	Soft (1, 3)
Druid Hill Park at Auchentoroly Terrace		50,000		50,000	Hard
Garrett-Jacobs Mansion Access and Safety Project	50,000	50,000		100,000	Soft (2, 3)
Get Involved Community Center	50,000			50,000	Soft (all)
Harbor Point Parks and Infrastructure			250,000	250,000	Soft (1, 3)
Health Care for the Homeless Dental Clinic	17,500			17,500	Hard
International Black Fire Fighters Museum	50,000	200,000		250,000	Soft (2, 3)

Project Title	Senate Initiative	House Initiative	Other	Total Funding	Match Requirements
James Mosher Baseball League Field Enhancement	45,000			45,000	Soft (3)
Leadenhall Community Outreach Center			500,000	500,000	Soft (2, 3)
Lexington Market		350,000		350,000	Hard
Maryland State Boychoir ADA Improvements	125,000			125,000	Soft (2)
Multifamily Low-Income Housing Project		25,000		25,000	
Orchard Street Church	25,000			25,000	Soft (2)
Restoration Gardens 2		200,000		200,000	Hard
Sarah's Hope	25,000			25,000	Hard
Scottish Rite Temple Preservation and Restoration		150,000		150,000	Soft (all)
St. Francis Neighborhood Center		100,000		100,000	Soft (2)
Woodbourne Center Vocational Program	125,000			125,000	Hard
Subtotal				***$3,710,000***	
Baltimore					
Arbutus Volunteer Fire Department	$130,000			$130,000	Soft (all)
Baltimore Humane Society Animal Safety and Energy Efficiency Plan		$165,000		165,000	Soft (all)
Desert Storm, Operation Enduring Freedom, and Operation Iraqi Freedom Memorial	50,000	25,000		75,000	Soft (3)
Good Shepherd School	50,000	50,000		100,000	Soft (all)
HopeWell Cancer Support Center	50,000	50,000		100,000	Soft (3)
Irvine Nature Center Native American Village	50,000	100,000		150,000	Soft (all)
Jemicy School Lower and Middle School Campus Gymnasium	100,000	50,000		150,000	Soft (3)
Jewish Community Center of Baltimore – Gordon Center		100,000		100,000	Hard

Project Title	Senate Initiative	House Initiative	Other	Total Funding	Match Requirements
Limekilns and Log House Stabilization Project at Cromwell Valley Park		100,000		100,000	Soft (2, 3)
Morning Star Family Life Center	125,000	125,000		250,000	Soft (all)
Radebaugh Park	100,000	75,000		175,000	Soft (1)
Talmudical Academy Gymnasium			$250,000	250,000	Hard
Towson Manor Park		30,000		30,000	Hard
Subtotal				***$1,775,000***	
Caroline					
Sharp Road Community Park	$50,000	$50,000		$100,000	Soft (U, 2, 3)
Subtotal				***$100,000***	
Carroll					
Sykesville Freedom District Fire Department	$50,000			$50,000	Soft (1)
The Arc of Carroll County Building Renovation	100,000			100,000	Soft (2)
Subtotal				***$150,000***	
Cecil					
YMCA of Cecil County Outdoor Pool	$75,000	$25,000		$100,000	Hard
Subtotal				***$100,000***	
Charles					
Hospice House of Charles County		$150,000		$150,000	Soft (1, 2)
Indian Head Center for the Arts Renovation	$5,000	70,000		75,000	Soft (2)

Project Title	Senate Initiative	House Initiative	Other	Total Funding	Match Requirements
Maryland Veterans Memorial Museum Land Acquisition	245,000			245,000	Soft (all)
Subtotal				***$470,000***	
Dorchester					
Chesapeake Grove Senior Housing and Intergenerational Center	$50,000	$100,000		$150,000	Soft (1)
Dorchester County Family YMCA	100,000			100,000	Soft (3)
Subtotal				***$250,000***	
Frederick					
Brunswick Heritage Museum Building	$100,000			$100,000	Hard
Emergency Family Services Shelter	50,000			50,000	Soft (3)
Frederick Memorial Hospital Dental Clinic	50,000	$25,000		75,000	Soft (1, 3)
Helen Smith Studio	25,000			25,000	Soft (1, 2)
Tuscarora High School Concession Stand		45,000		45,000	Soft (all)
Subtotal				***$295,000***	
Garrett					
Emergency Operations Center			$250,000	$250,000	Soft (all)
Friendsville Veterans Memorial	$80,000	$20,000		100,000	Soft (2)
Subtotal				***$350,000***	

Project Title	Senate Initiative	House Initiative	Other	Total Funding	Match Requirements
Harford					
Aberdeen B & O Railroad Station	$50,000			$50,000	Soft (2)
American Indian First Contact Waterfront Heritage Park		$100,000		100,000	Soft (1, 2)
Center for the Visual and Performing Arts Amphitheater	100,000	100,000		200,000	Hard
Historical Society of Harford County Building Restoration	50,000			50,000	Soft (2, 3)
Rockfield Park Pavilion	116,000			116,000	Soft (2)
Subtotal				***$516,000***	
Howard					
Community Action Council Food Bank Facility	$100,000		$200,000	$300,000	Hard
Environmental Education Center Renovation and Expansion	250,000			250,000	Soft (all)
Huntington Park		$150,000		150,000	Soft (3)
Solomon's Lodge #121		20,000		20,000	Soft (1)
South Branch Park		100,000		100,000	Soft (3)
Vantage House Retirement Community Renovations	69,000			69,000	Soft (2)
Subtotal				***$889,000***	
Montgomery					
A Wider Circle Community Service Center	$125,000	$50,000		$175,000	Soft (2, 3)
Damascus High School Turf Field	75,000	50,000	$75,000	200,000	Hard
Easter Seals Inter-Generational Center	75,000	25,000		100,000	Hard
Friendship Heights Village Center	50,000	50,000		100,000	Hard
Homecrest House	75,000	45,000		120,000	Soft (2, 3)

Project Title	Senate Initiative	House Initiative	Other	Total Funding	Match Requirements
Jewish Community Center of Greater Washington Children's Playground	50,000	100,000		150,000	Hard
Jewish Foundation for Group Homes		50,000		50,000	Hard
Martin Luther King Jr. Recreational Park Improvements	100,000			100,000	Soft (2, 3)
Maryland SoccerPlex Fields	75,000		500,000	575,000	Soft (1, 2)
Maydale Nature Center	50,000	25,000		75,000	Soft (2, 3)
Melvin J. Berman Hebrew Academy	100,000			100,000	Soft (1, 2)
Montgomery Hospice Casey House		50,000		50,000	Hard
Noyes Children's Library Renovation and Expansion	100,000			100,000	Hard
Olde Towne Park Plaza	100,000	100,000		200,000	Hard
Olney Theatre Center		75,000		75,000	Soft (1)
Our House Youth Home		50,000		50,000	Hard
Rockville Swim and Fitness Center		100,000		100,000	Hard
Sandy Spring Museum		40,000		40,000	Hard
Torah School of Greater Washington			200,000	200,000	Soft (3)
Western Piedmont Trail Connectivity	50,000	55,000		105,000	Soft (1, 3)
Subtotal				***$2,665,000***	
Prince George's					
Accokeek Volunteer Fire Department	$150,000			$150,000	Soft (1)
American Legion Post 381 Annex	100,000			100,000	Soft (1)
Bishop McNamara High School Dining Hall and Student Center	75,000	$125,000		200,000	Soft (2, 3)
Camp Springs Elks Lodge No. 2332	20,000			20,000	Soft (2, 3)
Community Support Systems Food Pantry	10,000			10,000	Grant

Project Title	Senate Initiative	House Initiative	Other	Total Funding	Match Requirements
Elizabeth Seton High School Athletic Field	30,000			30,000	Grant
Fil-American Multicultural Center		100,000		100,000	Soft (1, 2)
Hillcrest Heights Community Center Pool		250,000		250,000	Soft (1)
Hollywood Streetscape	150,000			150,000	Hard
Joe's Movement Emporium		50,000		50,000	Hard
Maryland Multicultural Youth Centers	75,000	125,000		200,000	Soft (2)
Mt. Ephraim Multipurpose Room	100,000			100,000	Soft (1)
Olde Mill Community and Teaching Center		75,000		75,000	Soft (1)
Piscataway Park	100,000			100,000	Soft (2, 3)
Port Towns Family Health and Wellness Center	120,000	100,000		220,000	Soft (U, 2)
Pyramid Atlantic Art Center	75,000	100,000		175,000	Hard
Tabernacle Church of Laurel Gymnasium	25,000			25,000	Soft (1)
The Arc of Prince George's County	125,000	50,000		175,000	Hard
Subtotal				***$2,130,000***	
St. Mary's					
Historic Sotterley Plantation			$100,000	$100,000	Soft (2, 3)
Subtotal				***$100,000***	
Washington					
Doey's House	$100,000			$100,000	Hard
Robert W. Johnson Community Center		$50,000		50,000	Soft (2)
The Maryland Theatre	75,000			75,000	Hard
Subtotal				***$225,000***	

Project Title	Senate Initiative	House Initiative	Other	Total Funding	Match Requirements
Wicomico					
Habitat for Humanity of Wicomico County		$100,000		$100,000	Hard
Ward Museum of Wildfowl Art	$75,000	225,000		300,000	Hard
Subtotal				***$400,000***	
Worcester					
Delmarva Discovery Center and Museum	$75,000	$50,000		$125,000	Soft (1)
Subtotal				***$125,000***	
Grand Total:	**$7,500,000**	**$7,500,000**	**$3,925,000**	**$18,925,000**	

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

PAYGO Capital

In addition to GO debt, the State's capital program is funded with general, special, and federal funds appropriated in the operating budget referred to as PAYGO funds. Excluding transportation funding, the capital program uses $122.0 million of general funds, $341.1 million of special funds, and $75.0 million of federal funds. Total transportation PAYGO funding is $2.122 billion of special and federal funds. The use of PAYGO funds is generally restricted to capital grant and loan programs for which the use of tax-exempt debt is limited under federal tax guidelines, programs that are administered through the use of special nonlapsing funds for which revenue from principal and interest payments are used to support additional appropriations and in instances where federal funds assist in the capitalization of State revolving grant and loan fund programs.

The more recent fiscal situation has constrained the use of PAYGO general fund support for the capital program. However, following the December 2015 Board of Revenue Estimates upward revenue adjustments for both fiscal 2016 and 2017, the fiscal outlook improved enough that the Spending Affordability Committee (SAC) report for the 2016 session included a recommendation that if minimum fund balance and cash reserve requirements are met that general funds be dedicated to addressing the State's infrastructure needs while minimizing future debt service. To this end, the SAC recommendation included an exemption from the affordability calculation for PAYGO for programs and projects statutorily mandated or included in the 2015 five-year *Capital Improvement Program* (CIP) with priority given to programs and projects that are not eligible to receive bond proceeds from tax-exempt bonds.

Despite the SAC calculation exclusion, as introduced, the Governor's capital budget program included just $11.4 million of PAYGO general funds. Supplemental Budget No.2 programmed another $21.5 million for the Department of Housing and Community Development (DHCD) neighborhood revitalization programs of which $18.5 million was earmarked for the Governor's strategic demolition initiative in Baltimore City referred to as Project C.O.R.E. (Creating Opportunities for Renewal and Enterprise) and the remainder for strategic demolition projects throughout the State. The Governor further increased the amount of PAYGO general funds with the introduction of Supplemental Budget No.3, which provided another $46.2 million to fund various stages of design and construction for five higher education projects. The General Assembly repurposed these funds through budget language to support at the Governor's discretion programs in DHCD and the Maryland Department of the Environment that require the issuance of taxable bonds. In total, the Governor's budget plan included the use of $79.1 million in general fund PAYGO. The General Assembly further increased the amount of general fund PAYGO that could be used to support the capital program by restricting $42.9 million of general funds appropriated to the State Reserve Fund for specified capital programs and projects. As introduced by the Governor, those projects were proposed to be funded with GO bonds and will require action by the Governor to be spent. This repurposing increases the total amount of general fund PAYGO included in the capital program passed by the General Assembly to $122.0 million. **Exhibit 2.5** reflects the general fund PAYGO as introduced by the Governor and the actions taken by the General Assembly to repurpose and enhance the total amount of funds available for the capital program.

Exhibit 2.5
PAYGO General Funds
Fiscal 2017
($ in Millions)

	Governor	Final Passage	Final Funding Comment
As Introduced by Governor			
MDVA: Cemetery Program	$2.180	$2.180	
MDE: Hazardous Substance Cleanup Program	0.200	0.200	
MDP: Sustainable Communities Tax Credit	9.000	9.000	
Subtotal	***$11.380***	***$11.380***	
Supplemental No.2			
DHCD: Neighborhood Revitalization	$21.500	$21.500	$18.0 million earmarked for project C.O.R.E. and $3.5 million for statewide strategic demolition projects
Subtotal	***$21.500***	***$21.500***	
Supplemental No.3			
MSU: New Student Services Support Building	$4.700	$0.000	Funding fully replaced with GO bonds in fiscal 2017
CSU: Percy Julian Science Renovation for the College of Business	1.300	0.000	Pre-authorized $1.3 million for fiscal 2018
UMBC: Interdisciplinary Life Science Building	5.000	0.000	Funding fully replaced with GO bonds in fiscal 2017

	Governor	Final Passage	Final Funding Comment
UMES: School of Pharmacy and Allied Health Professions	3.500	0.000	Funding fully replaced with GO bonds in fiscal 2017
USMO: Biomedical Sciences and Engineering Education Facility at the Universities of Shady Grove	31.700	0.000	Funding fully replaced with GO bonds in fiscal 2017
DHCD: Community Legacy Program		3.905	Reprogrammed and restricted[1]
DHCD: Neighborhood Business Development Program		3.400	Reprogrammed and restricted[1]
DHCD: Baltimore Regional Neighborhood Initiative		1.500	Reprogrammed and restricted[1]
DHCD: Homeownership Programs		8.500	Reprogrammed and restricted[1]
DHCD: Housing and Building Energy Programs		1.000	Reprogrammed and restricted[1]
DHCD: Partnership Rental Housing Program		6.000	Reprogrammed and restricted[1]
DHCD: Rental Housing Program		10.000	Reprogrammed and restricted[1]
DHCD: Special Loan Programs		2.100	Reprogrammed and restricted[1]
MDE: Maryland Drinking Water Revolving Loan Fund		3.003	Reprogrammed and restricted[1]
MDE: Maryland Water Quality Revolving Loan Fund		6.792	Reprogrammed and restricted[1]
Subtotal	***$46.200***	***$46.200***	

Reserve Fund

BPW: Facilities Renewal Program	$0.000	$15.000	Restricted appropriation[1]
DoIT: Public Safety Communication System	0.000	9.190	Restricted appropriation[1]
MDA: Maryland Agricultural Cost-Share Program	0.000	6.000	Restricted appropriation[1]

	Governor	Final Passage	Final Funding Comment
DPSCS: Demolition of Buildings at the Baltimore City Correctional Complex	0.000	6.581	Restricted appropriation[1]
BPW: Aging Schools Program	0.000	6.109	Restricted appropriation[1]
Subtotal	***$0.000***	***$42.880***	***Restricted appropriation***
Grand Total	**$79.080**	**$121.960**	

BPW: Board of Public Works
C.O.R.E.: Creating Opportunities for Renewal and Enterprise
CSU: Coppin State University
DHCD: Department of Housing and Community Development
DoIT: Department of Information Technology
DPSCS: Department of Public Safety and Correctional Services
GO: general obligation
MDA: Maryland Department of Agriculture
MDE: Maryland Department of the Environment
MDP: Maryland Department of Planning
MDVA: Maryland Department of Veterans Affairs
MSU: Morgan State University
PAYGO: pay-as-you-go
UMBC: University of Maryland Baltimore County
UMES: University of Maryland Eastern Shore
USMO: University System of Maryland Office

[1]The restrictive language allows the Governor to transfer the funds by budget amendment for the uses specified.

Debt Affordability

In the 2015 report, the Capital Debt Affordability Committee (CDAC) recommended that a maximum of $995 million in GO bonds may be authorized in the 2016 session and for each year in the five-year planning period included in the annual CIP. The recommendation was made to slow the growth in debt service costs and provide additional debt capacity in the out-years.

The CDAC's recommendation is advisory, and SAC is not bound by the recommendation. While supporting the objective to slow the growth in debt service costs and reduce the debt service to revenue ratio, SAC was concerned that the CDAC recommendation to freeze the authorization level through the planning period would reduce the purchasing power of the capital program due to the impact of construction inflation. To address this concern, SAC recommended that new GO bond authorizations for the 2016 session and through the five-year planning period increase by 1% annually using the fiscal 2016 level of $1.045 billion as the base starting point. The SAC recommendation was intended to moderate GO bond authorization levels to projected State property tax revenue increases. Since general fund and other State revenues are projected to increase at an annual rate in excess of 1%, the SAC recommendation would reduce the ratio of debt service to revenue in the out-years while also allowing authorizations to increase slightly to

account for the impact of construction inflation. The Governor's capital budget proposed a new GO bond authorization of $993.8 million, slightly below the CDAC's $995.0 million recommendation; and the MCCBL of 2016 provides $995.0 million, keeping the State within the limit recommended by CDAC. **Exhibit 2.6** illustrates the different recommended new GO authorization levels and the final amount included in the MCCBL of 2016.

The MCCBL of 2016 passed by the General Assembly totals $995.0 million of new GO debt authorizations, which is $60.0 million below the SAC recommendation. An additional $10.1 million in GO bonds from prior years is de-authorized in the 2016 capital budget, thereby increasing the amount of new GO debt included in the capital program to $1.005 billion. Included in the $1.005 billion of new debt is $388.4 million authorized in the MCCBL of 2016 to complete the funding for various projects that were split-funded over fiscal 2015 through 2017 to allow the projects to be bid and construction to commence without having to authorize the full amount of construction funding needed to complete a project.

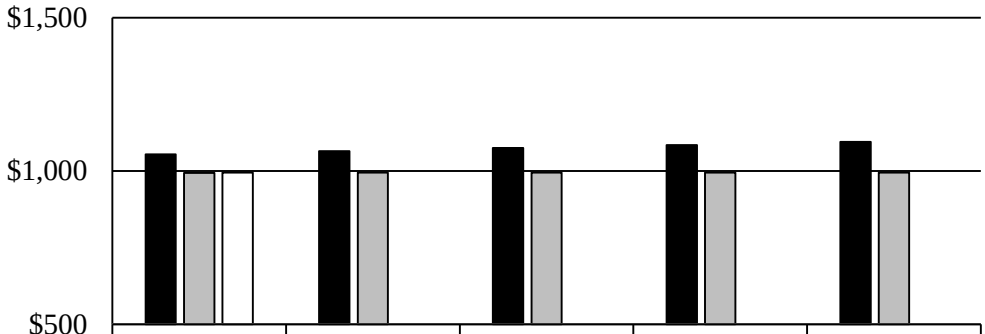
Exhibit 2.6

New General Obligation Bond Authorization Levels

Governor's *Capital Improvement Program* – Spending Affordability Committee

2016-2020 Legislative Sessions

($ in Millions)



	2016 Session	2017 Session	2018 Session	2019 Session	2020 Session
■ SAC	$1,055.0	$1,065.0	$1,075.0	$1,085.0	$1,095.0
▩ Governor's 2016 CIP	993.8	995.0	995.0	995.0	995.0
□ Final General Assmbly	995.0				

CIP*: Capital Improvement Program*
SAC: Spending Affordability Committee

The State's capital program for fiscal 2017 also includes other actions that affect debt affordability, debt issuance, and future capital budgets.

- The MCCBL of 2016 includes amendments to prior authorizations that, among other changes, extend matching fund deadlines, extend deadlines for expending or encumbering funds, alter the purposes for which funds may be used, modify certification requirements, rename grant recipients, or alter project locations. Prior to the 2008 session, individual prior authorization bills were passed by the General Assembly. From 2008 through 2013, prior authorizations were rolled into one omnibus prior authorization bill. However, beginning with the 2014 session, all amendments to prior authorizations are included in the capital bill since the changes amend authorizations made in prior capital budget bills.

- The MCCBL of 2016 includes $464.2 million of GO bond authorizations that will not take effect until fiscal 2018, $121.1 million that will not take effect until fiscal 2019, and $10.5 million that will not take effect until fiscal 2020. These pre-authorizations either continue the funding for existing construction contracts or allow projects expected to be contracted during fiscal 2017 through 2020 to proceed without the full amount of the construction authorization provided in the fiscal 2017 budget. **Exhibit 2.7** shows the pre-authorizations for the 2017 through 2019 sessions.

- **Senate Bill 280** authorizes the issuance of $24.5 million of academic facilities bonds by USM for fiscal 2017. The authorized uses include $17.0 million for facilities renewal projects budgeted within the USM System Office and $7.5 million for the A. James Clark Hall New Bioengineering Building at the University of Maryland, College Park. This level of issuance will result in a USM debt service ratio within the 4.5% of current unrestricted funds and the mandatory transfers criterion recommended by the system's financial advisers.

- **Senate Bill 379** authorizes the State to issue $4.68 million in QZABs. Although the bonds are issued as full faith and credit debt, the authorizations are not counted within the GO bond authorization debt limits. The proceeds are used by the Interagency Committee on School Construction and the Maryland State Department of Education for the renovation, repair, and capital improvements of qualified zone academies, including public charter schools, as defined by the federal Internal Revenue Code. Qualified zone academies must either be located in a federal Enterprise or Empowerment Zone, or have at least 35% of their student population on free or reduced-price meals.

Exhibit 2.7
Pre-authorizations Included in the Maryland Consolidated Capital Bond Loan
2017-2019 Sessions

Project Title	Fiscal 2018	Fiscal 2019	Fiscal 2020
Board of Public Works – Annapolis Post Office Renovation	$4,200,000		
Judiciary – New Catonsville District Court	40,853,000		
Military Department – Easton Readiness Center	3,632,000		
Military Department – Havre de Grace Combined Support Maintenance Shop	1,645,000	$1,000,000	
Department of Health and Mental Hygiene – Rosewood Property Environmental Abatement	10,000,000	5,000,000	
Department of Public Safety and Correctional Services – Demolition of Buildings at the Baltimore City Correctional Complex	26,925,000		
Maryland State Department of Education – State Library Resource Center	30,528,000	3,512,000	
University of Maryland Baltimore – Health Sciences Research Facility III	3,400,000		
University of Maryland College Park – A. James Clark Hall – New Bioengineering Building	11,227,000	3,533,000	
University of Maryland College Park – Brendan Iribe Center for Computer Science	69,550,000		
University of Maryland College Park – New Cole Field House	12,185,000	6,013,000	
University of Maryland College Park – New School of Public Affairs	3,000,000	17,000,000	
Coppin State University – Percy Julian Science Renovation for the College of Business	1,300,000		
University of Baltimore – Langsdale Library	3,150,000		
University of Maryland Baltimore County – Interdisciplinary Life Sciences Building	60,000,000	40,000,000	
University System of Maryland Office – Biomedical Sciences and Engineering Education Facility	88,000,000	6,000,000	
Maryland Higher Education Commission – Community College Facilities Grant Program	45,817,000	13,492,000	$10,500,000

Project Title	Fiscal 2018	Fiscal 2019	Fiscal 2020
Morgan State University – New Behavioral and Social Sciences Center	2,800,000		
Maryland Environmental Service – Infrastructure Improvement Fund	6,767,000	702,000	
Department of Juvenile Services – New Female Detention Center	28,758,000	14,379,000	
Miscellaneous Grant Programs – Downtown Frederick Hotel and Conference Center	7,500,000	7,500,000	
Miscellaneous Grant Programs – Strathmore Hall Performing Arts Center	3,000,000	3,000,000	
Total	**$464,237,000**	**$121,131,000**	**$10,500,000**

Higher Education

The State-funded portion of the fiscal 2017 capital program for all segments of higher education is $424.0 million, including both GO bonds and ARBs. Of the total funding, public four-year institutions, including regional higher education centers, receive $350.9 million, or 82.8% of funding, and independent institutions receive $9.6 million, or 2.3% of funding. Community colleges receive $63.5 million in fiscal 2017 GO bonds, or 15.0% of higher education funding. This includes $3.8 million of recycled GO bond funds leftover from prior local community college projects. Community college funding is also matched by $76.7 million in local support in fiscal 2017. **Exhibit 2.8** shows the fiscal 2017 capital funding by institution.

Exhibit 2.8
Fiscal 2017 Higher Education Capital Funding by Institution
($ in Thousands)

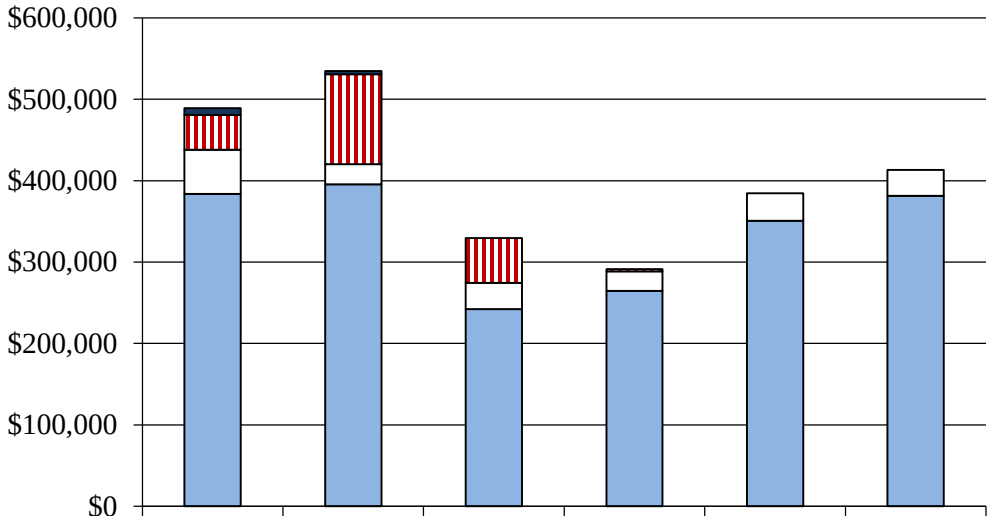
Institution	Capital Funding
University of Maryland, Baltimore	$85,000
University of Maryland, College Park	105,055
Bowie State University	31,501
Towson University	6,150
University of Maryland Eastern Shore	3,500
Frostburg State University	2,500
University of Baltimore	9,300
Salisbury University	425
University of Maryland Baltimore County	7,640
USM – Facility Renewal	17,000
USM – Regional Higher Education Centers	39,761
Morgan State University	40,400
St. Mary's College of Maryland	2,700
Independent Institutions	9,600
Community Colleges	63,222
Baltimore City Community College	248
Total	**$424,002**

USM: University System of Maryland

Note: Excludes nonbudgeted funds

Including legislative changes made to fiscal 2017, the 2016 CIP shows $1.953 billion in State capital spending for higher education projects from fiscal 2017 through 2021 across all funds. **Exhibit 2.9** shows the fiscal 2016 and 2017 legislative appropriations for higher education capital projects and the funds anticipated in the CIP for fiscal 2018 through 2021. The CIP out-years are not yet informed by four projects accelerated in fiscal 2017 and also do not reflect two pre-authorizations added by the General Assembly in fiscal 2018, as that funding remains discretionary. The forthcoming 2017 CIP will need to be restructured to show greatly increased higher education capital spending in fiscal 2018 and later years to reflect the accelerated projects. This, combined with several projects that were already scheduled to complete construction in fiscal 2017, leads to the large apparent decline in GO bond support from fiscal 2017 to 2018 in Exhibit 2.9.

Exhibit 2.9
Higher Education Authorized and Planned Out-year Capital Funding
Fiscal 2016-2021 Est.
($ in Thousands)



	2016	2017	2018 Est.	2019 Est.	2020 Est.	2021 Est.
Recycled Funds	$8,100	$3,836	$0	$0	$0	$0
Nonbudgeted Funds	42,906	110,736	55,081	2,500	0	0
Academic Revenue Bonds	54,500	24,500	32,000	24,000	34,000	32,000
GO Bonds	383,598	395,666	242,407	264,762	350,678	381,432

GO: general obligation

Note: Fiscal 2018 through 2021 do not yet reflect funding changes made to the fiscal 2017 capital budget by the General Assembly.

School Construction

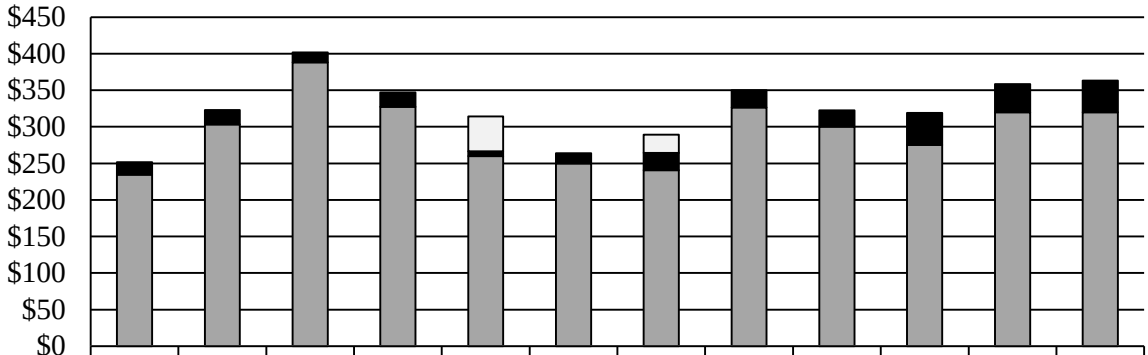
The fiscal 2017 capital budget includes $320.0 million in GO bonds for public school construction. This includes $280.0 million for the traditional Public School Construction Program and an additional $40.0 million for the Capital Grant Program for Local School Systems with Significant Enrollment Growth or Relocatable Classrooms established by Chapter 355 of 2015. An additional $43.0 million in unexpended funds from prior years is available from the Statewide Contingency Fund, of which $42.7 million is reserved for specific local school systems and $0.3 million remains unreserved.

As enacted, Chapter 355 established a required appropriation in the capital budget of $20 million annually beginning in fiscal 2017 for local school systems impacted by significant enrollment growth and reliance on relocatable classrooms. **Senate Bill 271 (Chapter 665)** increases from $20 million to $40 million, the amount that the Governor is required to include in the annual capital budget program. Although the required appropriation established by Chapter 355 did not take effect until fiscal 2017, the General Assembly accelerated the start of the program to fiscal 2016 by adding a $20 million line item in the capital budget. Similarly, although the capital budget as introduced by the Governor included $20 million for the initiative for fiscal 2017, the General Assembly increased the line item for the program to $40 million for fiscal 2017 in keeping with **Senate Bill 271**.

Significant enrollment growth is defined as having full-time equivalent enrollment growth that exceeds 150% of the statewide average over the past five years, and significant relocatable classrooms mean an average of at least 300 relocatable classrooms over the past five years. Currently, Anne Arundel, Baltimore, Dorchester, Howard, Montgomery, and Prince George's counties are eligible. Other school systems may become eligible in the out-years, and some systems that currently receive funding may no longer be eligible for funding in future years.

The Public School Facilities Act of 2004 established a State goal to provide $2.0 billion in State funding over eight years, or $250.0 million per year through fiscal 2013. The $2.0 billion goal was met in fiscal 2012, one year early. As shown in **Exhibit 2.10**, between fiscal 2006 and 2017, the State has invested $3.804 billion for school construction projects throughout the State.

Exhibit 2.10
Public School Construction Funding
Fiscal 2006-2017
($ in Millions)



	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
□ PAYGO					$47.5		$25.0					
■ NB	$17.2	$19.6	$13.9	$19.6	6.70	$13.7	23.70	$23.6	$22.3	$43.8	$38.2	$43.0
■ GO	234.4	303.1	387.9	327.4	259.9	250.0	240.4	326.4	300.0	275.0	320.0	320.0

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

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

Source: Public School Construction Program Capital Improvement Programs, Fiscal 2006-2017

Aging Schools and Qualified Zone Academy Bond Programs

The capital budget program as enacted restricts $6.1 million in general funds for the Aging Schools Program. These funds are restricted in the appropriation to the State Reserve Fund for the purpose of funding the Aging Schools program grants. Funding the grants is at the discretion of the Governor.

The fiscal 2017 capital budget also provides $3.5 million of GO bond funds for nonpublic schools to receive grants for school construction projects that are eligible under the Aging Schools Program, including school security improvements. Only nonpublic schools currently meeting the eligibility requirements for Aid to Non-Public Schools for textbooks and computer hardware and software may receive these Aging Schools grants, which will be distributed on a per-school basis up to $100,000, contingent on certain criteria being met.

Public school construction funding is further supplemented with $4.680 million of QZABs authorized in **Senate Bill 379**. QZABs may be used in schools located in federal Enterprise or Empowerment Zones, or in schools in which 35% of the student population qualifies for free or reduced-price meals. QZAB funds are distributed to local school systems through competitive grants including grants to the Breakthrough Center and public charter schools.

Transfer Tax – Fiscal 2017 and 2018 Transfer Modification

The property transfer tax is the primary funding source for State land conservation programs. In order to reduce the State's structural deficit, recent Budget Reconciliation and Financing Act legislation authorized the transfer of $517.6 million of transfer tax revenue to the general fund over five years, beginning with fiscal 2014. The fiscal 2017 budget reflects the modification of the overall plan of transfer tax transfers to the general fund that were originally authorized by Chapter 425 of 2013 and subsequently modified by Chapter 464 of 2014 and Chapter 489 of 2015. The modification is reflected in **House Bill 462 (Chapter 10)**.

In conjunction, **House Bill 462** and the fiscal 2017 operating budget bill:

- reduce the fiscal 2017 authorized transfer by $20.0 million from $82.8 million to $62.8 million, and the fiscal 2018 transfer by $40.0 million from $86.0 million to $46.0 million;

- distribute the additional $20.0 million available for appropriation in fiscal 2017 as follows:

    - POS – State Acquisition (Capital Development) – $2,638,000;

    - POS – Eager Park Grant (Baltimore City) – $4,000,000;

    - POS – Local – $5,000,000;

    - Rural Legacy Program – $4,862,000; and

    - Maryland Agricultural Land Preservation Foundation – $3,500,000; and

- authorize the Governor to process a budget amendment from the unencumbered balance in the accounts of POS to create an appropriation of $500,000 for a grant to the Maryland Zoo in Baltimore for operations.

Exhibit 2.11 shows the fiscal 2017 allocation for programs affected by the enhanced funding, and **Exhibit 2.12** shows the fiscal 2018 proposed allocation with the enhancement. The proposed program reductions under the full transfers authorized by Chapter 425 were implemented based on the reduction of roughly half of the capital program distributions instead of by reducing the revenue that would flow through the transfer tax formula, and thus affecting all operating and capital programs equally. The enhancement funding is allocated based on the Department of Budget and Management's estimate of program funding need.

Exhibit 2.11
Transfer Tax Distribution for Land Preservation Programs Receiving Enhancements
Fiscal 2017

Program	Statutory Allocation	BRFA of 2013 General Fund Transfer	Allowance Before Enhancement	Enhancement	Appropriation
DNR – Land Acquisition and Planning					
Program Open Space (POS) – State Share	$39.0	-$23.6	$15.4	$4.0	$19.4
POS – Local Share	39.6	-22.9	16.7	5.0	21.7
Rural Legacy Program	17.0	-9.2	7.8	4.9	12.7
Natural Resources Development Fund	10.1	-7.2	2.9	0.1	3.1
Critical Maintenance Program	6.0	-2.0	4.0	2.0	6.0
Ocean City Beach Maintenance	0.5	-0.5	0.0	0.5	0.5
Maryland Department of Agriculture					
Maryland Agricultural Land Preservation Foundation	30.1	-17.4	12.7	3.5	16.2
Distribution for Programs with Enhancements	**$142.3**	**-$82.8**	**$59.5**	**$20.0**	**$79.5**

BRFA: Budget Reconciliation and Financing Act
DNR: Department of Natural Resources

Note: The POS State share fiscal 2017 $4,000,000 enhancement is for a grant to the Eager Park project as part of the East Baltimore Development Initiative.

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

Exhibit 2.12
Transfer Tax Distribution for Land Preservation Programs Receiving Enhancements
Fiscal 2018

Program	Statutory Allocation	BRFA of 2013 General Fund Transfer	Estimated Allowance Before Enhancement	Enhancement	Estimated Allowance
DNR – Land Acquisition and Planning					
Program Open Space (POS) – State Share	$41.7	-$24.8	$17.0	$3.4	$20.4
POS – Local Share	41.7	-23.7	17.9	11.0	28.9
Rural Legacy Program	17.4	-9.4	8.1	9.0	17.1
Natural Resources Development Fund	10.6	-7.6	3.0	5.1	8.1
Critical Maintenance Program	6.0	-2.0	4.0	2.0	6.0
Ocean City Beach Maintenance	1.0	-0.5	0.5	0.5	1.0
Maryland Department of Agriculture					
Maryland Agricultural Land Preservation Foundation	31.7	-18.1	13.7	9.0	22.7
Distribution for Programs with Enhancements	**$150.1**	**-$86.0**	**$64.1**	**$40.0**	**$104.1**

BRFA: Budget Reconciliation and Financing Act
DNR: Department of Natural Resources

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

Programs Traditionally Funded with Transfer Tax Revenue

Exhibit 2.13 shows the fiscal 2017 allocation of funding for programs traditionally funded with transfer tax revenue. Program funding is distinguished between transfer tax regular special funds and transfer tax enhancement special funds provided for by the $20.0 million reduction to the fiscal 2017 authorized transfer.

Exhibit 2.13
Programs Traditionally Funded with Transfer Tax Revenue
Fiscal 2017
($ in Thousands)

	Transfer Tax Regular Special Funds	Transfer Tax Enhancement Special Funds	Other Special Funds	Federal	GO Bonds	Total
Department of Natural Resources						
Program Open Space						
State[1]	$15,369	$4,000	$0	$5,750	$0	$25,119
Local	16,691	5,000	0	0	0	21,691
Capital Development[2]	6,925	2,638	0	0	0	9,563
Rural Legacy Program[3]	7,801	4,862	0	0	5,000	17,663
Department of Agriculture						
Agricultural Land Preservation[4]	12,728	3,500	5,000	0	0	21,228
Total	**$59,513**	**$20,000**	**$5,000**	**$5,750**	**$5,000**	**$95,263**

GO: general obligation

[1]The Baltimore City Direct Grant of $1.5 million comes out of the $15.4 million in transfer tax regular special funds for Program Open Space (POS) – State. The $4.0 million in POS – State enhancement funding is for a grant to the Eager Park project as part of the East Baltimore Development Initiative. The $5.8 million in federal funds reflected for POS – State could also be used by POS – Local.
[2]The Capital Development enhancement funding is listed as POS – State Acquisition funding in the fiscal 2017 operating budget bill. The Capital Development funding is allocated as follows: transfer tax regular special funds – Natural Resources Development Fund ($2,924,000) and Critical Maintenance Program ($4,000,696); and transfer tax enhancement special funds – Natural Resources Development Fund ($138,000), Critical Maintenance Program ($2,000,000), and Ocean City Beach Maintenance ($500,000).
[3]The $5.0 million in GO bonds reflected for the Rural Legacy Program reflects the funding mandated under Natural Resources Article Section 5-9A-09.
[4]The Agricultural Land Preservation funding reflects $5.0 million in county participation funding.

Note: Numbers may not sum due to rounding.

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
- Regular Positions Needed by Agency
- Contractual Positions Needed by Agency

Legislation Affecting State Revenues

	Fund	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
SB 1/HB 11	**Health Insurance – In Vitro Fertilization – Use of Spouse's Sperm – Exception (Ch. 325/Ch. 326)**						
	SF	increase	$0	$0	$0	$0	Minimal fee revenues.
SB 58/HB 14	**Natural Resources – Vessel Excise Tax Cap – Amount and Repeal of Termination (Ch. 656/Ch. 657)**						
	SF	decrease	decrease	decrease	decrease	decrease	Potential significant vessel excise tax revenues.
SB 66	**Professional Corporations – Approval of Corporate Name by Licensing Unit and Professional Organization – Exemption (Ch. 335)**						
	SF	decrease	decrease	decrease	decrease	decrease	Minimal fee revenues.
SB 75	**Insurance – Public Adjusters – Licensing (Ch. 155)**						
	SF	($39,845)	$39,845	($39,845)	$39,845	($39,845)	
SB 83	**Public Safety – School Safety Enforcement Fund (Ch. 529)**						
	SF	$0	indeterminate	indeterminate	indeterminate	indeterminate	Potential grant revenues. SF expenditures increase/decrease by same amount.
SB 86	**Unemployment Insurance – Exemption From Actively Seeking Work Requirement – Repeal (Ch. 339)**						
	NB	decrease	decrease	decrease	decrease	decrease	Unemployment insurance repayment revenues.
SB 87	**Mortgage Loan Originators – State Criminal History Records Check Requirement – Repeal (Ch. 340)**						
	SF	($54,000)	($54,000)	($54,000)	($54,000)	($54,000)	
SB 90	**Unemployment Insurance – Recovery of Benefits and Penalties for Fraud (Ch. 342)**						
	GF/SF/FF	$0	increase	increase	increase	increase	Minimal reimbursement revenues.
	NB	$0	$4,395,420	$3,560,290	$2,879,879	$2,318,303	
SB 111	**State Lottery – Licensed Agents – Prize Payments (Ch. 20)**						
	GF	decrease	decrease	decrease	decrease	decrease	Potential lottery revenues.
SB 128/HB 878	**Maryland Higher Education Commission – Religious Educational Institutions – Authority to Operate (Ch. 161/Ch. 162)**						
	SF	increase	increase	increase	increase	increase	Minimal fee revenues.

Legislation Affecting State Revenues

	Fund	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
SB 137/HB 276	**Income Tax Credit – Preservation and Conservation Easements (Ch. 351/Ch. 352)**						
	GF	($49,000)	($96,000)	($159,000)	($242,000)	($331,000)	
SB 156/HB 98	**Criminal Law – Participation in Court Proceedings – Retaliation (Ch. 532/Ch. 533)**						
	GF	increase	increase	increase	increase	increase	Minimal fine revenues.
SB 161/HB 336	**Criminal Procedure – Seizure and Forfeiture (Ch. 658/Ch. 619)**						
	GF	decrease	decrease	decrease	decrease	decrease	Minimal forfeiture revenues.
SB 178/HB 493	**Criminal Law – Extortion – Immigration Status (Ch. 536/Ch. 537)**						
	GF	increase	increase	increase	increase	increase	Minimal fine revenues.
SB 185/HB 1333	**Income Tax – Filing of Withholding Statements (Ch. 538/Ch. 539)**						
	GF	increase	increase	increase	increase	increase	Potential significant income tax revenues.
SB 217	**State Board of Physicians – Distribution of Fees by Comptroller – Loan Assistance Repayment for Physicians and Physician Assistants (Ch. 178)**						
	SF	$565,720	$565,720	$715,720	$715,720	$715,720	Department of Health and Mental Hygiene.
	SF	($565,720)	($565,720)	($715,720)	($715,720)	($715,720)	Maryland Higher Education Commission. SF expenditures decrease by same amount.
SB 239/HB 507	**Maryland Fiduciary Access to Digital Assets Act (Ch. 364/Ch. 365)**						
	GF	increase	increase	increase	increase	increase	Minimal fee and inheritance tax revenues.
SB 252/HB 511	**Maryland Medical Assistance Program – Former Foster Care Adolescents – Dental Care (Ch. 57/Ch. 58)**						
	FF	$86,491	$385,852	$427,196	$470,040	$514,427	FF expenditures increase by same amount.
SB 266/HB 410	**Natural Resources – Poaching Restitution Act of 2016 (Ch. 663/Ch. 664)**						
	SF	increase	increase	increase	increase	increase	Potential significant restitution revenues beginning in FY 2016.

Legislation Affecting State Revenues

	Fund	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
SB 278/HB 155	**Criminal Law – Stalking (Ch. 544/Ch. 545)**						
	GF	increase	increase	increase	increase	increase	Minimal fine revenues.
SB 280	**Academic Facilities Bonding Authority (Ch. 61)**						
	BOND	$24,500,000	$0	$0	$0	$0	Anticipated in FY 2017 capital budget. Bond expenditures increase by same amount.
SB 283	**Criminal Law – Cruelty to Animals – Implement of Dogfighting (Ch. 546)**						
	GF	increase	increase	increase	increase	increase	Minimal fine revenues.
SB 285	**Maryland Home Improvement Commission – Subcontractor Licensing Requirement – Repeal (Ch. 370)**						
	GF	($45,313)	($45,313)	($45,313)	($45,313)	($45,313)	
SB 288/HB 484	**Income Tax – Corporation Returns – Filing Date (Ch. 547/Ch. 548)**						
	GF	($5,558,700)	$0	$0	$0	$0	
	SF	($1,021,300)	$0	$0	$0	$0	Transportation Trust Fund.
	SF	($420,000)	$0	$0	$0	$0	Higher Education Investment Fund.
SB 297	**Health Insurance – Habilitative Services – Period of Time for Coverage (Ch. 371)**						
	SF	increase	$0	$0	$0	$0	Minimal fee revenues.
SB 346/HB 314	**Peace Orders – Grounds for Relief (Ch. 550/Ch. 551)**						
	GF	increase	increase	increase	increase	increase	Minimal fee revenues.
SB 374	**Income Tax Subtraction Modification – College Savings Plans – Contributions (Ch. 197)**						
	GF	($455,300)	($469,000)	($483,100)	($497,600)	($517,700)	
SB 376	**Pathways in Technology Early College High (P-TECH) Schools Act of 2016 (Ch. 144)**						
	HE	$0	$25,055	$90,326	$305,279	$801,508	HE expenditures increase by same amount.
SB 378/HB 454	**See entry for HB 454.**						

Legislation Affecting State Revenues

	Fund	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
SB 379	**Creation of a State Debt – Qualified Zone Academy Bonds (Ch. 198)**						
	BOND	$4,680,000	$0	$0	$0	$0	Anticipated in FY 2017 capital budget. Bond expenditures increase by same amount.
SB 381	**Housing and Community Development – Community Development Administration – Student and Residential Mortgage Loans (Ch. 146)**						
	NB	decrease	decrease	decrease	decrease	decrease	Loan repayment revenues.
SB 393/HB 490	**Maryland Nurse Practice Act – Peer Review and Advisory Committees and Penalties (Ch. 199/Ch. 200)**						
	GF	increase	increase	increase	increase	increase	Minimal fine revenues.
SB 411/HB 1494	**Income Tax – Credit for Preceptors in Areas With Health Care Workforce Shortages (Ch. 385/Ch. 386)**						
	GF	($23,500)	($23,500)	($23,500)	($58,773)	($123,500)	
	SF	$76,500	$76,500	$76,500	$76,500	$76,500	SF expenditures increase by same amount.
SB 425	**Maryland Income Tax Refunds – Warrant Intercept Program – Statewide (Ch. 387)**						
	GF	increase	increase	increase	increase	$0	Potential income tax revenues.
SB 427/HB 741	**Higher Education – Institutions of Postsecondary Education – Consumer Protection Provisions (Ch. 552/Ch. 553)**						
	SF	increase	increase	increase	increase	increase	Guaranty fund fee revenues.
SB 449/HB 981	**Maryland Medical Assistance Program – Guardianship Fees – Personal Needs Allowance (Ch. 390/Ch. 391)**						
	FF	increase	increase	increase	increase	increase	Minimal Medicaid matching revenues. FF expenditures increase by same amount.
SB 450/HB 1487	**Health Care Provider Malpractice Insurance – Scope of Coverage (Ch. 209/Ch. 210)**						
	GF	indeterminate	indeterminate	indeterminate	indeterminate	indeterminate	Minimal premium tax revenues.
	SF	increase	$0	$0	$0	$0	Minimal fee revenues.
SB 471/HB 1450	**Commercial Law – Debt Settlement Services – Fund and Sunset Repeal (Ch. 392/Ch. 393)**						
	SF	$0	$30,000	$0	$30,000	$0	SF revenues also increase by $30,000 in FY 2016.

Legislation Affecting State Revenues

	Fund	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
SB 480/HB 696	**Public Utilities – Maryland Underground Facilities Damage Prevention Authority – Funding (Ch. 675/Ch. 676)**						
	NB	$210,000	$210,000	$210,000	$210,000	$210,000	NB revenues also increase by $17,500 in FY 2016.
SB 505	**Workers' Compensation Insurance – Premium Discount – Alcohol- and Drug-Free Workplace Program (Ch. 394)**						
	GF	decrease	decrease	decrease	decrease	decrease	Minimal premium tax revenues.
	SF	increase	$0	$0	$0	$0	Minimal fee revenues.
SB 520	**County Boards of Education – School Buses – Motor Fuel Tax Exemption and Refund (Ch. 397)**						
	SF	($5,550,900)	($5,832,300)	($6,170,200)	($6,438,600)	($6,731,800)	
SB 541	**Portable Electronics Insurance – Required Notices – Method of Mailing (Ch. 73)**						
	SF	increase	$0	$0	$0	$0	Minimal fee revenues.
SB 544/HB 720	**Motor Vehicle Insurance – Insurance Identification Card – Carrying Proof of Coverage – Uninsured Motorist Education and Enforcement Fund (Ch. 401/Ch. 402)**						
	GF	increase	increase	increase	increase	increase	Potential significant fine revenues.
	NB	increase	increase	increase	increase	increase	Insurance premium revenues. NB expenditures increase by a similar amount.
	SF	increase	increase	increase	increase	increase	Potential significant fine revenues.
SB 579/HB 922	**Vehicle Laws – Application – Park Model Recreational Vehicles – Definition (Ch. 407/Ch. 408)**						
	GF	decrease	decrease	decrease	decrease	decrease	Minimal sales tax revenues beginning in FY 2016.
	SF	increase	increase	increase	increase	increase	Minimal excise tax revenues beginning in FY 2016.
SB 584/HB 668	**Preschool Development Grants – Expansion Grants – Required State Funding (Ch. 683/Ch. 684)**						
	SF	$0	$3,672,000	$7,344,000	$0	$0	SF expenditures increase by same amount.
SB 597/HB 1226	**Recordation and Transfer Taxes – Transfer of Controlling Interest – Exemptions (Ch. 223/Ch. 224)**						
	GF	decrease	decrease	decrease	decrease	decrease	Tax collection commission revenues.
	SF	decrease	decrease	decrease	decrease	decrease	Transfer tax revenues.

Legislation Affecting State Revenues

	Fund	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
SB 630	**Comptroller – Distillery Off-Site Permit and Liquor Festival Permit (Ch. 418)**						
	GF	increase	increase	increase	increase	increase	Minimal fee revenues.
SB 676/HB 1014	**College Affordability Act of 2016 (Ch. 689/Ch. 690)**						
	GF	$0	($5,000,000)	($5,000,000)	($5,000,000)	($5,000,000)	
	NB	$106,000	increase	increase	increase	increase	Fee revenues. NB expenditures increase by same amount.
SB 679	**Unemployment Insurance – Exemption From Covered Employment – Nail Technicians (Ch. 574)**						
	NB	($397,545)	($530,060)	($530,060)	($530,060)	($530,060)	
SB 734/HB 535	**Courts and Judicial Proceedings – Structured Settlements – Transfers and Registration of Structured Settlement Transferees (Ch. 722/Ch. 721)**						
	GF	increase	increase	increase	increase	increase	Minimal fee and penalty revenues.
SB 759	**Heritage Structure Rehabilitation Tax Credit – Alteration and Extension (Ch. 578)**						
	GF	$0	($865,400)	($2,060,200)	($2,134,600)	($2,183,600)	
	SF	$0	$310,000	$313,100	$316,200	$322,600	SF expenditures increase by same amount.
SB 774	**Motor Vehicles – Autocycles – Standards and Requirements (Ch. 231)**						
	SF	increase	increase	increase	increase	increase	Minimal excise tax and fee revenues.
SB 777	**Unemployment Insurance – Exemption From Covered Employment – Messenger Service Business (Ch. 697)**						
	NB	($293,973)	($293,973)	($293,973)	($293,973)	($293,973)	
SB 784/HB 900	**Motor Vehicle Insurance – Personal Injury Protection – Rejection of Coverage (Ch. 425/Ch. 426)**						
	GF	decrease	decrease	decrease	decrease	decrease	Premium tax revenues.
	NB	decrease	decrease	decrease	decrease	decrease	Insurance premium revenues. NB expenditures decrease by a similar amount.
	SF	increase	$0	$0	$0	$0	Minimal fee revenues.
SB 830/HB 1291	**State Board of Cosmetologists – Limited License – Hair Services – Blow Drying (Ch. 434/Ch. 435)**						
	GF	$0	$1,250	$1,250	$2,500	$2,500	

Legislation Affecting State Revenues

	Fund	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
SB 848/HB 1005	**Health Insurance – Contraceptive Equity Act (Ch. 436/Ch. 437)**						
	FF	$0	$930,584	$1,879,781	$1,898,578	$1,917,563	FF expenditures increase by same amount.
	SF	$0	increase	$0	$0	$0	Minimal fee revenues.
SB 856/HB 180	**Public Health – HIV Testing During Pregnancy (Ch. 440/Ch. 441)**						
	FF	increase	increase	increase	increase	increase	Potential Medicaid matching revenues. FF expenditures increase by same amount.
SB 864	**Public Safety – Internet Crimes Against Children Task Force Fund – Establishment (Alicia's Law) (Ch. 516)**						
	SF	$0	$2,000,000	$2,000,000	$2,000,000	$2,000,000	SF expenditures increase by same amount.
SB 876/HB 870	**Natural Resources – Black Fly Management and Control – Washington County (Ch. 584/Ch. 585)**						
	SF	increase	increase	increase	increase	increase	Potential contribution revenues. SF expenditures increase by a similar amount.
SB 887	**Health Insurance – Consumer Health Claim Filing Fairness Act (Ch. 445)**						
	SF	increase	$0	$0	$0	$0	Minimal fee revenues.
SB 888/HB 912	**Motor Vehicle Insurance – Program to Incentivize and Enable Uninsured Vehicle Owners to Be Insured (Ch. 446/Ch. 447)**						
	GF	increase	increase	increase	increase	increase	Potential significant fine and premium tax revenues.
	NB	increase	increase	increase	increase	increase	Insurance premium revenues.
	SF	increase	increase	$0	$0	$0	Potential significant fine revenues.
SB 931/HB 280	**Birth Certificates – Homeless Individuals – Prohibition on Collection of Fee (Ch. 452/Ch. 453)**						
	GF	decrease	decrease	decrease	decrease	decrease	Minimal fee revenues.
SB 937	**Sustainable Oyster Population and Fishery Act of 2016 (Ch. 703)**						
	SF	$0	$0	indeterminate	indeterminate	indeterminate	Tax/fee revenues.

Legislation Affecting State Revenues

	Fund	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
SB 945	**Drunk Driving Reduction Act of 2016 (Noah's Law) (Ch. 512)**						
	GF	increase	increase	increase	increase	increase	Minimal fee revenues.
	SF	$307,832	$410,442	$410,442	$410,442	$410,442	
SB 958/HB 1071	**Cecil County – Alcoholic Beverages – Licenses (Ch. 454/Ch. 455)**						
	GF	increase	increase	increase	increase	increase	Minimal fee, sales tax, and alcoholic beverages tax revenues.
SB 968/HB 1448	**Business Regulation – Home Builder Registration – Fees (Ch. 705/Ch. 706)**						
	SF	$137,850	$183,800	$183,800	$183,800	$183,800	
SB 1005	**Justice Reinvestment Act (Ch. 515)**						
	GF	$0	increase	increase	increase	increase	Potential significant fee/fine revenues.
	SF	$0	$0	$2,176,020	$3,344,880	$4,107,180	Performance Incentive Grant Fund. SF expenditures increase by same amount.
	SF	$0	increase	increase	increase	increase	Addiction Treatment Divestiture Fund. Potential significant divested asset revenues. SF expenditures increase by same amount.
SB 1007/HB 1378	**Maryland Small Business Retirement Savings Program and Trust (Ch. 323/Ch. 324)**						
	GF	$0	($37,080,000)	($38,192,400)	($39,338,172)	($40,518,317)	Contingent on program's qualification for favorable tax treatment.
SB 1009	**Procurement – Prevailing Wage – Liquidated Damages (Ch. 707)**						
	GF/SF/FF	$184,189	$212,218	$145,482	$78,747	$78,747	
SB 1020/HB 998	**State Board of Physicians – Physician Licensing Reciprocity (Ch. 460/Ch. 461)**						
	SF	increase	increase	increase	increase	increase	Minimal fee revenues.
SB 1057	**Maryland Technology Development Corporation – Maryland Innovation Initiative – Financing Authority (Ch. 462)**						
	SF	$0	increase	increase	increase	increase	Potential investment revenues. SF expenditures increase by same amount.

Legislation Affecting State Revenues

	Fund	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
SB 1062/HB 1533	**Baltimore County – Sales and Use Tax Exemption – Redevelopment Areas (Ch. 603/Ch. 604)**						
	GF	decrease	decrease	decrease	decrease	decrease	Potential significant sales tax revenues.
SB 1097	**Local Government Tort Claims Act – Regional Development Councils (Ch. 466)**						
	GF	decrease	decrease	decrease	decrease	decrease	Minimal premium tax revenues.
SB 1109	**Division of Workforce Development and Adult Learning – Transfer of Senior Community Service Employment Program (Ch. 468)**						
	FF	($1,190,811)	($1,190,811)	($1,190,811)	($1,190,811)	($1,190,811)	Department of Aging. FF expenditures decrease by same amount.
	FF	$1,190,811	$1,190,811	$1,190,811	$1,190,811	$1,190,811	Department of Labor, Licensing, and Regulation. FF expenditures increase by same amount.
SB 1112	**Income Tax – Aerospace, Electronics, or Defense Contract Tax Credit Program (Ch. 320)**						
	GF	($5,955,400)	($5,955,400)	($5,955,400)	($5,955,400)	($5,955,400)	
	SF	($1,094,600)	($1,094,600)	($1,094,600)	($1,094,600)	($1,094,600)	Transportation Trust Fund.
	SF	($450,000)	($450,000)	($450,000)	($450,000)	($450,000)	Higher Education Investment Fund.
SB 1158	**Higher Education – Morgan State University – Office of Technology Transfer (Ch. 713)**						
	HE	increase	increase	increase	increase	increase	Potential grant revenues.
HB 11/SB 1	**See entry for SB 1.**						
HB 14/SB 58	**See entry for SB 58.**						
HB 60	**Insurance – Certificate of Qualification, Licensing, and Registration – Electronic Means (Ch. 84)**						
	SF	($67,295)	$67,295	($67,295)	$67,295	($67,295)	
HB 98/SB 156	**See entry for SB 156.**						
HB 155/SB 278	**See entry for SB 278.**						
HB 180/SB 856	**See entry for SB 856.**						

Legislation Affecting State Revenues

	Fund	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
HB 186	**Department of Veterans Affairs – Charlotte Hall Veterans Home Fund – Establishment (Ch. 317)**						
	GF	increase	increase	increase	increase	increase	Potential interest revenues and reversions.
	SF	$1,491,390	$2,982,780	$2,982,780	$2,982,780	$2,982,780	
HB 202	**Pilot Program – Donation of Coins From Gaming Payouts – Maryland Veterans Trust Fund (Ch. 479)**						
	SF	increase	increase	increase	increase	increase	Minimal donation revenues.
HB 276/SB 137	**See entry for SB 137.**						
HB 280/SB 931	**See entry for SB 931.**						
HB 314/SB 346	**See entry for SB 346.**						
HB 326	**Housing and Community Development – Business Lending and Neighborhood Revitalization (Ch. 482)**						
	SF	increase	increase	increase	increase	increase	Potential fee revenues.
HB 336/SB 161	**See entry for SB 161.**						
HB 356	**Supplemental Nutrition Assistance Program Benefits – Grant Application (Ch. 718)**						
	FF	$0	increase	increase	$0	$0	Potential grant revenues. FF expenditures increase by same amount.
HB 400	**Higher Education – Tuition Waivers for Foster Care Recipients and Unaccompanied Homeless Youth – Modifications (Ch. 263)**						
	HE	decrease	decrease	decrease	decrease	decrease	Tuition revenues.
HB 409	**Criminal Law – Providing Alcohol to Underage Drinkers – Penalties (Alex and Calvin's Law) (Ch. 513)**						
	GF	increase	increase	increase	increase	increase	Minimal fine revenues.
HB 410/SB 266	**See entry for SB 266.**						
HB 422	**Interest Rate on Tax Deficiencies and Refunds (Ch. 322)**						
	GF	($2,160,091)	($5,400,226)	($7,560,317)	($9,720,408)	($11,880,498)	
	SF	($55,200)	($137,999)	($193,199)	($248,398)	($303,598)	Transportation Trust Fund.
	SF	($22,143)	($55,357)	($77,499)	($99,642)	($121,784)	Higher Education Investment Fund.

Legislation Affecting State Revenues

	Fund	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
HB 431	**Maryland Achieving a Better Life (ABLE) Program – Establishment (Ch. 39)**						
	GF	$0	($202,113)	($1,010,563)	($1,515,844)	($2,021,125)	
	NB	$642,560	$194,528	$201,974	$209,720	$217,788	NB expenditures increase by same amount.
HB 447	**Charles County – County Transfer Tax – Revenue Received by the Clerk of the Circuit Court (Ch. 621)**						
	GF	($56,568)	$0	$0	$0	$0	
HB 454/SB 378	**State Employees – Merit Increases in Salary (Ch. 37/Ch. 23)**						
	FF	$9,130	$9,440	$9,761	$10,093	$10,436	FF revenues also increase by $2,580 in FY 2016.
HB 459	**Birth and Death Certificates – Fee Reduction (Ch. 316)**						
	FF	($581,000)	($581,000)	($581,000)	($581,000)	($581,000)	FF expenditures decrease by same amount.
	GF	($3,649,398)	($3,649,398)	($3,649,398)	($3,649,398)	($3,649,398)	
HB 462	**Program Open Space – Transfer Tax Repayment – Use of Funds (Ch. 10)**						
	GF	($20,000,000)	($40,000,000)	$0	$0	$0	
	SF	$20,000,000	$40,000,000	($29,000,000)	$21,000,000	$71,721,900	SF expenditures increase/decrease by same amount.
HB 470	**Health Occupations – Dental Hygienists – Administration of Nitrous Oxide (Ch. 106)**						
	SF	increase	increase	increase	increase	increase	Minimal fee revenues.
HB 484/SB 288	**See entry for SB 288.**						
HB 489	**Termination of Maryland Health Insurance Plan, Transfer of Senior Prescription Drug Assistance Program, and Funding for State Reinsurance Program (Ch. 321)**						
	FF	($5,013,311)	($5,113,577)	($5,215,849)	($5,320,165)	($5,426,569)	FF expenditures decrease by same amount.
	SF	($41,777,592)	($42,613,144)	($43,465,407)	($44,334,715)	($45,221,409)	
HB 490/SB 393	**See entry for SB 393.**						

Legislation Affecting State Revenues

	Fund	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
HB 493/SB 178	**See entry for SB 178.**						
HB 501	**Motor Vehicle Insurance – Volunteer Drivers (Ch. 488)**						
	SF	increase	$0	$0	$0	$0	Minimal fee revenues.
HB 507/SB 239	**See entry for SB 239.**						
HB 511/SB 252	**See entry for SB 252.**						
HB 535/SB 734	**See entry for SB 734.**						
HB 557	**Homeowner's Insurance – Underwriting Standards – Deductibles (Ch. 491)**						
	SF	increase	$0	$0	$0	$0	Minimal fee revenues.
HB 565	**Criminal Law – Possession of Less Than 10 Grams of Marijuana – Code Violation (Ch. 514)**						
	GF	decrease	decrease	decrease	decrease	decrease	Minimal fee revenues.
HB 567	**Barbers and Cosmetologists – Mobile Barbershops and Beauty Salons – Permit Requirement (Ch. 492)**						
	GF	increase	increase	increase	increase	increase	Minimal fee revenues.
HB 668/SB 584	**See entry for SB 584.**						
HB 684	**Baltimore Regional Neighborhood Initiative Program – Codified (Ch. 29)**						
	SF	$3,610,000	$12,000,000	$12,000,000	$12,000,000	$12,000,000	SF expenditures increase by same amount.
HB 686	**Department of Housing and Community Development – Strategic Demolition and Smart Growth Impact Fund – Establishment (Ch. 30)**						
	SF	$21,500,000	$25,625,000	$28,500,000	increase	increase	Program funding. SF expenditures increase by same amount.
HB 696/SB 480	**See entry for SB 480.**						
HB 718	**Consumer Protection – Asset Recovery for Exploited Seniors Act (Ch. 114)**						
	GF	increase	increase	increase	increase	increase	Minimal reimbursement revenues.

Legislation Affecting State Revenues

	Fund	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
HB 720/SB 544	**See entry for SB 544.**						
HB 739	**Alcoholic Beverages – Nonprofit Beer Festival Permit – Revisions (Ch. 628)**						
	GF	increase	increase	increase	increase	increase	Minimal fee revenues.
HB 741/SB 427	**See entry for SB 427.**						
HB 803	**Life Insurance – Freedom to Travel Act (Ch. 123)**						
	SF	increase	$0	$0	$0	$0	Minimal fee revenues.
HB 870/SB 876	**See entry for SB 876.**						
HB 878/SB 128	**See entry for SB 128.**						
HB 900/SB 784	**See entry for SB 784.**						
HB 912/SB 888	**See entry for SB 888.**						
HB 922/SB 579	**See entry for SB 579.**						
HB 958	**Insurance – Rate Filing – Trade Secrets (Ch. 499)**						
	SF	increase	$0	$0	$0	$0	Minimal fee revenues.
HB 965	**The Maryland International and Preakness Stakes Incentive Act of 2016 (Ch. 727)**						
	GF	($1,000,000)	($1,000,000)	($1,000,000)	$0	$0	
	SF	$1,000,000	$1,000,000	$1,000,000	$0	$0	SF expenditures increase by same amount in FY 2018 and 2019 and by $500,000 in FY 2017.
HB 981/SB 449	**See entry for SB 449.**						
HB 998/SB 1020	**See entry for SB 1020.**						

Legislation Affecting State Revenues

	Fund	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
HB 1005/SB 848	**See entry for SB 848.**						
HB 1012	**Tax Credit – Commuter Benefits – Eligibility and Credit Amount (Ch. 289)**						
	GF	($385,262)	($392,967)	($400,827)	($408,843)	($417,020)	
	SF	($25,410)	($25,918)	($26,436)	($26,965)	($27,504)	Transportation Trust Fund.
	SF	($10,447)	($10,655)	($10,869)	($11,086)	($11,308)	Higher Education Investment Fund.
HB 1014/SB 676	**See entry for SB 676.**						
HB 1016	**Public Safety and Policing Workgroup – Recommendations (Ch. 519)**						
	GF	($828,800)	($837,000)	($845,400)	($853,900)	($862,400)	
	SF	$0	$500,000	$500,000	$500,000	$500,000	SF expenditures increase by same amount.
HB 1071/SB 958	**See entry for SB 958.**						
HB 1109	**Frederick County – Dry Election Districts – Repeal (Ch. 133)**						
	GF	increase	increase	increase	increase	increase	Minimal fee revenues.
HB 1115	**Montgomery County – Cigarette Retailers – County License Fee MC 12-16 (Ch. 732)**						
	GF	increase	increase	increase	increase	increase	Minimal fee revenues.
HB 1144	**Gas and Electric Companies – Retail Choice Customer Education and Protection Fund (Ch. 134)**						
	SF	increase	increase	increase	increase	increase	Potential penalty or other revenues. SF expenditures increase by same amount.
HB 1179	**Vehicle Laws – HOV Lanes – Plug-In Electric Drive and Hybrid Vehicles (Ch. 734)**						
	SF	$52,500	$17,500	increase	$0	$0	Minimal fee revenues in FY 2019.
HB 1220	**Department of Health and Mental Hygiene – Health Program Integrity and Recovery Activities (Ch. 136)**						
	FF	decrease	decrease	decrease	decrease	decrease	Medicaid matching revenues. FF expenditures decrease by same amount.
	GF	increase	increase	increase	increase	increase	Minimal civil money remedy and recovery revenues.

Legislation Affecting State Revenues

	Fund	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
HB 1226/SB 597	**See entry for SB 597.**						
HB 1288	**Higher Education – Tuition Waivers for Foster Care Recipients and Unaccompanied Homeless Youth (Ch. 306)**						
	HE	decrease	decrease	decrease	decrease	decrease	Tuition revenues.
HB 1291/SB 830	**See entry for SB 830.**						
HB 1316	**Alcoholic Beverages – Class 9 Limited Distillery Licenses (Ch. 308)**						
	GF	increase	increase	increase	increase	increase	Minimal fee, sales tax, and alcoholic beverages tax revenues.
HB 1333/SB 185	**See entry for SB 185.**						
HB 1337	**Alcoholic Beverages – Liquor – Manufacturer's and Wholesaler's Licenses and Permits (Ch. 310)**						
	GF	increase	increase	increase	increase	increase	Minimal fee, sales tax, and alcoholic beverages tax revenues.
HB 1363	**Property Tax – Appeals – Provision of Information to Taxpayers (Ch. 737)**						
	SF	$7,000	$7,000	$7,000	$7,000	$7,000	
HB 1378/SB 1007	**See entry for SB 1007.**						
HB 1400	**Seed Community Development Anchor Institution Fund (Ch. 31)**						
	SF	$0	$5,000,000	$5,000,000	$5,000,000	$5,000,000	SF expenditures increase by same amount.
HB 1403	**Next Generation Scholars of Maryland (Ch. 33)**						
	SF	$0	$5,000,000	$5,000,000	$5,000,000	$5,000,000	SF expenditures increase by same amount.
HB 1404	**Construction Education and Innovation – Establishment of Fund (Ch. 34)**						
	SF	$0	$250,000	$250,000	$250,000	$250,000	SF expenditures increase by same amount.
HB 1448/SB 968	**See entry for SB 968.**						

Legislation Affecting State Revenues

	Fund	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
HB 1450/SB 471	**See entry for SB 471.**						
HB 1487/SB 450	**See entry for SB 450.**						
HB 1488	**Service, Stipends, and Scholarships – Maryland Corps Program – Established (Ch. 654)**						
	SF	$161,213	$1,903,562	$2,359,507	$2,365,704	$2,372,166	SF expenditures increase by same amount.
HB 1494/SB 411	**See entry for SB 411.**						
HB 1502	**Child Support Enforcement – Noncustodial Parent Employment Assistance Pilot Program (Ch. 312)**						
	SF	increase	increase	increase	increase	increase	Potential child support collections.
HB 1533/SB 1062	**See entry for SB 1062.**						

Totals by Fund Type/Summary of Quantifiable Revenue Effects*

Fund Type	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
GF	($40,167,332)	($101,015,067)	($66,384,168)	($69,417,751)	($73,502,771)
SF	($2,244,447)	$50,801,751	($10,546,201)	$2,816,440	$52,811,225
FF	($5,498,690)	($4,368,701)	($3,480,111)	($3,522,454)	($3,565,143)
BOND	$29,180,000	$0	$0	$0	$0
HE	$0	$25,055	$90,326	$305,279	$801,508
NB	$267,042	$3,975,915	$3,148,231	$2,475,566	$1,922,058

*The fund totals do not include GF/SF/FF revenue increases beginning in fiscal 2017 ($184,189 in fiscal 2017) resulting from Senate Bill 1009, which could not be reliably allocated among the three fund types.

Legislation Affecting State Expenditures

	Fund	Agency	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
SB 1/HB 11	**Health Insurance – In Vitro Fertilization – Use of Spouse's Sperm – Exception (Ch. 325/Ch. 326)**							
	FF	Budget & Mgt.	$23,794	$25,698	$27,753	$29,974	$32,372	
	GF	Budget & Mgt.	$127,623	$137,833	$148,859	$160,768	$173,630	
	SF	Budget & Mgt.	$64,893	$70,084	$75,691	$81,746	$88,286	
SB 17/HB 984	**Open Meetings Act – Retention of Minutes and Recordings – Revision (Ch. 329/Ch. 330)**							
	GF/SF/FF	All or Multiple Agencies	increase	increase	increase	increase	increase	Minimal implementation costs.
SB 28	**State Government – Web Sites – Language Access (Ch. 151)**							
	GF	Department of Information Technology	$4,000	$0	$0	$0	$0	
SB 80	**Commercial Drivers' Licenses – Cancellations and Downgrades (Driving Privilege Preservation Act of 2016) (Ch. 158)**							
	SF	Transportation	$35,000	$0	$0	$0	$0	
SB 83	**Public Safety – School Safety Enforcement Fund (Ch. 529)**							
	SF	State Police	$0	indeterminate	indeterminate	indeterminate	indeterminate	Potential program expenditures. SF revenues increase/decrease by same amount.
SB 85	**Department of Economic Competitiveness and Commerce – Renaming and Reorganization (Ch. 338)**							
	GF	Executive Dept.	($499,898)	($484,301)	($502,427)	($521,274)	($540,868)	Included in FY 2017 budget.
SB 86	**Unemployment Insurance – Exemption From Actively Seeking Work Requirement – Repeal (Ch. 339)**							
	GF/SF/FF	All or Multiple Agencies	($66,277)	($66,277)	($66,277)	($66,277)	($66,277)	
	NB	Labor Lic. & Reg.	($3,489,563)	($3,489,563)	($3,489,563)	($3,489,563)	($3,489,563)	

Legislation Affecting State Expenditures

	Fund	Agency	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
SB 90	**Unemployment Insurance – Recovery of Benefits and Penalties for Fraud (Ch. 342)**							
	GF/SF/FF	All or Multiple Agencies	$0	decrease	decrease	decrease	decrease	Minimal unemployment insurance costs.
	NB	Labor Lic. & Reg.	$0	($1,454,456)	($1,939,275)	($1,939,275)	($1,939,275)	
SB 91	**Public Health – State-Identified HIV Priorities (Ch. 46)**							
	SF	Hlth. & Mental Hyg.	increase	increase	increase	increase	increase	Potential significant program expenditures.
SB 98	**Senior Citizen Activities Center Operating Fund – Distributions – Alteration (Ch. 17)**							
	GF	Aging	$263,828	$250,000	$250,000	$250,000	$250,000	Mandated appropriation beginning in FY 2018.
SB 110	**Agriculture – Young Farmers Advisory Board – Membership (Ch. 19)**							
	GF	Agriculture	$2,800	$2,800	$2,800	$2,800	$2,800	
SB 120	**Higher Education – Senatorial Scholarships – Awards (Ch. 160)**							
	GF	Higher Ed. Comm.	$0	$0	$0	$0	$0	GF expenditures increase by $2,800 in FY 2016.
SB 137/HB 276	**Income Tax Credit – Preservation and Conservation Easements (Ch. 351/Ch. 352)**							
	GF	Comptroller	$31,000	$0	$0	$0	$0	
SB 156/HB 98	**Criminal Law – Participation in Court Proceedings – Retaliation (Ch. 532/Ch. 533)**							
	GF	Public Sfty. & Corr. Srvcs.	increase	increase	increase	increase	increase	Minimal incarceration costs.
SB 161/HB 336	**Criminal Procedure – Seizure and Forfeiture (Ch. 658/Ch. 619)**							
	GF	Hlth. & Mental Hyg.	increase	increase	increase	increase	increase	Minimal drug treatment and education program costs.

Legislation Affecting State Expenditures

	Fund	Agency	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
SB 170/HB 344	**Voter Registration – Affiliation With Political Party and Participation in Primary Election, Caucus, or Convention (Ch. 172/Ch. 173)**							
	SF	Transportation	$0	$0	$0	$0	$0	SF expenditures increase by $12,100 in FY 2016.
SB 178/HB 493	**Criminal Law – Extortion – Immigration Status (Ch. 536/Ch. 537)**							
	GF	Public Sfty. & Corr. Srvcs.	increase	increase	increase	increase	increase	Minimal incarceration costs.
SB 195	**Carroll County – State's Attorney's Office and Child Support Enforcement Administration – Transfer of Personnel (Ch. 53)**							
	GF	Human Resources	$300,397	$286,174	$297,150	$308,595	$320,525	
SB 198/HB 211	**Neonicotinoid Pesticides – Restrictions on Sales and Use (Pollinator Protection Act of 2016) (Ch. 661/Ch. 662)**							
	GF	Agriculture	$4,000	$78,572	$57,840	$60,195	$62,657	
SB 217	**State Board of Physicians – Distribution of Fees by Comptroller – Loan Assistance Repayment for Physicians and Physician Assistants (Ch. 178)**							
	SF	Higher Ed. Comm.	($565,720)	($565,720)	($715,720)	($715,720)	($715,720)	SF revenues decrease by same amount.
	SF	Hlth. & Mental Hyg.	increase	increase	increase	increase	increase	Potential significant board expenditures.
SB 252/HB 511	**Maryland Medical Assistance Program – Former Foster Care Adolescents – Dental Care (Ch. 57/Ch. 58)**							
	FF	Hlth. & Mental Hyg.	$86,491	$385,852	$427,196	$470,040	$514,427	FF revenues increase by same amount.
	GF	Hlth. & Mental Hyg.	$86,491	$385,852	$427,196	$470,040	$514,427	
SB 271/HB 722	**Capital Grant Program for Local School Systems With Significant Enrollment Growth or Relocatable Classrooms – Funding (Ch. 665/Ch. 666)**							
	BOND	School Construction	$20,000,000	$20,000,000	$20,000,000	$20,000,000	$20,000,000	Included in FY 2017 capital budget.

Legislation Affecting State Expenditures

	Fund	Agency	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
SB 272	**Financial Aid – Deaf and Hearing Impaired Students – Out-of-State Institutions of Higher Education (Ch. 181)**							
	GF	Higher Ed. Comm.	$6,000	$0	$0	$0	$0	
SB 278/HB 155	**Criminal Law – Stalking (Ch. 544/Ch. 545)**							
	GF	Public Sfty. & Corr. Srvcs.	increase	increase	increase	increase	increase	Minimal incarceration costs.
SB 280	**Academic Facilities Bonding Authority (Ch. 61)**							
	BOND	Univ. Sys. of MD	$24,500,000	$0	$0	$0	$0	Anticipated in FY 2017 capital budget. Bond revenues increase by same amount.
	HE	Univ. Sys. of MD	$0	$2,035,000	$2,035,000	$2,035,000	$2,035,000	
SB 283	**Criminal Law – Cruelty to Animals – Implement of Dogfighting (Ch. 546)**							
	GF	Public Sfty. & Corr. Srvcs.	increase	increase	increase	increase	increase	Minimal incarceration costs.
SB 288/HB 484	**Income Tax – Corporation Returns – Filing Date (Ch. 547/Ch. 548)**							
	GF	Comptroller	$60,000	$0	$0	$0	$0	
SB 297	**Health Insurance – Habilitative Services – Period of Time for Coverage (Ch. 371)**							
	GF/SF/FF	Budget & Mgt.	increase	increase	increase	increase	increase	Minimal program costs.
SB 322/HB 378	**Homeowners' Property Tax Credit Program – Eligibility Awareness Campaign (Ch. 667/Ch. 668)**							
	GF	Assessments & Tax.	$0	increase	increase	increase	increase	Potential significant administrative costs and program expenditures.
	GF	Comptroller	increase	increase	increase	increase	increase	Potential significant administrative costs.

Legislation Affecting State Expenditures

	Fund	Agency	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
SB 324	**Prince George's County Regional Medical Center Act of 2016 (Ch. 13)**							
	BOND	None	$0	$0	increase	$0	$0	Potential construction expenditures.
	GF	None	$0	$30,000,000	$15,000,000	$5,000,000	$5,000,000	Mandated appropriation beginning in FY 2018.
SB 337	**Libraries – Regional, State, and County – Funding (Ch. 549)**							
	GF	Education	$0	$835,227	$1,758,438	$2,720,570	$3,286,990	Mandated appropriation beginning in FY 2018.
SB 343	**Employees' and Teachers' Pension Systems – Alternate Contributory Pension Selection and Reformed Contributory Pension Benefit (Ch. 188)**							
	GF/SF/FF	All or Multiple Agencies	increase	increase	increase	increase	increase	Pension liabilities and employer contributions.
SB 346/HB 314	**Peace Orders – Grounds for Relief (Ch. 550/Ch. 551)**							
	GF	Judiciary	$65,640	$0	$0	$0	$0	
SB 370/HB 368	**Board of Public Works Transparency Act of 2016 (Ch. 14/Ch. 15)**							
	GF/SF/FF	All or Multiple Agencies	indeterminate	indeterminate	indeterminate	indeterminate	indeterminate	Potential delay in cost savings.
SB 376	**Pathways in Technology Early College High (P-TECH) Schools Act of 2016 (Ch. 144)**							
	GF	Baltimore City Community College	$0	$0	$0	$79,307	$295,024	Mandated appropriation beginning in FY 2020.
	GF	Education	$626,000	$52,000	$78,000	$104,000	$130,000	Included in FY 2017 budget. Mandated appropriation beginning in FY 2018.
	HE	Baltimore City Community College	$0	$25,055	$90,326	$305,279	$801,508	HE revenues increase by same amount.
SB 377	**Admissions and Amusement Tax – Revenue Distribution – Maryland State Arts Council (Ch. 145)**							
	GF	Commerce	$0	$875,162	$1,751,920	$2,630,771	$3,512,224	Mandated appropriation beginning in FY 2018.

Legislation Affecting State Expenditures

	Fund	Agency	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
SB 378/HB 454	**See entry for HB 454.**							
SB 379	**Creation of a State Debt – Qualified Zone Academy Bonds (Ch. 198)**							
	BOND	School Construction	$4,680,000	$0	$0	$0	$0	Anticipated in FY 2017 capital budget. Bond revenues increase by same amount.
	SF	Debt Service	$156,000	$312,000	$312,000	$312,000	$312,000	
SB 393/HB 490	**Maryland Nurse Practice Act – Peer Review and Advisory Committees and Penalties (Ch. 199/Ch. 200)**							
	SF	Hlth. & Mental Hyg.	increase	increase	increase	increase	increase	Minimal administrative costs.
SB 411/HB 1494	**Income Tax – Credit for Preceptors in Areas With Health Care Workforce Shortages (Ch. 385/Ch. 386)**							
	GF	Comptroller	$50,938	$0	$0	$0	$0	
	GF	Hlth. & Mental Hyg.	$34,050	$25,964	$26,763	$27,590	$28,442	
	SF	Higher Ed. Comm.	$100,000	$100,000	$100,000	$64,727	$0	
	SF	Hlth. & Mental Hyg.	$76,500	$76,500	$76,500	$76,500	$76,500	SF revenues increase by same amount.
SB 421/HB 86	**Special Education – Translations of Individualized Education Programs or Individualized Family Service Plans – Native Language (Ch. 204/Ch. 205)**							
	GF	Education	$3,000	$3,000	$3,000	$3,000	$3,000	
SB 422/HB 709	**Education – Maryland School for the Blind – Funding (Ch. 671/Ch. 672)**							
	GF	Education	$1,028,104	$1,137,814	$1,146,891	$1,135,977	$1,179,973	Included in FY 2017 budget. Mandated appropriation beginning in FY 2018.
SB 425	**Maryland Income Tax Refunds – Warrant Intercept Program – Statewide (Ch. 387)**							
	GF	Comptroller	$107,196	$190,009	increase	increase	$0	Implementation costs.

Legislation Affecting State Expenditures

	Fund	Agency	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
SB 427/HB 741	**Higher Education – Institutions of Postsecondary Education – Consumer Protection Provisions (Ch. 552/Ch. 553)**							
	SF	Higher Ed. Comm.	increase	increase	increase	increase	increase	Potential guaranty fund expenditures.
SB 449/HB 981	**Maryland Medical Assistance Program – Guardianship Fees – Personal Needs Allowance (Ch. 390/Ch. 391)**							
	FF	Human Resources	$108,792	$0	$0	$0	$0	
	GF	Human Resources	$108,792	$0	$0	$0	$0	
	GF	Hlth. & Mental Hyg.	increase	increase	increase	increase	increase	Minimal Medicaid expenditures.
	FF	Hlth. & Mental Hyg.	increase	increase	increase	increase	increase	Minimal Medicaid expenditures. FF revenues increase by same amount.
SB 471/HB 1450	**Commercial Law – Debt Settlement Services – Fund and Sunset Repeal (Ch. 392/Ch. 393)**							
	SF	Labor Lic. & Reg.	$11,900	$12,019	$12,139	$12,261	$12,383	Potential minimal increase in program costs in FY 2016.
SB 481/HB 1003	**Labor and Employment – Equal Pay for Equal Work (Ch. 556/Ch. 557)**							
	GF	Labor Lic. & Reg.	$5,000	$0	$0	$0	$0	
SB 493	**Teacher Induction, Retention, and Advancement Act of 2016 (Ch. 740)**							
	GF	Education	$8,215,000	$8,215,000	$8,215,000	$6,352,000	$6,352,000	Mandated appropriations beginning in FY 2018.
SB 494/HB 713	**State Department of Education – Community-Partnered School Behavioral Health Services Programs – Reporting System and Report (School Behavioral Health Accountability Act) (Ch. 213/Ch. 214)**							
	GF	Education	$114,342	$147,827	$150,634	$153,530	$156,509	

Legislation Affecting State Expenditures

	Fund	Agency	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
SB 532/HB 1438	**Correctional Officers' Retirement System – Membership – Correctional Case Management Specialist (Ch. 218/Ch. 219)**							
	FF	All or Multiple Agencies	$0	$217,200	$224,200	$231,200	$238,800	
	GF	All or Multiple Agencies	$0	$651,600	$672,600	$693,600	$716,400	
	SF	All or Multiple Agencies	$0	$217,200	$224,200	$231,200	$238,800	
SB 544/HB 720	**Motor Vehicle Insurance – Insurance Identification Card – Carrying Proof of Coverage – Uninsured Motorist Education and Enforcement Fund (Ch. 401/Ch. 402)**							
	GF	Judiciary	increase	$0	$0	$0	$0	Minimal programming costs.
	NB	MAIF	increase	increase	increase	increase	increase	Insurance claim payments. NB revenues increase by a similar amount.
	SF	Transportation	increase	increase	increase	increase	increase	Administration, education, and enforcement costs.
SB 545/HB 290	**Labor and Employment – Apprenticeship Career Training in Our Neighborhoods (ACTION) Program – Establishment (Ch. 403/Ch. 404)**							
	GF	Labor Lic. & Reg.	$200,000	$200,000	$200,000	$200,000	$200,000	
SB 582/HB 115	**Education – Robotics Grant Program – Establishment (Ch. 681/Ch. 682)**							
	GF	Education	$250,000	$250,000	$250,000	$250,000	$250,000	Mandated appropriation beginning in FY 2018.
SB 584/HB 668	**Preschool Development Grants – Expansion Grants – Required State Funding (Ch. 683/Ch. 684)**							
	GF	Education	$0	$3,672,000	$7,344,000	$0	$0	Mandated appropriation in FY 2018 and 2019.
	SF	Education	$0	$3,672,000	$7,344,000	$0	$0	SF revenues increase by same amount.

Legislation Affecting State Expenditures

	Fund	Agency	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
SB 595	**Education – Middle School Students – Awarding of Credit (Ch. 686)**							
	GF	Education	$0	$0	$0	$0	decrease	Minimal State aid expenditures.
SB 603	**Criminal Law – Pretrial Release – Prior Crimes (Ch. 567)**							
	GF	Public Sfty. & Corr. Srvcs.	increase	increase	increase	increase	increase	Minimal incarceration costs.
SB 630	**Comptroller – Distillery Off-Site Permit and Liquor Festival Permit (Ch. 418)**							
	GF	Comptroller	$38,200	$0	$0	$0	$0	
SB 676/HB 1014	**College Affordability Act of 2016 (Ch. 689/Ch. 690)**							
	GF	Comptroller	$0	increase	$0	increase	increase	Potential administrative costs.
	GF	Education	$125,000	increase	increase	increase	increase	Minimal information technology costs.
	GF	Higher Ed. Comm.	$375,000	$366,865	$322,199	$334,917	$348,176	$250,000 included in FY 2017 budget.
	GF	College Savings Plans of Md. Board	$0	$5,000,000	$7,000,000	$10,000,000	$10,000,000	Mandated appropriation beginning in FY 2018.
	NB	College Savings Plans of Md. Board	$106,000	increase	increase	increase	increase	Program costs. NB revenues increase by same amount.
SB 679	**Unemployment Insurance – Exemption From Covered Employment – Nail Technicians (Ch. 574)**							
	NB	Labor Lic. & Reg.	($1,957,738)	($2,610,317)	($2,610,317)	($2,610,317)	($2,610,317)	
SB 707	**Freestanding Medical Facilities – Certificate of Need, Rates, and Definition (Ch. 420)**							
	SF	Hlth. & Mental Hyg.	$165,000	$335,000	$0	$0	$0	
SB 734/HB 535	**Courts and Judicial Proceedings – Structured Settlements – Transfers and Registration of Structured Settlement Transferees (Ch. 722/Ch. 721)**							
	GF	Attorney General's Office	increase	increase	increase	increase	increase	Minimal administrative costs.

Legislation Affecting State Expenditures

	Fund	Agency	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
SB 757/HB 648	**Alcoholic Beverage Taxes – Electronic Filing of Returns (Ch. 421/Ch. 422)**							
	GF	Comptroller	$1,404,960	$0	$0	$0	$0	
SB 758	**Food Stamp Program – Minimum Benefit – State Supplement (Ch. 696)**							
	GF	Human Resources	$2,147,499	$2,863,332	$2,863,332	$2,863,332	$2,863,332	Creates an additional entitlement. $1.0 million included in FY 2017 budget.
SB 759	**Heritage Structure Rehabilitation Tax Credit – Alteration and Extension (Ch. 578)**							
	GF	Planning	$0	$9,000,000	$9,000,000	$9,000,000	$9,000,000	
	SF	Planning	$0	$310,000	$313,100	$316,200	$322,600	SF revenues increase by same amount.
SB 774	**Motor Vehicles – Autocycles – Standards and Requirements (Ch. 231)**							
	SF	Transportation	$34,400	$0	$0	$0	$0	
SB 775	**Natural Resources – Recreational License Donation Program – Establishment (Ch. 424)**							
	SF	Natural Resources	$25,000	$0	$0	$0	$0	
SB 777	**Unemployment Insurance – Exemption From Covered Employment – Messenger Service Business (Ch. 697)**							
	NB	Labor Lic. & Reg.	($903,672)	($903,672)	($903,672)	($903,672)	($903,672)	
SB 784/HB 900	**Motor Vehicle Insurance – Personal Injury Protection – Rejection of Coverage (Ch. 425/Ch. 426)**							
	NB	MAIF	decrease	decrease	decrease	decrease	decrease	Insurance claim payments. NB revenues decrease by a similar amount.
	SF	Insur. Admin.	increase	$0	$0	$0	$0	Minimal personnel costs.
SB 797/HB 1476	**Housing and Community Development – Shelter and Transitional Housing Facilities Grant Program – Mandated Funding (Ch. 698/Ch. 699)**							
	GF	Housing & Commty Dvlpt.	$0	$3,000,000	$3,000,000	$3,000,000	$3,000,000	PAYGO. Mandated appropriation beginning in FY 2018.

Legislation Affecting State Expenditures

	Fund	Agency	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
SB 818/HB 928	**State Personnel – Individuals With Disabilities – Hiring Preferences (Ch. 523/Ch. 524)**							
	GF	Budget & Mgt.	$13,000	$0	$0	$0	$0	
SB 830/HB 1291	**State Board of Cosmetologists – Limited License – Hair Services – Blow Drying (Ch. 434/Ch. 435)**							
	GF	Labor Lic. & Reg.	$18,000	$0	$0	$0	$0	
SB 843	**Tax Credits – Evaluations (Ch. 582)**							
	GF	Comptroller	$0	increase	increase	increase	increase	Potential significant implementation costs.
SB 848/HB 1005	**Health Insurance – Contraceptive Equity Act (Ch. 436/Ch. 437)**							
	FF	Hlth. & Mental Hyg.	$0	$930,584	$1,879,781	$1,898,578	$1,917,563	FF revenues increase by same amount.
	GF	Hlth. & Mental Hyg.	$0	$103,398	$208,864	$210,953	$213,063	
SB 856/HB 180	**Public Health – HIV Testing During Pregnancy (Ch. 440/Ch. 441)**							
	GF	Hlth. & Mental Hyg.	increase	increase	increase	increase	increase	Potential Medicaid expenditures.
	FF	Hlth. & Mental Hyg.	increase	increase	increase	increase	increase	Potential Medicaid expenditures. FF revenues increase by same amount.
SB 864	**Public Safety – Internet Crimes Against Children Task Force Fund – Establishment (Alicia's Law) (Ch. 516)**							
	GF	Executive Dept.	$7,117	$2,034,703	$2,036,090	$2,037,537	$2,039,047	Mandated appropriation of $2,000,000 annually beginning in FY 2018.
	SF	Executive Dept.	$0	$2,000,000	$2,000,000	$2,000,000	$2,000,000	SF revenues increase by same amount.
SB 876/HB 870	**Natural Resources – Black Fly Management and Control – Washington County (Ch. 584/Ch. 585)**							
	GF	Natural Resources	$112,530	$101,379	$105,115	$177,823	$205,457	
	SF	Natural Resources	increase	increase	increase	increase	increase	Potential program costs. SF revenues increase by a similar amount.

Legislation Affecting State Expenditures

	Fund	Agency	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
SB 888/HB 912	**Motor Vehicle Insurance – Program to Incentivize and Enable Uninsured Vehicle Owners to Be Insured (Ch. 446/Ch. 447)**							
	NB	MAIF	increase	increase	increase	increase	increase	Insurance claim payments and potential administrative costs.
	SF	Transportation	$600,044	$197,399	$0	$0	$0	
SB 905/HB 999	**Commission on Innovation and Excellence in Education (Ch. 701/Ch. 702)**							
	GF	Leg. Services	$50,000	$50,000	$0	$0	$0	
SB 936	**Maryland Clean Energy Incentive Act of 2016 (Ch. 594)**							
	GF	Energy Administration	$0	increase	increase	$0	$0	Potential significant tax credit reserve fund appropriations.
SB 937	**Sustainable Oyster Population and Fishery Act of 2016 (Ch. 703)**							
	GF	Natural Resources	$150,000	$275,000	$0	$0	$0	
SB 942	**State Government – Administrative Procedure Act – Contested Cases – Judicial Review (Ch. 704)**							
	GF	All or Multiple Agencies	increase	increase	increase	increase	increase	Minimal litigation costs.
SB 945	**Drunk Driving Reduction Act of 2016 (Noah's Law) (Ch. 512)**							
	SF	Transportation	$538,565	$415,816	$432,651	$450,226	$468,576	
SB 946/HB 1180	**Correctional Services – Restrictive Housing – Report (Ch. 596/Ch. 597)**							
	GF	Public Sfty. & Corr. Srvcs.	$31,500	$0	$0	$0	$0	
SB 982	**State Retirement and Pension System – Private Equity and Venture Capital Investments (Ch. 459)**							
	GF/SF/FF	All or Multiple Agencies	indeterminate	indeterminate	indeterminate	indeterminate	indeterminate	Potential minimal pension liabilities and employer contributions.

Legislation Affecting State Expenditures

	Fund	Agency	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
SB 1005	**Justice Reinvestment Act (Ch. 515)**							
	GF	Governor's Office of Crime Control and Prevention	$109,664	$96,849	$0	$0	$0	
	GF	Hlth. & Mental Hyg.	$0	increase	increase	increase	increase	Potential personnel costs.
	GF	Judiciary	$0	increase	increase	increase	increase	Significant operational costs.
	GF	Public Sfty. & Corr. Srvcs.	$0	$5,209,519	$3,801,052	$3,070,489	$3,222,270	
	SF	Governor's Office of Crime Control and Prevention	$0	$0	$2,176,020	$3,344,880	$4,107,180	SF revenues increase by same amount.
	SF	Hlth. & Mental Hyg.	$0	increase	increase	increase	increase	Potential significant addiction treatment expenditures. SF revenues increase by same amount.
SB 1007/HB 1378	**Maryland Small Business Retirement Savings Program and Trust (Ch. 323/Ch. 324)**							
	GF	Sm. Bus. Ret. Savings Board	$1,579,819	$426,643	$440,046	$454,008	$0	
SB 1009	**Procurement – Prevailing Wage – Liquidated Damages (Ch. 707)**							
	GF	Labor Lic. & Reg.	$108,964	$109,010	$96,588	$21,600	$21,600	

Legislation Affecting State Expenditures

	Fund	Agency	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
SB 1052	**University of Maryland Strategic Partnership Act of 2016 (Ch. 25)**							
	GF	Baltimore City Community College	$0	$0	$274,310	$425,821	$597,069	Mandated appropriation beginning in FY 2019.
	GF	Higher Ed. Comm.	$0	$890,299	$2,207,900	$3,510,355	$5,451,225	Mandated appropriations beginning in FY 2018.
	GF	Univ. Sys. of MD	$1,227,425	$10,287,652	$16,254,052	$22,254,052	$26,254,052	Mandated appropriations of $10.0 million beginning in FY 2018 (phasing in to $26.0 million in FY 2021).
SB 1057	**Maryland Technology Development Corporation – Maryland Innovation Initiative – Financing Authority (Ch. 462)**							
	SF	TEDCO	$0	increase	increase	increase	increase	Potential program expenditures. SF revenues increase by same amount.
SB 1062/HB 1533	**Baltimore County – Sales and Use Tax Exemption – Redevelopment Areas (Ch. 603/Ch. 604)**							
	GF	Comptroller	$81,300	$0	$0	$0	$0	
SB 1094/HB 1411	**Health – Recovery Residences – Certification (Ch. 710/Ch. 711)**							
	GF	Hlth. & Mental Hyg.	$50,000	$100,000	$100,000	$100,000	$100,000	
SB 1097	**Local Government Tort Claims Act – Regional Development Councils (Ch. 466)**							
	GF/SF/FF	All or Multiple Agencies	decrease	decrease	decrease	decrease	decrease	Minimal insurance costs.
SB 1106	**Anne Arundel County and Harford County – Courthouse Dog and Child Witness Pilot Program (Ch. 467)**							
	GF	Judiciary	$9,500	$15,000	$15,000	$3,750	$0	

Legislation Affecting State Expenditures

	Fund	Agency	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
SB 1109	**Division of Workforce Development and Adult Learning – Transfer of Senior Community Service Employment Program (Ch. 468)**							
	FF	Aging	($1,190,811)	($1,190,811)	($1,190,811)	($1,190,811)	($1,190,811)	FF revenues decrease by same amount.
	FF	Labor Lic. & Reg.	$1,190,811	$1,190,811	$1,190,811	$1,190,811	$1,190,811	FF revenues increase by same amount.
	GF	Aging	($132,312)	($132,312)	($132,312)	($132,312)	($132,312)	
	GF	Labor Lic. & Reg.	$132,312	$132,312	$132,312	$132,312	$132,312	
SB 1112	**Income Tax – Aerospace, Electronics, or Defense Contract Tax Credit Program (Ch. 320)**							
	GF	Comptroller	$32,000	$0	$0	$0	$0	
SB 1158	**Higher Education – Morgan State University – Office of Technology Transfer (Ch. 713)**							
	GF	Morgan St. Univ.	$0	$1,000,000	$1,000,000	$1,000,000	$0	Mandated appropriation from FY 2018 to 2020.
SB 1171/HB 1401	**Enoch Pratt Free Library – Hours of Operation – Funding (Ch. 714/Ch. 715)**							
	GF	Education	$0	$3,000,000	$3,000,000	$3,000,000	$3,000,000	Mandated appropriation from FY 2018 to 2022.
	GF	Retirement Agency	$0	$0	$0	$250,537	$250,357	
HB 11/SB 1	**See entry for SB 1.**							
HB 36	**Rebuilding Baltimore City Communities Act of 2016 (Ch. 607)**							
	GF	Comptroller	$125,000	$5,000	$5,000	$5,000	$5,000	
HB 74	**Judgeships – Circuit Courts and District Court (Ch. 91)**							
	GF	Judiciary	$4,109,567	$5,026,802	$5,108,668	$5,194,270	$5,283,795	Included in FY 2017 budget.
HB 86/SB 421	**See entry for SB 421.**							
HB 98/SB 156	**See entry for SB 156.**							

Legislation Affecting State Expenditures

	Fund	Agency	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
HB 104	**Medical Cannabis – Written Certifications – Certifying Providers (Ch. 474)**							
	SF	Hlth. & Mental Hyg.	increase	$0	$0	$0	$0	Minimal programming costs.
HB 115/SB 582	**See entry for SB 582.**							
HB 132	**State Government – Pollinator Habitat Plans (Ch. 614)**							
	GF	Natural Resources	$50,000	increase	increase	increase	increase	Potential implementation costs beginning in FY 2018.
	NB	Environmental Service	$15,000	increase	increase	increase	increase	Potential implementation costs beginning in FY 2018.
	SF	Transportation	$160,000	increase	increase	increase	increase	Potential implementation costs beginning in FY 2018.
HB 155/SB 278	**See entry for SB 278.**							
HB 164	**State Personnel Management System – Background Investigation and Criminal History Records Check – Prospective and Current Employees (Ch. 98)**							
	GF	Comptroller	$92,300	$21,713	$21,713	$21,713	$21,713	
HB 166	**Criminal Procedure – Pretrial Release – Out-of-State Sex Offenders (Ch. 616)**							
	GF	Public Sfty. & Corr. Srvcs.	increase	increase	increase	increase	increase	Minimal incarceration costs.
HB 180/SB 856	**See entry for SB 856.**							
HB 186	**Department of Veterans Affairs – Charlotte Hall Veterans Home Fund – Establishment (Ch. 317)**							
	FF	Veterans Affairs	increase	increase	increase	increase	increase	Program costs.
	SF	Veterans Affairs	$654,731	increase	increase	increase	increase	Significant program costs. $654,731 included in FY 2017 budget.

Legislation Affecting State Expenditures

	Fund	Agency	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
HB 204	**Montgomery County – Elections – Early Voting Centers MC 14-16 (Ch. 7)**							
	GF	Election Board, State	$2,761	$0	$0	$0	$0	GF expenditures also increase by $2,761 in FY 2016.
HB 211/SB 198	**See entry for SB 198.**							
HB 276/SB 137	**See entry for SB 137.**							
HB 285	**State Education Aid – Real Property Valuation – Tax Increment Financing (Ch. 258)**							
	GF	Education	$0	increase	increase	$0	$0	Potential significant State aid expenditures. Mandated appropriation in FY 2018 and 2019.
HB 290/SB 545	**See entry for SB 545.**							
HB 314/SB 346	**See entry for SB 346.**							
HB 326	**Housing and Community Development – Business Lending and Neighborhood Revitalization (Ch. 482)**							
	BOND/ PAYGO	Housing & Commty Dvlpt.	increase	increase	increase	increase	increase	Potential grant and loan expenditures.
	NB	Housing & Commty Dvlpt.	increase	increase	increase	increase	increase	Potential loan expenditures.
HB 336/SB 161	**See entry for SB 161.**							
HB 340	**Property Tax – Renters' Property Tax Relief Program (Ch. 483)**							
	GF	Assessments & Tax.	$571,644	$583,077	$594,738	$606,633	$618,765	
HB 344/SB 170	**See entry for SB 170.**							
HB 352	**Office of Legislative Audits – Local School System Audits (Ch. 261)**							
	GF	Leg. Services	($22,000)	($53,000)	($53,000)	($53,000)	($53,000)	

Legislation Affecting State Expenditures

	Fund	Agency	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
HB 356	**Supplemental Nutrition Assistance Program Benefits – Grant Application (Ch. 718)**							
	FF	Human Resources	$0	increase	increase	$0	$0	Potential program expenditures. FF revenues increase by same amount.
	GF	Human Resources	$0	increase	increase	$0	$0	Potential program expenditures.
HB 360	**Maryland Loan Assistance Repayment Program for Foster Care Recipients (Ch. 719)**							
	GF	Higher Ed. Comm.	$112,000	$100,000	$100,000	$100,000	$100,000	Mandated appropriation beginning in FY 2018.
HB 368/SB 370	**See entry for SB 370.**							
HB 378/SB 322	**See entry for SB 322.**							
HB 409	**Criminal Law – Providing Alcohol to Underage Drinkers – Penalties (Alex and Calvin's Law) (Ch. 513)**							
	GF	Public Sfty. & Corr. Srvcs.	increase	increase	increase	increase	increase	Minimal incarceration costs.
HB 412	**Education – Assessments – Administration and Provision of Information (Ch. 264)**							
	GF	Education	decrease	decrease	$0	$0	$0	Potential administrative costs.
HB 413	**Maryland General Assembly – Pilot Program on Closed Captioning for Video Streaming (Ch. 265)**							
	GF	Leg. Services	$40,000	$0	$0	$0	$0	
HB 431	**Maryland Achieving a Better Life Experience (ABLE) Program – Establishment (Ch. 39)**							
	GF	Comptroller	$102,384	$0	$0	$0	$0	Included in FY 2017 budget.
	GF	College Savings Plans of Md. Board	$642,560	$194,528	increase	increase	increase	Included in FY 2017 budget. Potential program costs.
	NB	College Savings Plans of Md. Board	$642,560	$194,528	$201,974	$209,720	$217,788	NB revenues increase by same amount.

Legislation Affecting State Expenditures

	Fund	Agency	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
HB 437	**Department of Health and Mental Hygiene – Prescription Drug Monitoring Program – Modifications (Ch. 147)**							
	GF	Hlth. & Mental Hyg.	$589,743	$306,134	$306,361	$248,011	$257,685	$522,245 included in FY 2017 budget.
HB 447	**Charles County – County Transfer Tax – Revenue Received by the Clerk of the Circuit Court (Ch. 621)**							
	GF	Comptroller	$0	$0	$0	$0	$0	GF expenditures increase by $203,300 in FY 2016.
HB 454/SB 378	**State Employees – Merit Increases in Salary (Ch. 37/Ch. 23)**							
	FF	Labor Lic. & Reg.	$9,130	$9,440	$9,761	$10,093	$10,436	FF revenues increase by same amount. FF expenditures also increase by $2,580 in FY 2016.
	GF	State Police	$2,647,475	$2,737,489	$2,830,563	$2,926,803	$3,026,314	Included in FY 2017 budget. GF expenditures also increase by $689,447 in FY 2016.
	GF	All or Multiple Agencies	$1,180,890	$1,221,040	$1,262,556	$1,305,483	$1,349,869	$1,178,677 included in FY 2017 budget. GF expenditures also increase by $399,153 in FY 2016.
	SF	State Police	$536,454	$554,693	$573,553	$593,053	$613,217	Included in FY 2017 budget. SF expenditures also increase by $139,701 in FY 2016.
	SF	All or Multiple Agencies	$80,109	$82,833	$85,649	$88,561	$91,572	$77,619 included in FY 2017 budget. SF expenditures also increase by $24,333 in FY 2016.
	NB	Transportation	$1,337,742	$1,383,225	$1,430,255	$1,478,884	$1,529,166	NB expenditures also increase by $339,487 in FY 2016.

Legislation Affecting State Expenditures

	Fund	Agency	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
HB 459	**Birth and Death Certificates – Fee Reduction (Ch. 316)**							
	FF	Hlth. & Mental Hyg.	($581,000)	($581,000)	($581,000)	($581,000)	($581,000)	FF revenues decrease by same amount.
	GF	Hlth. & Mental Hyg.	($581,000)	($581,000)	($581,000)	($581,000)	($581,000)	
	GF/SF/FF	All or Multiple Agencies	decrease	decrease	decrease	decrease	decrease	Minimal vital records costs.
HB 462	**Program Open Space – Transfer Tax Repayment – Use of Funds (Ch. 10)**							
	GF	All or Multiple Agencies	$0	$5,000,000	($29,000,000)	$21,000,000	$71,721,900	Mandated appropriations beginning in FY 2018.
	GF	Gen. Services	$0	$0	$407,038	$385,297	$400,226	
	GF	Natural Resources	$0	$0	$263,109	$259,842	$270,082	
	SF	Agriculture	$3,500,000	$9,000,000	$0	$0	$0	Included in FY 2017 budget. Mandated appropriation in FY 2018. SF revenues increase by same amount.
	SF	All or Multiple Agencies	$0	$0	($29,000,000)	$21,000,000	$71,721,900	SF revenues increase/decrease by same amount.
	SF	Natural Resources	$16,500,000	$31,000,000	$0	$0	$0	Included in FY 2017 budget. Mandated appropriations in FY 2018. SF revenues increase by same amount.
HB 484/SB 288	**See entry for SB 288.**							

Legislation Affecting State Expenditures

	Fund	Agency	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
HB 489	**Termination of Maryland Health Insurance Plan, Transfer of Senior Prescription Drug Assistance Program, and Funding for State Reinsurance Program (Ch. 321)**							
	FF	Hlth. & Mental Hyg.	($5,013,311)	($5,113,577)	($5,215,849)	($5,320,165)	($5,426,569)	Included in FY 2017 budget. FF revenues decrease by same amount.
	GF	Hlth. & Mental Hyg.	($3,342,207)	($3,409,048)	($3,477,229)	($3,546,773)	($3,617,709)	Included in FY 2017 budget.
	SF	Hlth. & Mental Hyg.	$0	$14,000,000	$14,000,000	$14,000,000	$0	
	SF	MHBE	$40,090,000	$21,300,000	$0	$0	$0	Included in FY 2017 budget.
	SF	Maryland Health Insurance Plan	($40,090,000)	($21,300,000)	$0	$0	$0	Included in FY 2017 budget.
HB 490/SB 393	**See entry for SB 393.**							
HB 493/SB 178	**See entry for SB 178.**							
HB 511/SB 252	**See entry for SB 252.**							
HB 535/SB 734	**See entry for SB 734.**							
HB 551	**Education – Children with Disabilities – Individualized Education Program Mediation (Ch. 271)**							
	GF	Education	increase	increase	increase	increase	increase	Minimal translation costs.
HB 565	**Criminal Law – Possession of Less Than 10 Grams of Marijuana – Code Violation (Ch. 514)**							
	GF	Judiciary	increase	$0	$0	$0	$0	Potential significant programming costs.
HB 596	**State Department of Education – Hearing Aid Loan Bank Program – Age of Eligibility (Ch. 40)**							
	GF	Education	$64,963	$68,490	$70,745	$83,223	$75,713	

Legislation Affecting State Expenditures

	Fund	Agency	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
HB 636	**Maryland Tort Claims Act – Certain Claim Requirement – Exception (Ch. 623)**							
	GF	All or Multiple Agencies	$0	increase	increase	increase	increase	Potential significant SITF assessment and/or litigation costs.
	SF	Treasurer	increase	increase	increase	increase	increase	Potential significant SITF costs/payments.
HB 648/SB 757	**See entry for SB 757.**							
HB 668/SB 584	**See entry for SB 584.**							
HB 676	**Labor and Employment – Maryland Apprenticeship and Training Council – Annual Report (Ch. 495)**							
	GF	Labor Lic. & Reg.	$178,654	$5,000	$5,000	$5,000	$5,000	
HB 684	**Baltimore Regional Neighborhood Initiative Program – Codified (Ch. 29)**							
	BOND	Housing & Commty Dvlpt.	$1,360,000	$0	$0	$0	$0	Included in FY 2017 capital budget.
	GF	Housing & Commty Dvlpt.	$750,000	$317,135	$64,892	$67,084	$69,349	Included in FY 2017 budget. Mandated appropriation of $250,000 in FY 2018.
	GF	Housing & Commty Dvlpt.	$1,500,000	$12,000,000	$12,000,000	$12,000,000	$12,000,000	PAYGO. Included in FY 2017 budget. Mandated appropriation from FY 2018 through 2022.
	SF	Housing & Commty Dvlpt.	$3,610,000	$12,000,000	$12,000,000	$12,000,000	$12,000,000	SF revenues increase by same amount.

Legislation Affecting State Expenditures

	Fund	Agency	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
HB 686	**Department of Housing and Community Development – Strategic Demolition and Smart Growth Impact Fund – Establishment (Ch. 30)**							
	GF	Housing & Commty Dvlpt.	$44,904	$50,726	$52,383	$0	$0	
	GF	Housing & Commty Dvlpt.	$21,500,000	$25,625,000	$28,500,000	$0	$0	PAYGO. Included in FY 2017 budget. Mandated appropriation in FY 2018 and 2019.
	SF	Housing & Commty Dvlpt.	$21,500,000	$25,625,000	$28,500,000	increase	increase	Program expenditures. SF revenues increase by same amount.
HB 709/SB 422	**See entry for SB 422.**							
HB 713/SB 494	**See entry for SB 494.**							
HB 720/SB 544	**See entry for SB 544.**							
HB 722/SB 271	**See entry for SB 271.**							
HB 739	**Alcoholic Beverages – Nonprofit Beer Festival Permit – Revisions (Ch. 628)**							
	GF	Comptroller	$38,200	$0	$0	$0	$0	
HB 741/SB 427	**See entry for SB 427.**							
HB 771	**Public Schools – Administration of Diabetes Care Services – Guidelines (Ch. 277)**							
	GF	Hlth. & Mental Hyg.	$29,200	$0	$0	$0	$0	
HB 773	**Drunk and Drugged Driving – Evidence of Blood Test (Ch. 630)**							
	GF	All or Multiple Agencies	decrease	decrease	decrease	decrease	decrease	Minimal operational costs.
HB 788	**Procurement – Small Business Reserve Program – Program Oversight and Continuation (Ch. 119)**							
	GF	Executive Dept.	$176,800	$169,086	$175,486	$182,153	$189,099	

Legislation Affecting State Expenditures

	Fund	Agency	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
HB 870/SB 876	**See entry for SB 876.**							
HB 900/SB 784	**See entry for SB 784.**							
HB 912/SB 888	**See entry for SB 888.**							
HB 928/SB 818	**See entry for SB 818.**							
HB 958	**Insurance – Rate Filing – Trade Secrets (Ch. 499)**							
	SF	Insur. Admin.	increase	$0	$0	$0	$0	Potential personnel costs.
HB 965	**The Maryland International and Preakness Stakes Incentive Act of 2016 (Ch. 727)**							
	SF	Labor Lic. & Reg.	$500,000	$650,000	$650,000	$0	$0	Mandated appropriations in FY 2018 and 2019. SF revenues increase by same amount in FY 2018 and 2019 and by $1,000,000 in FY 2017.
	SF	Stadium Authority	$0	$350,000	$350,000	$0	$0	Mandated appropriation in FY 2018 and 2019. SF revenues increase by same amount in FY 2018 and 2019.
HB 981/SB 449	**See entry for SB 449.**							
HB 984/SB 17	**See entry for SB 17.**							
HB 999/SB 905	**See entry for SB 905.**							
HB 1003/SB 481	**See entry for SB 481.**							

Legislation Affecting State Expenditures

	Fund	Agency	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
HB 1004	**Equal Pay Commission – Establishment (Ch. 639)**							
	GF	Labor Lic. & Reg.	$59,226	$47,406	$48,950	$0	$0	
HB 1005/SB 848	**See entry for SB 848.**							
HB 1007	**Freedom to Vote Act (Ch. 287)**							
	GF	Department of Information Technology	$109,250	$0	$0	$0	$0	
	GF	Election Board, State	$88,584	$84,662	$87,956	$91,387	$94,962	
	GF	Human Resources	$74,814	$0	$0	$0	$0	
	GF	Labor Lic. & Reg.	$199,500	$266,000	$266,000	$266,000	$266,000	
	SF	MHBE	$187,500	$0	$0	$0	$0	
	SF	Transportation	$287,980	$0	$0	$0	$0	
HB 1008	**Election Law – Early Voting Centers (Ch. 288)**							
	GF	Election Board, State	$0	$90,000	$90,000	$90,000	$90,000	
HB 1013	**Maryland Open Transportation Investment Decision Act of 2016 (Ch. 36)**							
	SF	Transportation	$2,392,905	$1,119,655	$1,138,114	$1,157,355	$1,177,414	
HB 1014/SB 676	**See entry for SB 676.**							
HB 1015	**Study of Student Loan Refinancing in Maryland (Ch. 290)**							
	GF	Higher Ed. Comm.	$50,000	$0	$0	$0	$0	

Legislation Affecting State Expenditures

	Fund	Agency	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
HB 1016	**Public Safety and Policing Workgroup – Recommendations (Ch. 519)**							
	GF	Comptroller	$52,000	$0	$0	$0	$0	
	GF	Executive Dept.	$26,540	$541,495	$542,892	$544,335	$545,827	Mandated appropriation of $500,000 annually beginning in FY 2018.
	GF	Public Sfty. & Corr. Srvcs.	$1,456,058	$1,320,771	$1,323,921	$1,370,412	$1,418,837	
	GF	State Police	increase	increase	increase	increase	increase	Potential significant psychological evaluation costs.
	SF	Executive Dept.	$0	$500,000	$500,000	$500,000	$500,000	SF revenues increase by same amount.
HB 1144	**Gas and Electric Companies – Retail Choice Customer Education and Protection Fund (Ch. 134)**							
	SF	Public Srvc. Comm.	increase	increase	increase	increase	increase	Potential program expenditures. SF revenues increase by same amount.
HB 1147	**Carroll County – Board of Education Members – Term Limitation and Referendum (Ch. 301)**							
	GF	Election Board, State	increase	$0	$0	$0	$0	Minimal printing costs.
HB 1179	**Vehicle Laws – HOV Lanes – Plug-In Electric Drive and Hybrid Vehicles (Ch. 734)**							
	SF	Transportation	$64,124	$2,654	increase	$0	$0	Minimal program costs in FY 2019.
HB 1180/SB 946	**See entry for SB 946.**							
HB 1220	**Department of Health and Mental Hygiene – Health Program Integrity and Recovery Activities (Ch. 136)**							
	GF	Hlth. & Mental Hyg.	decrease	decrease	decrease	decrease	decrease	Program costs.
	FF	Hlth. & Mental Hyg.	decrease	decrease	decrease	decrease	decrease	Medicaid expenditures. FF revenues decrease by same amount.

Legislation Affecting State Expenditures

	Fund	Agency	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
HB 1291/SB 830	**See entry for SB 830.**							
HB 1316	**Alcoholic Beverages – Class 9 Limited Distillery Licenses (Ch. 308)**							
	GF	Comptroller	$19,100	$0	$0	$0	$0	
HB 1318	**Health Benefit Plans – Network Access Standards and Provider Network Directories (Ch. 309)**							
	SF	Insur. Admin	$79,776	$143,252	$385,203	$386,700	$401,916	
HB 1337	**Alcoholic Beverages – Liquor – Manufacturer's and Wholesaler's Licenses and Permits (Ch. 310)**							
	GF	Comptroller	$68,448	$60,598	$63,073	$65,658	$68,359	
HB 1363	**Property Tax – Appeals – Provision of Information to Taxpayers (Ch. 737)**							
	GF	Assessments & Tax.	$14,000	$14,000	$14,000	$14,000	$14,000	
HB 1378/SB 1007	**See entry for SB 1007.**							
HB 1385	**Public Health – Advance Directives – Procedures, Information Sheet, and Use of Electronic Advance Directives (Ch. 510)**							
	SF	Hlth. & Mental Hyg.	increase	increase	increase	increase	increase	Potential significant program costs.
	SF	MHBE	increase	increase	increase	increase	increase	Minimal administrative costs.
HB 1395	**Local Government – Disparity Grants – Amounts (Ch. 738)**							
	GF	Payments to Civil Divisions	$0	$4,762,596	$4,762,596	$0	$0	Mandated appropriation in FY 2018 and 2019.
HB 1400	**Seed Community Development Anchor Institution Fund (Ch. 31)**							
	GF	Housing & Commty Dvlpt.	$0	$63,234	$60,858	$62,913	$65,037	
	GF	Housing & Commty Dvlpt.	$0	$5,000,000	$5,000,000	$5,000,000	$5,000,000	PAYGO. Mandated appropriation from FY 2018 to 2022.
	SF	Housing & Commty Dvlpt.	$0	$5,000,000	$5,000,000	$5,000,000	$5,000,000	SF revenues increase by same amount.

Legislation Affecting State Expenditures

	Fund	Agency	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
HB 1401/SB 1171	**See entry for SB 1171.**							
HB 1402	**Education – Public School Opportunities Enhancement Act (Ch. 32)**							
	GF	Education	$0	$7,500,000	$7,500,000	$7,500,000	$7,500,000	Mandated appropriation from FY 2018 to 2021.
HB 1403	**Next Generation Scholars of Maryland (Ch. 33)**							
	GF	Education	$0	$5,000,000	$5,000,000	$5,000,000	$5,000,000	Mandated appropriation from FY 2018 to 2023.
	SF	Education	$0	$5,000,000	$5,000,000	$5,000,000	$5,000,000	SF revenues increase by same amount.
HB 1404	**Construction Education and Innovation – Establishment of Fund (Ch. 34)**							
	GF	Center for Constr. Educ. & Innov.	$0	$250,000	$250,000	$250,000	$250,000	Mandated appropriation beginning in FY 2018.
	SF	Center for Constr. Educ. & Innov.	$0	$250,000	$250,000	$250,000	$250,000	SF revenues increase by same amount.
HB 1411/SB 1094	**See entry for SB 1094.**							
HB 1420	**State Board of Massage Therapy Examiners – Licensure, Registration, and Regulation (Ch. 739)**							
	SF	Hlth. & Mental Hyg.	increase	increase	increase	increase	increase	Minimal administrative costs.
HB 1438/SB 532	**See entry for SB 532.**							
HB 1450/SB 471	**See entry for SB 471.**							
HB 1476/SB 797	**See entry for SB 797.**							
HB 1488	**Service, Stipends, and Scholarships – Maryland Corps Program – Established (Ch. 654)**							
	GF	Executive Dept.	$161,213	$1,903,562	$2,359,507	$2,365,704	$2,372,166	$150,000 included in FY 2017 budget.
	SF	Executive Dept.	$161,213	$1,903,562	$2,359,507	$2,365,704	$2,372,166	SF revenues increase by same amount.

Legislation Affecting State Expenditures

	Fund	Agency	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Comments
HB 1494/SB 411	**See entry for SB 411.**							
HB 1502	**Child Support Enforcement – Noncustodial Parent Employment Assistance Pilot Program (Ch. 312)**							
	FF	Human Resources	$75,000	$50,000	$50,000	$25,000	$0	
	GF	Human Resources	$0	$50,000	$50,000	$0	$0	
HB 1503	**Adult Education – GED Testing Fees – Exemption for Homeless Youth (Ch. 141)**							
	GF	Labor Lic. & Reg.	increase	increase	increase	increase	increase	Minimal testing costs.
HB 1533/SB 1062	**See entry for SB 1062.**							

Quantifiable Expenditures by Agency

Agency	Fund	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Aging						
	GF	$131,516	$117,688	$117,688	$117,688	$117,688
	FF	($1,190,811)	($1,190,811)	($1,190,811)	($1,190,811)	($1,190,811)
Agriculture						
	GF	$6,800	$81,372	$60,640	$62,995	$65,457
	SF	$3,500,000	$9,000,000	$0	$0	$0
All or Multiple Agencies						
	GF	$1,180,890	$6,872,640	($27,064,844)	$22,999,083	$73,788,169
	SF	$80,109	$300,033	($28,690,151)	$21,319,761	$72,052,272
	FF	$0	$217,200	$224,200	$231,200	$238,800
	GF/SF/FF	($66,277)	($66,277)	($66,277)	($66,277)	($66,277)
Assessments & Taxation						
	GF	$585,644	$597,077	$608,738	$620,633	$632,765
Baltimore City Community College						
	GF	$0	$0	$274,310	$505,128	$892,093
	HE	$0	$25,055	$90,326	$305,279	$801,508
Budget & Management						
	GF	$140,623	$137,833	$148,859	$160,768	$173,630
	SF	$64,893	$70,084	$75,691	$81,746	$88,286
	FF	$23,794	$25,698	$27,753	$29,974	$32,372
Center for Construction Education & Innovation						
	GF	$0	$250,000	$250,000	$250,000	$250,000
	SF	$0	$250,000	$250,000	$250,000	$250,000
College Savings Plans of Md. Board						
	GF	$642,560	$5,194,528	$7,000,000	$10,000,000	$10,000,000
	NB	$748,560	$194,528	$201,974	$209,720	$217,788

Quantifiable Expenditures by Agency (Continued)

Agency	Fund	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Commerce						
	GF	$0	$875,162	$1,751,920	$2,630,771	$3,512,224
Comptroller						
	GF	$2,303,026	$277,320	$89,786	$92,371	$95,072
Debt Service						
	SF	$156,000	$312,000	$312,000	$312,000	$312,000
Department of Information Technology						
	GF	$113,250	$0	$0	$0	$0
Education						
	GF	$10,426,409	$29,881,358	$34,516,708	$26,302,300	$26,934,185
	SF	$0	$8,672,000	$12,344,000	$5,000,000	$5,000,000
Election Board, State						
	GF	$91,345	$174,662	$177,956	$181,387	$184,962
Environmental Service						
	NB	$15,000	$0	$0	$0	$0
Executive Department						
	GF	($18,564)	$4,261,394	$4,611,548	$4,608,455	$4,605,271
	SF	$161,213	$4,403,562	$7,035,527	$8,210,584	$8,979,346
General Services						
	GF	$0	$0	$407,038	$385,297	$400,226
Higher Education Commission						
	GF	$543,000	$1,357,164	$2,630,099	$3,945,272	$5,899,401
	SF	($465,720)	($465,720)	($615,720)	($650,993)	($715,720)

Quantifiable Expenditures by Agency (Continued)

Agency	Fund	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Health & Mental Hygiene						
	GF	($3,133,723)	($3,068,700)	($2,989,045)	($3,071,179)	($3,085,092)
	SF	$241,500	$14,411,500	$14,076,500	$14,076,500	$76,500
	FF	($5,507,820)	($4,378,141)	($3,489,872)	($3,532,547)	($3,575,579)
Housing & Community Development						
	GF	$23,794,904	$46,056,095	$48,678,133	$20,129,997	$20,134,386
	SF	$25,110,000	$42,625,000	$45,500,000	$17,000,000	$17,000,000
	BOND	$1,360,000	$0	$0	$0	$0
Human Resources						
	GF	$2,631,502	$3,199,506	$3,210,482	$3,171,927	$3,183,857
	FF	$183,792	$50,000	$50,000	$25,000	$0
Insurance Administration						
	SF	$79,776	$143,252	$385,203	$386,700	$401,916
Judiciary						
	GF	$4,184,707	$5,041,802	$5,123,668	$5,198,020	$5,283,795
Labor, Licensing, & Regulation						
	GF	$901,656	$759,728	$748,850	$624,912	$624,912
	SF	$511,900	$662,019	$662,139	$12,261	$12,383
	FF	$1,199,941	$1,200,251	$1,200,572	$1,200,904	$1,201,247
	NB	($6,350,973)	($8,458,008)	($8,942,827)	($8,942,827)	($8,942,827)
Legislative Services						
	GF	$68,000	($3,000)	($53,000)	($53,000)	($53,000)
Maryland Health Insurance Plan						
	SF	($40,090,000)	($21,300,000)	$0	$0	$0
Maryland Health Benefit Exchange						
	SF	$40,277,500	$21,300,000	$0	$0	$0

Quantifiable Expenditures by Agency (Continued)

Agency	Fund	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Morgan State University						
	GF	$0	$1,000,000	$1,000,000	$1,000,000	$0
Natural Resources						
	GF	$312,530	$376,379	$368,224	$437,665	$475,539
	SF	$16,525,000	$31,000,000	$0	$0	$0
None						
	GF	$0	$30,000,000	$15,000,000	$5,000,000	$5,000,000
Payments to Civil Divisions						
	GF	$0	$4,762,596	$4,762,596	$0	$0
Planning						
	GF	$0	$9,000,000	$9,000,000	$9,000,000	$9,000,000
	SF	$0	$310,000	$313,100	$316,200	$322,600
Public Safety & Correctional Services						
	GF	$1,487,558	$6,530,290	$5,124,973	$4,440,901	$4,641,107
Retirement Agency						
	GF	$0	$0	$0	$250,537	$250,357
School Construction						
	BOND	$24,680,000	$20,000,000	$20,000,000	$20,000,000	$20,000,000
Small Business Retirement Savings Board						
	GF	$1,579,819	$426,643	$440,046	$454,008	$0
Stadium Authority						
	SF	$0	$350,000	$350,000	$0	$0
State Police						
	GF	$2,647,475	$2,737,489	$2,830,563	$2,926,803	$3,026,314
	SF	$536,454	$554,693	$573,553	$593,053	$613,217

Quantifiable Expenditures by Agency (Continued)

Agency	Fund	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Transportation						
	SF	$4,113,018	$1,735,524	$1,570,765	$1,607,581	$1,645,990
	NB	$1,337,742	$1,383,225	$1,430,255	$1,478,884	$1,529,166
University System of Maryland						
	GF	$1,227,425	$10,287,652	$16,254,052	$22,254,052	$26,254,052
	BOND	$24,500,000	$0	$0	$0	$0
	HE	$0	$2,035,000	$2,035,000	$2,035,000	$2,035,000
Veterans Affairs						
	SF	$654,731	$0	$0	$0	$0

Totals by Fund Type/Summary of Quantifiable Expenditure Effects*

Fund Type	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
GF	$51,848,352	$167,184,678	$135,079,988	$144,626,790	$202,287,370
SF	$51,456,374	$114,333,947	$54,142,607	$68,515,394	$106,038,790
FF	($5,291,104)	($4,075,803)	($3,178,158)	($3,236,280)	($3,293,971)
BOND	$50,540,000	$20,000,000	$20,000,000	$20,000,000	$20,000,000
HE	$0	$2,060,055	$2,125,326	$2,340,279	$2,836,508
NB	($4,249,671)	($6,880,255)	($7,310,598)	($7,254,223)	($7,195,873)

*The fund totals do not include GF/SF/FF expenditure decreases of $66,277 annually resulting from Senate Bill 86, which could not be reliably allocated among the three fund types.

Regular Positions Needed by Agency

Agency	Fund	Beginning in FY 2017	Beginning in FY 2018
Aging			
	GF/FF	(3)	0
Agriculture			
	GF	0	1
College Savings Plans of Md. Board			
	NB	2	0
Comptroller			
	GF	4	0
Education			
	GF	0.5	2
	SF	0	1
Election Board, State			
	GF	1	0
Executive Department			
	GF	(0.5)	0
	SF	2	0
Higher Education Commission			
	GF	0	4
Health & Mental Hygiene			
	GF	3	0
	SF	1	2

Human Resources			
	GF/FF	11	0
Insurance Administration			
	SF	2	0
Judiciary			
	GF	37	0
Labor, Licensing, & Regulation			
	GF	1	0
	GF/FF	3	0
Maryland Health Insurance Plan			
	SF	(6)	0
Maryland Health Benefit Exchange			
	SF	2	0
Natural Resources			
	GF	1.8	0
Public Safety & Correctional Services			
	GF	13	109
Small Business Retirement Savings Board			
	GF	4	0
Transportation			
	SF	12.5	0
University System of Maryland			
	GF	2	0
Total		**93.3**	**119**

Contractual Positions Needed by Agency

Agency	Fund	Beginning in FY 2017	Beginning in FY 2018
College Savings Plans of Md. Board	NB	3	-3
Education	GF	0.7	0
Executive Department	GF	2	0
Health & Mental Hygiene	GF	1	-0.5
Housing & Community Development	GF	1	2
Judiciary	GF	4	0
Labor, Licensing, & Regulation	GF	4	-2
Natural Resources	GF	1	-1
Public Safety & Correctional Services	GF	1	0
Transportation	SF	8.3	-8.3
Total		**26**	**-12.8**

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 $7.4 billion in fiscal 2017, representing a $261.2 million, or 3.7%, increase from the prior year. Direct aid will increase by $217.9 million, and State funding for retirement payments will increase by $43.4 million. As in prior years, local school systems will receive the largest increase in State funding. **Exhibit 4.1** compares State aid by governmental entity in fiscal 2016 and 2017.

Exhibit 4.1
State Aid to Local Governments
Fiscal 2016 and 2017
($ in Millions)

	2016	2017	Difference	% Difference
Public Schools	$5,421.1	$5,568.3	$147.2	2.7%
Libraries	52.0	53.4	1.4	2.6%
Community Colleges	254.1	267.9	13.8	5.4%
Local Health	45.7	49.5	3.8	8.4%
County/Municipal	556.3	608.1	51.8	9.3%
Subtotal – Direct Aid	***$6,329.2***	***$6,547.1***	***$217.9***	***3.4%***
Retirement Payments	$791.0	$834.4	$43.4	5.5%
Total	**$7,120.2**	**$7,381.5**	**$261.2**	**3.7%**

Note: Funding for $26.4 million of the $7.4 billion in fiscal 2017 is at the discretion of the Governor, including $6.1 million for Aging Schools and $20.3 million for other programs.

Source: Department of Legislative Services

Changes by Program

Each of the 24 counties in Maryland will receive increased direct State aid in fiscal 2017. Most of the fiscal 2017 changes in State aid are based on statutory formulas or requirements. The fiscal 2017 State budget does include $19.4 million in new funding for five local school systems that have lost enrollment and State aid in recent years. The General Assembly also restricted $19.0 million to be expended for grants to help local school systems fund the increase in their share of teachers' retirement costs. Providing the grants for retirement costs is at the discretion of the Governor. **Exhibit 4.2** shows the allocation of special grants for local school systems with declining enrollment and a decrease in State education aid and the allocation of the teachers retirement special grants. **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 2016 and 2017 by program. A more detailed discussion of the changes in State aid in fiscal 2017 follows the exhibits.

Exhibit 4.2
Enhanced State Funding for Public Schools
Fiscal 2017

County	Teacher Retirement Special Grants[1]	Foundation Special Grants	Total
Allegany	$32,640	$0	$32,640
Anne Arundel	1,965,794	0	1,965,794
Baltimore City	876,027	12,674,305	13,550,332
Baltimore	2,202,654	0	2,202,654
Calvert	102,489	1,090,580	1,193,069
Caroline	142,999	0	142,999
Carroll	173,948	4,000,000	4,173,948
Cecil	250,811	0	250,811
Charles	625,177	0	625,177
Dorchester	118,197	0	118,197
Frederick	1,137,362	0	1,137,362
Garrett	0	1,300,000	1,300,000
Harford	4,558	0	4,558
Howard	2,296,283	0	2,296,283
Kent	0	364,973	364,973
Montgomery	6,181,760	0	6,181,760
Prince George's	1,317,125	0	1,317,125
Queen Anne's	130,269	0	130,269
St. Mary's	313,970	0	313,970
Somerset	59,572	0	59,572
Talbot	100,977	0	100,977
Washington	471,617	0	471,617
Wicomico	393,517	0	393,517
Worcester	101,488	0	101,488
Total	**$18,999,234**	**$19,429,858**	**$38,429,092**

[1]Reflects funding provided by the General Assembly in the fiscal 2017 budget; however, funding is at the discretion of the Governor.

Source: Department of Legislative Services

Exhibit 4.3
State Aid to Local Governments
Fiscal 2017 Legislative Appropriation
($ in Thousands)

	Direct State Aid									
County	**County - Municipal**	**Community Colleges**	**Public Schools**	**Libraries**	**Health**	**Subtotal**	**Retirement**	**Total**	**Change Over FY 2016**	**Percent Change**
Allegany	$14,399	$6,245	$79,738	$762	$1,188	$102,331	$9,568	$111,900	$2,865	2.6%
Anne Arundel	41,306	31,000	354,992	2,194	4,162	433,654	71,882	505,536	26,239	5.5%
Baltimore City	273,656	0	877,770	6,144	8,826	1,166,396	70,824	1,237,220	11,857	1.0%
Baltimore	25,738	43,620	639,225	5,687	5,817	720,086	96,361	816,447	25,905	3.3%
Calvert	4,431	2,629	83,165	425	523	91,173	15,431	106,604	4,564	4.5%
Caroline	4,774	1,592	52,080	286	669	59,400	4,899	64,298	2,116	3.4%
Carroll	5,603	8,661	135,548	956	1,591	152,358	22,238	174,597	5,612	3.3%
Cecil	7,781	6,191	107,029	763	1,047	122,811	14,376	137,187	8,090	6.3%
Charles	4,270	9,150	168,756	1,011	1,301	184,489	23,787	208,276	8,038	4.0%
Dorchester	4,473	1,244	40,922	272	552	47,464	4,059	51,523	1,171	2.3%
Frederick	8,400	10,687	234,886	1,387	1,964	257,323	35,916	293,240	5,334	1.9%
Garrett	4,872	3,939	22,147	142	555	31,655	3,829	35,484	1,946	5.8%
Harford	7,541	12,045	207,062	1,535	2,258	230,441	31,462	261,903	5,220	2.0%
Howard	8,764	19,289	243,176	899	1,640	273,768	63,898	337,667	19,000	6.0%
Kent	1,284	552	9,877	86	426	12,225	1,969	14,194	404	2.9%
Montgomery	30,943	49,940	671,050	2,997	4,255	759,185	175,334	934,519	47,108	5.3%
Prince George's	85,394	30,531	1,094,052	7,239	6,750	1,223,965	120,646	1,344,611	86,093	6.8%
Queen Anne's	1,909	1,981	34,673	157	534	39,254	6,719	45,972	1,438	3.2%
St. Mary's	2,914	2,881	101,412	666	1,039	108,912	13,916	122,827	2,271	1.9%
Somerset	6,599	874	29,776	277	537	38,062	2,927	40,990	1,190	3.0%
Talbot	2,326	1,750	14,313	109	420	18,919	3,936	22,855	564	2.5%
Washington	7,258	9,336	169,066	1,238	1,761	188,659	19,473	208,132	5,058	2.5%
Wicomico	13,640	5,070	141,497	1,001	1,209	162,417	13,404	175,822	8,690	5.2%
Worcester	6,827	2,243	19,828	150	465	29,514	7,510	37,024	1,056	2.9%
Unallocated	32,976	6,426	36,223	17,017	0	92,642	0	92,642	-20,595	-18.2%
Total	**$608,079**	**$267,876**	**$5,568,263**	**$53,396**	**$49,488**	**$6,547,103**	**$834,367**	**$7,381,470**	**$261,235**	**3.7%**

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

Exhibit 4.3 (Continued)
State Aid to Local Governments
Fiscal 2016 Working Appropriation
($ in Thousands)

	Direct State Aid							
County	**County - Municipal**	**Community Colleges**	**Public Schools**	**Libraries**	**Health**	**Subtotal**	**Retirement**	**Total**
Allegany	$13,912	$6,202	$77,898	$752	$1,096	$99,860	$9,175	$109,034
Anne Arundel	34,162	30,693	339,628	2,138	3,840	410,461	68,837	479,297
Baltimore City	254,984	0	888,205	6,096	8,144	1,157,428	67,935	1,225,363
Baltimore	24,646	41,519	620,104	5,545	5,367	697,180	93,362	790,542
Calvert	4,070	2,496	79,703	410	483	87,162	14,878	102,040
Caroline	4,704	1,675	50,193	278	617	57,467	4,716	62,183
Carroll	5,401	8,310	131,130	929	1,468	147,237	21,748	168,985
Cecil	7,211	5,980	100,430	740	966	115,326	13,771	129,097
Charles	4,089	8,546	162,368	967	1,201	177,170	23,068	200,238
Dorchester	4,386	1,248	40,107	263	510	46,514	3,837	50,351
Frederick	8,078	9,926	231,728	1,360	1,812	252,906	35,000	287,906
Garrett	4,802	3,731	20,816	138	512	29,999	3,539	33,538
Harford	7,238	11,370	204,371	1,483	2,084	226,545	30,138	256,683
Howard	8,373	17,416	229,705	869	1,513	257,877	60,790	318,666
Kent	1,235	607	9,655	83	393	11,973	1,817	13,790
Montgomery	29,463	47,099	637,219	2,902	3,926	720,609	166,802	887,411
Prince George's	67,460	27,966	1,043,440	6,965	6,228	1,152,060	106,458	1,258,518
Queen Anne's	1,821	1,869	33,982	144	493	38,310	6,224	44,534
St. Mary's	2,788	2,721	99,530	636	959	106,634	13,922	120,556
Somerset	6,552	716	29,053	277	496	37,093	2,707	39,800
Talbot	2,248	1,773	13,991	108	388	18,509	3,783	22,291
Washington	6,882	8,754	166,004	1,206	1,625	184,472	18,603	203,075
Wicomico	12,945	4,987	134,288	971	1,116	154,307	12,825	167,131
Worcester	6,422	2,093	19,814	147	429	28,906	7,063	35,968
Unallocated	32,456	6,422	57,745	16,613	0	113,236	0	113,236
Total	**$556,329**	**$254,121**	**$5,421,108**	**$52,019**	**$45,664**	**$6,329,241**	**$790,994**	**$7,120,235**

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

Exhibit 4.3 (Continued)

State Aid to Local Governments

Dollar Difference Between Fiscal 2017 Legislative Appropriation and Fiscal 2016 Working Appropriation

($ in Thousands)

			Direct State Aid					
County	**County - Municipal**	**Community Colleges**	**Public Schools**	**Libraries**	**Health**	**Subtotal**	**Retirement**	**Total**
Allegany	$486	$44	$1,840	$10	$92	$2,472	$393	$2,865
Anne Arundel	7,144	307	15,365	56	322	23,194	3,045	26,239
Baltimore City	18,673	0	-10,434	47	682	8,968	2,890	11,857
Baltimore	1,092	2,101	19,121	142	450	22,906	2,999	25,905
Calvert	361	133	3,461	15	40	4,011	553	4,564
Caroline	70	-83	1,887	7	52	1,933	183	2,116
Carroll	202	351	4,418	28	123	5,121	490	5,612
Cecil	569	211	6,599	24	81	7,484	605	8,090
Charles	181	604	6,388	44	101	7,318	719	8,038
Dorchester	87	-4	815	9	43	950	222	1,171
Frederick	321	761	3,157	26	152	4,418	916	5,334
Garrett	70	208	1,331	4	43	1,656	290	1,946
Harford	304	674	2,691	52	175	3,896	1,324	5,220
Howard	392	1,873	13,470	30	127	15,892	3,109	19,000
Kent	50	-56	222	3	33	252	152	404
Montgomery	1,480	2,841	33,831	95	329	38,576	8,532	47,108
Prince George's	17,933	2,565	50,612	273	522	71,905	14,188	86,093
Queen Anne's	88	112	690	12	41	944	494	1,438
St. Mary's	126	160	1,881	30	80	2,278	-6	2,271
Somerset	47	159	722	0	42	969	221	1,190
Talbot	78	-23	322	1	32	410	153	564
Washington	376	582	3,061	32	136	4,187	870	5,058
Wicomico	695	83	7,209	30	93	8,111	580	8,690
Worcester	405	150	15	3	36	608	448	1,056
Unallocated	519	4	-21,522	404	0	-20,595	0	-20,595
Total	**$51,750**	**$13,755**	**$147,155**	**$1,378**	**$3,825**	**$217,863**	**$43,373**	**$261,235**

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

Exhibit 4.3 (Continued)

State Aid to Local Governments

Percent Change: Fiscal 2017 Legislative Appropriation over Fiscal 2016 Working Appropriation

			Direct State Aid					
County	**County - Municipal**	**Community Colleges**	**Public Schools**	**Libraries**	**Health**	**Subtotal**	**Retirement**	**Total**
Allegany	3.5%	0.7%	2.4%	1.3%	8.4%	2.5%	4.3%	2.6%
Anne Arundel	20.9%	1.0%	4.5%	2.6%	8.4%	5.7%	4.4%	5.5%
Baltimore City	7.3%	n/a	-1.2%	0.8%	8.4%	0.8%	4.3%	1.0%
Baltimore	4.4%	5.1%	3.1%	2.6%	8.4%	3.3%	3.2%	3.3%
Calvert	8.9%	5.3%	4.3%	3.8%	8.4%	4.6%	3.7%	4.5%
Caroline	1.5%	-5.0%	3.8%	2.5%	8.4%	3.4%	3.9%	3.4%
Carroll	3.7%	4.2%	3.4%	3.0%	8.4%	3.5%	2.3%	3.3%
Cecil	7.9%	3.5%	6.6%	3.2%	8.4%	6.5%	4.4%	6.3%
Charles	4.4%	7.1%	3.9%	4.6%	8.4%	4.1%	3.1%	4.0%
Dorchester	2.0%	-0.3%	2.0%	3.4%	8.4%	2.0%	5.8%	2.3%
Frederick	4.0%	7.7%	1.4%	1.9%	8.4%	1.7%	2.6%	1.9%
Garrett	1.5%	5.6%	6.4%	2.7%	8.4%	5.5%	8.2%	5.8%
Harford	4.2%	5.9%	1.3%	3.5%	8.4%	1.7%	4.4%	2.0%
Howard	4.7%	10.8%	5.9%	3.5%	8.4%	6.2%	5.1%	6.0%
Kent	4.0%	-9.2%	2.3%	4.2%	8.4%	2.1%	8.4%	2.9%
Montgomery	5.0%	6.0%	5.3%	3.3%	8.4%	5.4%	5.1%	5.3%
Prince George's	26.6%	9.2%	4.9%	3.9%	8.4%	6.2%	13.3%	6.8%
Queen Anne's	4.8%	6.0%	2.0%	8.4%	8.4%	2.5%	7.9%	3.2%
St. Mary's	4.5%	5.9%	1.9%	4.7%	8.4%	2.1%	0.0%	1.9%
Somerset	0.7%	22.2%	2.5%	-0.1%	8.4%	2.6%	8.1%	3.0%
Talbot	3.5%	-1.3%	2.3%	1.1%	8.4%	2.2%	4.1%	2.5%
Washington	5.5%	6.6%	1.8%	2.7%	8.4%	2.3%	4.7%	2.5%
Wicomico	5.4%	1.7%	5.4%	3.1%	8.4%	5.3%	4.5%	5.2%
Worcester	6.3%	7.2%	0.1%	2.0%	8.4%	2.1%	6.3%	2.9%
Unallocated	1.6%	0.1%	-37.3%	2.4%	n/a	-18.2%	n/a	-18.2%
Total	**9.3%**	**5.4%**	**2.7%**	**2.6%**	**8.4%**	**3.4%**	**5.5%**	**3.7%**

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

Program	FY 2016	FY 2017	Difference
Foundation Aid	$2,947,082,596	$2,961,988,396	$14,905,800
Supplemental Program	46,620,083	46,620,083	0
Geographic Cost of Education Index	68,100,237	136,898,081	68,797,844
Net Taxable Income Education Grant	23,821,408	39,701,573	15,880,165
Foundation – Special Grants	86,321	19,429,858	19,343,537
Compensatory Education	1,305,132,944	1,309,111,285	3,978,341
Student Transportation – Regular	241,419,924	245,728,167	4,308,243
Student Transportation – Special Education	24,827,000	25,130,000	303,000
Special Education – Formula	275,997,329	279,607,502	3,610,173
Special Education – Nonpublic Placements	130,514,011	126,617,898	-3,896,113
Special Education – Infants and Toddlers	10,389,104	10,389,104	0
Limited English Proficiency Grants	217,180,270	227,201,204	10,020,934
Guaranteed Tax Base	53,762,142	54,511,367	749,225
Aging Schools*	6,109,000	6,109,000	0
Teacher Quality Incentives	10,104,000	3,104,000	-7,000,000
Adult Education	8,433,623	8,011,987	-421,636
Food Service	11,679,901	11,236,663	-443,238
Out-of-county Foster Placements	2,200,002	2,399,999	199,997
Head Start	1,800,000	1,800,000	0
Prekindergarten Expansion Program	4,300,000	4,300,000	0
SEED School	10,285,467	10,300,895	15,428
Judy Hoyer Centers	10,575,000	10,575,000	0
Teachers Retirement Special Grants*	0	18,999,234	18,999,234
Other Education Aid	10,688,000	8,492,000	-2,196,000
Total Primary and Secondary Education	**$5,421,108,362**	**$5,568,263,296**	**$147,154,934**
Library Formula	$35,405,977	$36,379,660	$973,683
Library Network	16,612,968	17,016,786	403,818
Total Libraries	**$52,018,945**	**$53,396,446**	**$1,377,501**
Community College Formula	$222,744,621	$234,375,190	$11,630,569
Grants for ESOL Programs	5,624,759	5,523,780	-100,979
Optional Retirement	14,730,000	16,873,000	2,143,000
Small College Grants	3,999,774	4,078,382	78,608
Other Community College Aid	7,021,697	7,025,998	4,301
Total Community Colleges	**$254,120,851**	**$267,876,350**	**$13,755,499**

Program	FY 2016	FY 2017	Difference
Highway User Revenue	$169,304,256	$177,413,088	$8,108,832
Elderly and Handicapped Transportation Aid	4,305,938	4,305,938	0
Paratransit	2,930,039	2,930,039	0
Municipal Transportation Grants	19,000,000	19,000,000	0
County Transportation Grants	6,000,000	6,000,000	0
Total Transportation	**$201,540,233**	**$209,649,065**	**$8,108,832**
Police Aid	$67,277,067	$73,714,998	$6,437,931
Fire and Rescue Aid	13,400,000	15,000,000	1,600,000
Vehicle Theft Prevention	1,869,160	1,869,602	442
9-1-1 Grants	14,400,000	14,400,000	0
Community Policing	1,974,000	0	-1,974,000
Foot Patrol/Drug Enforcement Grants	4,228,210	1,214,610	-3,013,600
Violent Crime Grants	4,750,714	2,292,489	-2,458,225
Baltimore City Direct Police Grant	0	7,180,112	7,180,112
Stop Gun Violence Grants	928,478	926,940	-1,538
State's Attorney Grants	3,959,195	3,228,840	-730,355
Safe Streets Program**	2,830,352	5,589,746	2,759,394
Other Public Safety Aid	2,290,755	2,289,569	-1,186
Total Public Safety	**$117,907,931**	**$127,706,906**	**$9,798,975**
Program Open Space	$23,453,501	$27,190,972	$3,737,471
Critical Area Grants	244,900	251,900	7,000
Wastewater Treatment – Nutrient Removal	5,000,000	5,000,000	0
Total Recreation/Environment	**$28,698,401**	**$32,442,872**	**$3,744,471**
Local Health Formula	**$45,663,898**	**$49,488,474**	**$3,824,576**
Disparity Grant	**$129,819,872**	**$136,718,945**	**$6,899,073**
PILOT – Port Facilities	$1,118,705	$1,013,153	-$105,552
PILOT – Park Service	2,498,953	2,498,953	0
PILOT – Forest Service	182,222	179,950	-2,272
Gaming Impact Grants	38,554,825	62,856,121	24,301,296
Instant Bingo	1,563,963	1,813,242	249,279
Senior Citizens Activities Center	791,500	500,000	-291,500
Statewide Voting Systems	5,993,299	5,040,956	-952,343
Teachers Retirement Supplemental Grants	27,658,662	27,658,662	0
Total Other Direct Aid	**$78,362,129**	**$101,561,037**	**$23,198,908**
Total Direct Aid	**$6,329,240,622**	**$6,547,103,391**	**$217,862,769**

Program	FY 2016	FY 2017	Difference
Retirement – Teachers	$729,285,758	$767,254,835	$37,969,077
Retirement – Libraries	19,700,277	20,653,337	953,060
Retirement – Community Colleges	42,008,280	46,458,676	4,450,396
Total Payments-in-behalf	**$790,994,315**	**$834,366,848**	**$43,372,533**
Total State Aid	**$7,120,234,937**	**$7,381,470,239**	**$261,235,302**

ESOL: English for Speakers of Other Languages

*Funding in the fiscal 2017 budget was provided by the General Assembly for these programs; however, spending the funds provided is at the discretion of the Governor.

**$1 million of funding in the fiscal 2017 budget was provided by the General Assembly for a direct grant to Baltimore City; spending this $1 million is at the discretion of the Governor.

Primary and Secondary Education

Foundation Program: The Foundation program is the basic State education funding mechanism for public schools, which ensures a minimum per pupil funding level and requires county governments to provide a local match. The formula is calculated based on a per pupil foundation amount and student enrollment. The per pupil foundation amount is $6,964, an increase of 0.1%, which is well below the 5.0% cap on the annual growth in the per pupil foundation amount. The student enrollment count used for the program totals 845,861 students. Enrollment for the formula is based on the September 30, 2015, full-time equivalent student enrollment count. Less affluent local school systems, as measured by assessable base and net taxable income, receive relatively more aid per pupil than wealthier school systems. The State provides funding for roughly 50.0% of the program's cost. State aid under the Foundation program will total $3.0 billion in fiscal 2017, a $14.9 million, or 0.5%, increase from the prior year.

In addition, $46.6 million in supplemental grants will be provided to nine local school systems in fiscal 2017. The supplemental grants were established during the 2007 special session to guarantee increases of at least 1% in State education aid for all local school systems during two years, fiscal 2009 and 2010, that inflationary increases for the per pupil foundation amount were eliminated. Supplemental grants continued at fiscal 2010 levels in fiscal 2011, less a $4.7 million reduction that recaptured overpayments to eight local school systems due to a miscalculation in school system wealth bases in fiscal 2009.

Net Taxable Income Grants: Pursuant to Chapter 4 of 2013, State education aid formulas that include a local wealth component are to be calculated twice, once using a net taxable income (NTI) amount for each county based on tax returns filed by September 1 and once using an NTI amount based on tax returns filed by November 1. Each local school system then receives the higher State aid amount resulting from the two calculations. The scheduled phase-in of the grants

was delayed by one year beginning in fiscal 2016. Fiscal 2017 funding of NTI Grants totals $39.7 million, a $15.9 million, or 66.7% increase compared to fiscal 2016.

Foundation Special Grants: The fiscal 2017 budget proposed by the Governor initially included $5.6 million to provide aid to local school systems that have declining enrollment. This entails $4.0 million for Carroll County, $1.3 million for Garrett County, and $300,000 for Kent County. Working with the General Assembly, the Governor added through Supplemental Budget No. 3 $12.7 million to Baltimore City and $1.1 million to Calvert County for having declining enrollment and a decrease in State education aid in fiscal 2016 or 2017. This State aid is separate from mandated funding under Section 5-202 of the Education Article for counties with small and declining enrollment populations, amounting to $65,000 for Kent County in fiscal 2017. In total, the fiscal 2017 budget includes $19.4 million in Foundation Special Grants.

Geographic Cost of Education Index: This formula provides additional State funds to local school systems where costs for educational resources are higher than the State average. Funding for the Geographic Cost of Education Index (GCEI) formula was provided in fiscal 2009 for the first time. The Governor's fiscal 2016 State budget included 50% funding for the GCEI formula. The fiscal 2016 budget adopted by the General Assembly provided for 100% funding of the GCEI ($136.2 million); however, restoration of half the GCEI funding was at the discretion of the Governor. Chapter 477 of 2015 makes funding of the program mandatory rather than discretionary, contingent upon full funding *not* being provided in the fiscal 2016 operating budget; since the Governor did not release funds set aside by the General Assembly ($68.1 million) to fund the GCEI at 100% in fiscal 2016, full funding is mandatory beginning in fiscal 2017. Thirteen local school systems receive a total of $136.9 million in fiscal 2017 from the GCEI formula, an increase of $68.8 million over fiscal 2016.

Compensatory Education Program: The Compensatory Education Program provides additional funding based on the number of economically disadvantaged students. The formula recognizes disparities in local wealth by adjusting the grants per eligible student by local wealth. The formula is calculated based on 97.0% of the annual per pupil amount used in the foundation program and the number of students eligible for free and reduced-price meals. The State share of program cost is 50.0%, with the State paying no less than 40.0% of the funding for each local school system. State aid under the compensatory education program will total $1.3 billion in fiscal 2017, representing a $4.0 million, or 0.3%, increase over the prior year due to modest growth in the student enrollment count and in per pupil funding. The student enrollment count used for the program totals 372,187.

Special Education: State aid for special education recognizes the additional costs associated with providing programs for students with disabilities. Most special education students receive services in the public schools; however, if an appropriate program is not available in the public schools, students may be placed in a private school offering more specialized services. The State and local school systems share the costs of these nonpublic placements.

The special education formula is calculated based on 74.0% of the annual per pupil foundation amount and the number of special education students from the prior fiscal year. The

State share of program cost is 50.0% statewide with a floor of 40.0% for each local school system. The student enrollment count used for the program totals 104,618. State formula funding for public special education programs will total $279.6 million in fiscal 2017, representing a $3.6 million, or a 1.3% increase over the prior year. Funding for nonpublic placements totals $126.6 million in fiscal 2017, a decrease of $3.9 million. A local school system pays its respective local share of the basic cost of education for each nonpublic placement plus two times the total basic cost of education in the system, as well as 30.0% of any expense above that sum. The State pays 70.0% of the costs above the base local funding.

Student Transportation: The State provides grants to assist local school systems with the cost of transporting students to and from school. The grants consist of three components: regular student ridership funds; special education student ridership funds; and additional enrollment funds. The regular student ridership funds are based on the local school system's grant in the previous year increased by inflation. Local school systems with enrollment increases receive additional funds. The special education student ridership funds are based on a $1,000 per student grant for transporting disabled students. The fiscal 2017 State budget includes $245.7 million for regular transportation services and $25.1 million for special transportation services. This represents a $4.6 million, or 1.7%, increase from the prior year.

Limited English Proficiency: The State provides grants based on non- and limited-English proficient (LEP) students using a definition consistent with federal guidelines. The LEP formula is based on 99.0% of the annual per pupil foundation amount, with the State providing funding for 50.0% of the program's cost. State funding for the program will total $227.2 million in fiscal 2017, representing a $10.0 million, or 4.6%, increase over the prior year. The number of LEP students totals 63,404 for the 2015-2016 school year.

Guaranteed Tax Base Program: The Bridge to Excellence in Public Schools Act included an add-on grant for jurisdictions with less than 80.0% of statewide per pupil wealth that contributed more than the minimum required local share under the foundation program in the prior year. The grant is based on local support for education relative to local wealth. The grant cannot exceed 20.0% of the per pupil foundation amount. Ten local school systems will qualify for grants totaling $54.5 million in fiscal 2017, an increase of $749,225.

Aging Schools Program: The Aging Schools Program provides State funding to local school systems for improvements, repairs, and deferred maintenance of public school buildings. These repairs are generally not covered by the capital school construction program and are necessary to maintain older public schools. The Budget Reconciliation and Financing Act (BRFA) of 2011 authorized mandated funding to be provided in the operating or capital budget. The General Assembly has restricted $6.1 million in fiscal 2017 general funds to be expended for the Aging Schools Program; this funding, however, is at the discretion of the Governor.

Judy Hoyer and Head Start Programs: These programs provide financial support for the establishment of centers that provide full-day, comprehensive, early education programs and family support services that will assist in preparing children to enter school ready to learn. The programs also provide funding to support childhood educators and statewide implementation of

an early childhood assessment system. The fiscal 2017 State budget includes $10.6 million for Judy Hoyer programs and $1.8 million for Head Start programs.

Teacher Development: The Quality Teacher Incentive (QTI) Act of 1999 was enacted to assist in attracting and retaining quality teachers particularly in "comprehensive needs" schools, *i.e.*, low-performing schools. However, it did not take into account the variability in the identification of these schools based on changes to statewide assessment requirements or the introduction of new college- and career-ready standards. As such, the funding for the QTI grants has substantially increased over the past five years, with the program reaching its highest point yet in fiscal 2015 at $21.9 million. In an effort to rein in costs, the BRFA of 2015 capped fiscal 2016 stipends at fiscal 2014 eligibility and eliminated the stipend for Advanced Professional Certificate teachers who teach in a comprehensive needs school and do *not* have national board certification (NBC) beginning in fiscal 2017. The fiscal 2016 working appropriation for QTI is $9.5 million and the fiscal 2017 budget includes $2.5 million, which reflects full funding of the remaining NBC incentives. The fiscal 2017 State budget also includes $96,000 for the Governor's Teacher Excellence Award Program, which distributes awards to teachers for outstanding performance and $600,000 for national board certification grants.

Food and Nutrition Services: In addition to federal funds provided under the School Lunch Act of 1946, the State provides matching funds to support food and nutrition programs for low-income children. The programs provide free and reduced-price breakfasts, lunches, and snacks to public or private nonprofit school students. All public schools in the State are required to provide subsidized or free nutrition programs for eligible students. The fiscal 2017 State budget includes $11.2 million for food and nutrition services.

Infants and Toddlers Program: This program involves a statewide community-based interagency system of comprehensive early intervention services for eligible children until the beginning of the school year following a child's fourth birthday. State funding for infants and toddlers programs will total $10.4 million in fiscal 2017, the same annual amount that has been provided since fiscal 2009.

Adult Education: The State provides funding for adult education services, including classes on basic skills in reading, writing, and math, or learning to speak and understand the English language. Grants also assist adults to prepare to earn a high school diploma through the general education development tests or the National External Diploma Program. The State budget includes $8.0 million for adult education programs in fiscal 2017, a decrease of $421,636 compared to fiscal 2016 funding.

School-based Health Centers: The fiscal 2017 State budget includes $2.6 million for school-based health centers, which provide primary medical care as well as social, mental health, and health education services for students and their families. This amount reflects virtually level funding since fiscal 2012.

Healthy Families/Home Visits Program: The Healthy Families Program aims to promote positive parenting to enhance child health and development to prevent child abuse and neglect

through home visits prenatally through early childhood. Fiscal 2017 funding remains level at $4.6 million.

Prekindergarten Expansion: The Prekindergarten Expansion Act of 2014 expanded prekindergarten services to four-year-old children from families whose income is no more than 300% of the federal poverty guidelines by establishing a competitive grant program to provide funding to qualified public and private prekindergarten providers. The State budget includes $4.3 million for the grant program in fiscal 2017, level with fiscal 2016 funding.

Teachers' Retirement Payments: State retirement costs for public school teachers and other professional public school personnel will total an estimated $767.3 million in fiscal 2017, representing a $38.0 million (5.2%) increase. This increase is attributed to approximately $47.0 million added by the Governor for teacher pensions, including a portion of the fiscal 2015 surplus in accordance with the BRFA of 2015, offset by a decrease in State teacher retirement costs due to the local school boards paying the *actual* normal cost starting in fiscal 2017.

Teachers Retirement Special Grants: The BRFA of 2012 (Chapter 1 of the first special session) phased in school board payments of the annual normal cost for teachers retirement over four years (with increased county maintenance of effort requirements equal to the required payments). After fiscal 2016, each school board is responsible for paying the actual normal costs associated with its employees. Local school boards will contribute approximately $279.8 million in fiscal 2017, an increase of approximately $25.0 million from the prior year. However, the General Assembly added $19.0 million in one-time funding to local education agencies to offset most of the increase; funding of this additional State aid in fiscal 2017 is at the Governor's discretion.

Local Libraries

Under **Senate Bill 1171/House Bill 1401 *(*Chapters 714 and 715)**, the Governor must provide $3.0 million in the State budget for fiscal 2018 through 2022 to support additional operating expenses for branches of the Enoch Pratt Free Library (EPFL) that increase their operating hours above the hours in effect as of January 1, 2016. To receive grant funding from the State, Baltimore City must provide a 25% funding match to support additional EPFL operating expenses.

Senate Bill 337 (Chapter 549) accelerates scheduled increases to the per capita funding amounts that must be provided to the State Library Resource Center, regional resource centers, and county public library systems participating in the State's library program beginning in fiscal 2018.

Minimum Per Capita Library Program: The State provides assistance to public libraries through a formula that determines the State and local shares of a minimum per capita library program. Overall, the State provides 40% of the minimum program, and the counties provide 60%. The State/local share of the minimum program varies by county depending on local wealth. The per resident amount was set at $14.00 for fiscal 2012 through 2015, phasing up to $16.70 by

fiscal 2019 and in subsequent years. Instead, under the BRFA of 2015, the per capita amount was reduced from $15.00 to $14.27 in fiscal 2016 and was fully phased in at $16.70 in fiscal 2025. Fiscal 2017 funding totals $36.4 million, a $1.0 million increase compared to fiscal 2016.

State Library Network: The State provides funds to libraries designated as resource centers, including the State Library Resource Center (SLRC) in Baltimore City, and to regional resource centers, including the Eastern Resource Center in Salisbury, the Southern Resource Center in Charlotte Hall, and the Western Resource Center in Hagerstown. Participating regional resource centers must receive a minimum amount of funding for each resident of the area served to be used for operating and capital expenses.

The BRFA of 2011, Chapter 397, set SLRC funding at $1.67 per resident for fiscal 2012 through 2016, before a phase in to $1.85 in 2019 and in subsequent years. The BRFA of 2015, Chapter 489, extended the phase in to fiscal 2025. Under Chapter 500 of 2014, per resident funding for regional resource centers was set to increase to $7.50 in fiscal 2016 and phase up to $8.75 per resident by fiscal 2019. However, the BRFA of 2015 extended the phase in of the increase in the per capita funding amount to a 10-year phase-in period beginning with a per resident amount of $6.95 in fiscal 2016. Fiscal 2017 State library network funding totals $17.0 million, an increase of $403,818 over fiscal 2016.

Retirement Payments: The State pays 100% of the retirement costs for local library employees. Fiscal 2017 funding totals $20.7 million, an increase of $953,060 over fiscal 2016.

Community Colleges

Senator John A. Cade Formula Funding: The Cade funding formula aid is based on a percentage (20.5% in fiscal 2017) of the current year's State aid to selected four-year public higher education institutions and the total number of full-time equivalent students at the community colleges. The total is then distributed to each college based on the previous year's direct grant, enrollment, and a small-size factor. Fiscal 2017 funding totals $234.4 million, an increase of $11.6 million over fiscal 2016 funding. The increase is due to higher State support for the four-year public higher education institutions.

Special Programs: State funding in fiscal 2017 will total $4.1 million for the small college grants and $600,000 for the Allegany/Garrett counties unrestricted grants. Funding for statewide and regional programs will total $6.4 million. The English as a Second Language Program will receive $5.5 million.

Retirement Payments: Fiscal 2017 funding totals $46.5 million, an increase of $4.5 million over fiscal 2016. In addition, State funding for the optional retirement program will total $16.9 million in fiscal 2017, an increase of $2.1 million.

Local Health Departments

The State provides funds to support the delivery of public health services, including child health, communicable disease prevention, maternal health, family planning, environmental health, and administration of the departments. Funding 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 need, as determined by the Secretary of Health and Mental Hygiene, may also affect allocations of the annual adjustment. The fiscal 2017 budget includes $49.5 million, or $3.8 million above the fiscal 2016 amount. Most of the increase ($3.4 million) reflects funding provided to local health departments for employee salary increments consistent with increments provided for State employees.

County and Municipal Governments

Highway User Revenue: The State shares various transportation revenues, commonly referred to as highway user revenues (HUR), with the counties and municipalities. Allocations to counties and municipalities are based on the percentage of road miles and vehicle registrations within each local jurisdiction. In fiscal 2017, $142.3 million (7.7% of HUR) is distributed to Baltimore City; $27.7 million (1.5%) is distributed to counties; and $7.4 million (0.4%) is distributed to municipalities, for a total of $177.4 million.

Other Transportation Aid: The BRFA of 2013 (Chapter 425) included $15.4 million in fiscal 2014 to fund transportation grants to municipal governments, allocated in a manner consistent with the HUR formula. In addition, county governments received $10.0 million in fiscal 2014 for the purpose of pothole repairs. The fiscal 2015 State budget funded the municipal transportation grants for a second year at $16.0 million. The fiscal 2016 budget included a total of $25.0 million for transportation grants to Baltimore City, counties, and municipalities. The fiscal 2017 State budget continues the special grants at the fiscal 2016 levels – $2.0 million for Baltimore City, $4.0 million for counties, and $19.0 million for municipalities. State funding for elderly/disabled transportation grants will total $4.3 million in fiscal 2017, while State funding for paratransit grants will total $2.9 million, level with 2016 for both programs.

Police Aid Formula: Maryland's counties and municipalities receive grants for police protection through the police aid formula. The police aid formula allocates funds on a per capita basis, and jurisdictions with a higher population density receive greater per capita grants. Municipalities receive additional grants based on the number of sworn officers. The Maryland State Police recovers 30.0% of the State crime laboratory costs relating to evidence-testing services from each county's formula allocation. As a cost containment measure, the police aid formula was level funded in fiscal 2015 and 2016 at the fiscal 2014 formula amount of $67.3 million. The fiscal 2017 budget includes $73.7 million for police aid funding to fully fund the formula, which is a 9.6% increase over fiscal 2016.

Targeted Public Safety Grants: State funding for targeted public safety grants will total $22.7 million in fiscal 2017. This funding includes $7.9 million in targeted grants for Baltimore City

and $3.5 million in violent crime grants and drug enforcement grants for Prince George's County. This funding also includes $2.5 million for S.T.O.P. gun violence grants, school bus traffic enforcement grants, domestic violence grants, law enforcement and correctional officers training grants, sex offender and compliance enforcement, and the body armor grants. Also, $2.0 million is provided in fiscal 2017 to the Baltimore City State's Attorney Office to assist in the prosecution of gun offenses and repeat violent offenders, and $1.3 million will be provided to support the Community Prosecution, Special Investigations, and Collateral Offender Units of the Prince George's County State's Attorney Office. Also, Safe Streets Program funding totals $5.6 million, which includes funds restricted by the General Assembly to be expended as a direct grant of $1.0 million to Baltimore City through the Baltimore City Health Department. Funding for this special grant is at the discretion of the Governor. Total funding for targeted public safety grants increases by 8.4% over fiscal 2016.

House Bill 1016 (Chapter 519) makes changes relating to public safety and policing generally consistent with the recommendations of the Public Safety and Policing Workgroup, including establishing a Community Program Fund within the Governor's Office of Crime Control and Prevention to assist (1) local law enforcement agencies in establishing community programs and (2) agencies of local government in establishing violence intervention programs. Beginning in fiscal 2018, the Governor must include $500,000 in the annual budget bill for the fund.

Vehicle Theft Prevention Program: This program provides grants to law enforcement agencies, prosecutors' offices, local governments, and community organizations for vehicle theft prevention, deterrence, and educational programs. Funds are used to enhance the prosecution and adjudication of vehicle theft crimes. Funding for the program is provided through the Vehicle Theft Prevention Fund and from inspection fees collected for salvaged vehicle verification. State funding for this program will total $1.9 million in fiscal 2017.

Fire, Rescue, and Ambulance Services: The State provides formula grants through the Senator William H. Amoss Fire, Rescue, and Ambulance Fund to the counties, Baltimore City, and qualifying municipalities for local and volunteer fire, rescue, and ambulance services. The program supports the purchase of fire and rescue equipment and capital building improvements and is funded through the Maryland Emergency Medical System Operations Fund (MEMSOF). Chapter 429 of 2013 increased the annual vehicle registration fee surcharge from $13.50 to $17.00, with the additional fees credited to MEMSOF. Revenues from the surcharge increase will, in part, be used to support increased appropriations to the Amoss Fund. The legislation expressed the intent that the annual appropriation to the fund will be $11.7 million in fiscal 2015, $13.3 million in fiscal 2016, and $15.0 million in fiscal 2017. The fiscal 2016 State budget included an additional $100,000 above the targeted amount. Fiscal 2017 funding totals $15.0 million.

9-1-1 Emergency Systems Grants: The State imposes a 25-cent fee per month on telephone subscribers that is deposited into a trust fund that provides reimbursements to counties for improvements and enhancements to their 9-1-1 systems. Counties may only use the trust fund money to supplement their spending, not to supplant it. State funding to local 9-1-1 emergency systems will total $14.4 million in fiscal 2017, level with fiscal 2016 funding.

Program Open Space: This program was established in 1969 to expedite the acquisition of outdoor recreation and open space, before property cost and development made it impossible, and to accelerate the development of outdoor recreation facilities. In fiscal 2017, the Program Open Space (POS) formula allocates $21.7 million to the counties. In addition, Baltimore City will receive $5.5 million in special POS funding. **House Bill 462 (Chapter 10)** alters the local share of POS funding beginning in fiscal 2018. **House Bill 462** specifies that local funding for fiscal 2018 will increase by $11.0 million over projected amounts. In future years, local funding through fiscal 2029 increases overall due to general fund appropriations to the transfer tax special fund (from which the local share of POS receives funding) representing reimbursement for prior transfers from the fund. Direct POS grants to Baltimore City from the State share of POS will increase by $2.0 million in fiscal 2018, $4.0 million in fiscal 2019, and by $4.5 million annually, beginning in fiscal 2020.

Maryland Forest Service and Maryland Park Service – Payments in Lieu of Taxes: Each county in which any State forest or park is located annually receives 15% of the net revenues derived from the forest or park located in that county, including concession operations. If the forest or park reserve comprises 10% or more of its total land area, the county annually receives 25% of the net revenues derived from the reserve. The original intent of the county payments was to offset the loss in property taxes to counties in which the State owned a significant amount of acreage. In fiscal 2016, Forest Service payments to local governments totaled $182,200 and Park Service payments totaled $2.5 million. In fiscal 2017, Forest Service payments to local governments total $179,950 and Park Service payments to local governments total $2.5 million.

Wastewater Treatment – Nutrient Removal Program: The Maryland Department of the Environment provides grants to local governments to assist with operation and maintenance costs associated with enhanced nutrient removal at wastewater treatment facilities. The grant program is funded at $5.0 million in fiscal 2017.

Senior Citizen Activities Center Operating Fund: The Senior Citizen Activities Center Operating Fund is a nonlapsing fund that consists of appropriations from the State budget; the Governor is required to appropriate $500,000 annually to the fund and does so with general funds. The Senior Citizen Activities Center Operating Fund supplements any other funding for senior citizen activities centers in the State budget; it may not be used to replace existing funding. Money is distributed to counties based on a competitive grant process, with at least 50.0% of the funds distributed based on need for senior citizen activities centers in counties determined by the Maryland Department of Aging to meet criteria related to economic distress. The fiscal 2017 budget includes $500,000 for the fund. **Senate Bill 98 (Chapter 17)** increases, from $500,000 to $750,000, the required annual appropriation to the Senior Citizen Activities Center Operating Fund beginning in fiscal 2018, requires additional expenditures under specified circumstances, and alters how the funds are distributed to counties within the State.

Gaming Impact Grants: From the proceeds generated by video lottery terminals (VLTs) at video lottery facilities in the State, 5.5% is distributed to local governments in which a video lottery facility is operating. Of this amount, 18.0% is distributed for 20 years (starting in fiscal 2012 and ending in fiscal 2032) to Baltimore City through the Pimlico Community

Development Authority and to Prince George's County for the community surrounding Rosecroft ($1.0 million annually), except that the 18.0% dedication does not apply to Allegany, Cecil, and Worcester county facilities upon issuance of the Baltimore City license. Furthermore, under the BRFA of 2014, for fiscal 2015 through 2019, $500,000 of the 18.0% dedication is distributed to communities within three miles of Laurel Race Course, resulting in $89,300 for Howard County, an additional $357,100 for Anne Arundel County, and $53,600 for the City of Laurel in each of these five fiscal years. Upon issuance of a Prince George's County license, 5.0% of table game revenues will be distributed to local jurisdictions where a video lottery facility is located. VLT local impact grants total $62.9 million in fiscal 2017, an increase of $24.3 million or 63.0% over fiscal 2016 levels, due to the projected opening of a casino in Prince George's County in 2017.

Disparity Grants: Disparity grants were initiated to address the differences in the abilities of counties to raise revenues from the local income tax, which is one of the larger revenue sources for counties. Counties with per capita local income tax revenues less than 75.0% of the statewide average receive grants, assuming that all counties impose a 2.54% local tax rate. Chapter 487 of 2009 capped each county's funding under the program at the fiscal 2010 level. Chapter 425 of 2013 further modified the program in order to provide a floor funding level in conjunction with the fiscal 2010 cap for an eligible county based on the income tax rate of that county. Beginning in fiscal 2014, an eligible county or Baltimore City may receive no more than the amount distributed in fiscal 2010 or a minimum of (1) 20.0% of the total grant if the local income tax rate is at least 2.8% but less than 3.0%; (2) 40.0% of the total grant if the rate is at least 3.0% but less than 3.2%; or (3) 60.0% of the total grant if the rate is at least 3.2%. Based on the statutory formula, Baltimore City and nine counties (Allegany, Caroline, Cecil, Dorchester, Garrett, Prince George's, Somerset, Washington, and Wicomico) will qualify for disparity grants in fiscal 2017. Disparity grant funding totals $136.7 million in fiscal 2017, an increase of $6.9 million or 5.3% over fiscal 2016. Legislative action restricts $12.5 million in disparity grant funding to Baltimore City contingent on the city submitting certain reports and making a specified appropriation to Baltimore City Public Schools.

House Bill 1395 (Chapter 738) alters the calculation of the Disparity Grant program for counties with a local income tax rate of 3.2% by increasing the minimum grant amount (funding floor) to 67.5% of the formula calculation in both fiscal 2018 and 2019. Under current law, these counties must receive at least 60.0% of the specified formula calculation. Pursuant to the bill, State aid will increase in two counties (Prince George's and Wicomico) by $4.8 million in both fiscal 2018 and 2019. Prince George's County will receive an additional $3.8 million annually during the two-year period, while Wicomico County will receive an additional $1.0 million.

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

Summary of State Mandates

Community Colleges	2
Election Law	2
Finances and Taxes	4
Health Care Facilities	1
Personnel	1
Public Safety/Law Enforcement	1
Public Schools	7
Total	**18**

***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

Bill #	Title	Comment	Mandate
Legislation Affecting All/Multiple Local Jurisdictions			
SB 58/HB 14	Natural Resources – Vessel Excise Tax Cap – Amount and Repeal of Termination (Ch. 656/Ch. 657)	Potential decrease in grant revenues.	No
SB 83	Public Safety – School Safety Enforcement Fund (Ch. 529)	Minimal reallocation of grant revenues.	No
SB 90	Unemployment Insurance – Recovery of Benefits and Penalties for Fraud (Ch. 342)	Minimal revenues related to fraudulent unemployment insurance benefits beginning in FY 2018.	No
SB 91	Public Health – State-Identified HIV Priorities (Ch. 46)	Potential increase in State funding for local health departments.	No
SB 98	Senior Citizen Activities Center Operating Fund – Distributions – Alteration (Ch. 17)	Overall increase in, and reallocation of, grant revenues.	No
SB 156/HB 98	Criminal Law – Participation in Court Proceedings – Retaliation (Ch. 532/Ch. 533)	Minimal fine revenues.	No
SB 161/HB 336	Criminal Procedure – Seizure and Forfeiture (Ch. 658/Ch. 619)	Potential significant decrease in forfeiture revenues.	No
SB 178/HB 493	Criminal Law – Extortion – Immigration Status (Ch. 536/Ch. 537)	Minimal fine revenues.	No
SB 185/HB 1333	Income Tax – Filing of Withholding Statements (Ch. 538/ Ch. 539)	Potential income tax revenues beginning in FY 2018.	No
SB 271/HB 722	Capital Grant Program for Local School Systems With Significant Enrollment Growth or Relocatable Classrooms – Funding (Ch. 665/Ch. 666)	Certain counties share $20.0 million annually in additional State matching funds for school construction.	No

Legislation Affecting Local Government Revenues

Bill #	Title	Comment	Mandate
SB 278/HB 155	Criminal Law – Stalking (Ch. 544/Ch. 545)	Minimal fine revenues.	No
SB 283	Criminal Law – Cruelty to Animals – Implement of Dogfighting (Ch. 546)	Minimal fine revenues.	No
SB 288/HB 484	Income Tax – Corporation Returns – Filing Date (Ch. 547/Ch. 548)	Local highway user revenues decrease by $98,000 in FY 2017.	No
SB 306/HB 833	Agricultural Land Transfer Tax – Calculation (Ch. 372/Ch. 373)	Potential significant agricultural land transfer tax revenues.	No
SB 337	Libraries – Regional, State, and County – Funding (Ch. 549)	State aid for local libraries increases by $805,100 in FY 2018 and by $3.2 million in FY 2021.	No
SB 370/HB 368	Board of Public Works Transparency Act of 2016 (Ch. 14/Ch. 15)	Potential decreases in State aid may be delayed.	No
SB 374	Income Tax Subtraction Modification – College Savings Plans – Contributions (Ch. 197)	Income tax revenues decrease by approximately $300,000 annually.	No
SB 379	Creation of a State Debt – Qualified Zone Academy Bonds (Ch. 198)	Revenues for public school renovation and repair increase by a maximum of $4.68 million in FY 2017.	No
SB 425	Maryland Income Tax Refunds – Warrant Intercept Program – Statewide (Ch. 387)	Potential income tax revenues through FY 2020.	No
SB 449/HB 981	Maryland Medical Assistance Program – Guardianship Fees – Personal Needs Allowance (Ch. 390/Ch. 391)	Fee revenues for local area agencies on aging increase by $311,400 in FY 2017 and by $415,200 annually thereafter.	No
SB 493	Teacher Induction, Retention, and Advancement Act of 2016	Potential grant revenues.	No

Legislation Affecting Local Government Revenues

Bill #	Title	Comment	Mandate
SB 520	County Boards of Education – School Buses – Motor Fuel Tax Exemption and Refund (Ch. 397)	Local highway user revenues distributed to counties decrease by a minimum of $331,400 annually; revenues distributed to municipalities decrease by approximately $25,000 annually.	No
SB 552/HB 146	Property Tax Credit – Disabled or Fallen Law Enforcement Officers and Rescue Workers and Public Safety Officers (Ch. 558/Ch. 559)	Baltimore City property tax revenues may decrease by $1.7 million in FY 2017 and by $2.7 million in FY 2022. Harford County property tax revenues may decrease by $5,800 annually beginning in FY 2016.	No
SB 579/HB 922	Vehicle Laws – Application – Park Model Recreational Vehicles – Definition (Ch. 407/Ch. 408)	Minimal local highway user revenues beginning in FY 2016.	No
SB 582/HB 115	Education – Robotics Grant Program – Establishment (Ch. 681/Ch. 682)	Grant revenues increase by a minimum of $250,000 annually.	No
SB 584/HB 668	Preschool Development Grants – Expansion Grants – Required State Funding (Ch. 683/Ch. 684)	Potential grant revenues.	No
SB 595	Education – Middle School Students – Awarding of Credit (Ch. 686)	Minimal decrease in State aid beginning in FY 2021.	No
SB 597/HB 1226	Recordation and Transfer Taxes – Transfer of Controlling Interest – Exemptions (Ch. 223/Ch. 224)	Decrease in recordation tax revenues. Decrease in transfer tax revenues for certain counties.	No
SB 676/HB 1014	College Affordability Act of 2016 (Ch. 689/Ch. 690)	Revenues from foregone subtraction modifications beginning in FY 2018.	No
SB 759	Heritage Structure Rehabilitation Tax Credit – Alteration and Extension (Ch. 578)	Potential decrease in local highway user revenues.	No
SB 766	Local Income Tax – Overpayments, Underpayments, and Wynne Repayments – Local Reserve Account Repayment (Ch. 24)	Varying impacts on income tax revenues.	No

Legislation Affecting Local Government Revenues

Bill #	Title	Comment	Mandate
SB 774	Motor Vehicles – Autocycles – Standards and Requirements (Ch. 231)	Minimal local highway user revenues.	No
SB 797/HB 1476	Housing and Community Development – Shelter and Transitional Housing Facilities Grant Program – Mandated Funding (Ch. 698/Ch. 699)	Potential grant revenues.	No
SB 864	Public Safety – Internet Crimes Against Children Task Force Fund – Establishment (Alicia's Law) (Ch. 516)	Significant grant revenues beginning in FY 2018.	No
SB 936	Maryland Clean Energy Incentive Act of 2016 (Ch. 594)	Potential decrease in local highway user revenues in FY 2018 and 2019.	No
SB 1005	Justice Reinvestment Act (Ch. 515)	Potential significant grant, filing fee, and fine revenues beginning in FY 2018/2019.	No
SB 1009	Procurement – Prevailing Wage – Liquidated Damages (Ch. 707)	Minimal penalty revenues.	No
SB 1052	University of Maryland Strategic Partnership Act of 2016 (Ch. 25)	State aid for community colleges increases beginning in FY 2018.	No
SB 1112	Income Tax – Aerospace, Electronics, or Defense Contract Tax Credit Program (Ch. 320)	Local highway user revenues decrease by $105,100 annually through FY 2021.	No
HB 14/SB 58	See entry for SB 58.		No
HB 69	Personal Property Tax – Credit for New or Small Business (Ch. 473)	Potential decrease in property tax revenues beginning in FY 2018.	No
HB 70	Business Regulation – Billiard Table License – Repeal (Ch. 90)	Minimal decrease in fee revenues.	No

Legislation Affecting Local Government Revenues

Bill #	Title	Comment	Mandate
HB 98/SB 156	See entry for SB 156.		No
HB 115/SB 582	See entry for SB 582.		No
HB 146/SB 552	See entry for SB 552.		No
HB 155/SB 278	See entry for SB 278.		No
HB 285	State Education Aid – Real Property Valuation – Tax Increment Financing (Ch. 258)	Potential increase in State aid in FY 2018 and 2019.	No
HB 336/SB 161	See entry for SB 161.		No
HB 368/SB 370	See entry for SB 370.		No
HB 400	Higher Education – Tuition Waivers for Foster Care Recipients and Unaccompanied Homeless Youth – Modifications (Ch. 263)	Potential decrease in community college tuition revenues.	Yes
HB 409	Criminal Law – Providing Alcohol to Underage Drinkers – Penalties (Alex and Calvin's Law) (Ch. 513)	Minimal fine revenues.	No
HB 422	Interest Rate on Tax Deficiencies and Refunds (Ch. 322)	Income tax revenues decrease by $702,100 in FY 2017 and by a minimum of $1.8 million annually thereafter. Local highway user revenues decrease by $5,900 in FY 2017 and by a minimum of $14,700 annually thereafter.	No
HB 431	Maryland Achieving a Better Life Experience (ABLE) Program – Establishment (Ch. 39)	Income tax revenues decrease by $127,700 in FY 2018, by $638,300 in FY 2019, and by increasingly significant amounts annually thereafter.	No
HB 462	Program Open Space – Transfer Tax Repayment – Use of Funds (Ch. 10)	Significant increase in Program Open Space funding.	No
HB 484/SB 288	See entry for SB 288.		No

Legislation Affecting Local Government Revenues

Bill #	Title	Comment	Mandate
HB 493/SB 178	See entry for SB 178.		No
HB 668/SB 584	See entry for SB 584.		No
HB 684	Baltimore Regional Neighborhood Initiative Program – Codified (Ch. 29)	Potential revenues from increased economic revitalization in the Baltimore region.	No
HB 686	Department of Housing and Community Development – Strategic Demolition and Smart Growth Impact Fund – Establishment (Ch. 30)	Significant grant revenues through FY 2019 for Baltimore City; potential grant revenues through FY 2019 for other counties.	No
HB 722/SB 271	See entry for SB 271.		No
HB 739	Alcoholic Beverages – Nonprofit Beer Festival Permit – Revisions (Ch. 628)	Minimal decrease in permit fee revenues.	No
HB 833/SB 306	See entry for SB 306.		No
HB 898	Property Tax Credit – Elderly Individuals and Veterans (Ch. 498)	Potential significant decrease in property tax revenues.	No
HB 922/SB 579	See entry for SB 579.		No
HB 981/SB 449	See entry for SB 449.		No
HB 1012	Tax Credit – Commuter Benefits – Eligibility and Credit Amount (Ch. 289)	Local highway user revenues decrease by approximately $2,500 annually.	No
HB 1014/SB 676	See entry for SB 676.		No
HB 1016	Public Safety and Policing Workgroup – Recommendations (Ch. 519)	Grant revenues increase by $500,000 annually beginning in FY 2018.	No

Legislation Affecting Local Government Revenues

Bill #	Title	Comment	Mandate
HB 1123	Maryland-Washington Metropolitan District – Boundaries – City of Greenbelt PG/MC 117-16 (Ch. 500)	M-NCPPC property tax revenues decrease by $73,000 in FY 2017 and by potentially greater amounts annually thereafter.	No
HB 1198	Prince George's County – Maryland-National Capital Park and Planning Commission – Extraordinary Development District PG/MC 109-16 (Ch. 304)	Reallocation of M-NCPPC property tax revenues.	No
HB 1226/SB 597	See entry for SB 597.		No
HB 1288	Higher Education – Tuition Waivers for Foster Care Recipients and Unaccompanied Homeless Youth (Ch. 306)	Potential decrease in community college tuition revenues.	Yes
HB 1333/SB 185	See entry for SB 185.		No
HB 1395	Local Government – Disparity Grants – Amounts (Ch. 738)	State aid to Prince George's County increases by $3.8 million in FY 2018 and 2019. State aid to Wicomico County increases by $1.0 million in FY 2018 and 2019.	No
HB 1402	Education – Public School Opportunities Enhancement Act (Ch. 32)	Potential significant grant revenues for certain counties in FY 2018 through 2021.	No
HB 1476/SB 797	See entry for SB 797.		No

Legislation Affecting Local Governments by Subdivision

Allegany County

HB 994	Allegany County – Alcoholic Beverages – Sunday Sales for Class A Licenses (Ch. 286)	Minimal permit fee revenues.	No

Legislation Affecting Local Government Revenues

Bill #	Title	Comment	Mandate
Anne Arundel County			
SB 47	Anne Arundel County – Property Tax Credit – Benefit Corporations and Benefit Limited Liability Companies (Ch. 42)	Potential decrease in property tax revenues.	No
SB 141/HB 602	Anne Arundel County – Special Taxing Districts – Water or Wastewater Services (Ch. 353/Ch. 354)	Potential revenues from connection charges.	No
SB 175/HB 238	Anne Arundel County – Alcoholic Beverages – Disposition of Fees (Ch. 659/Ch. 660)	Potential reallocation of license fee revenues.	No
SB 649	City of Annapolis – Alcoholic Beverages – Refillable Container Permit for Draft Beer (Ch. 419)	Minimal license fee revenues for the City of Annapolis.	No
SB 852	Anne Arundel County – Alcoholic Beverages – Beer and Wine Festivals (Ch. 583)	Minimal license fee revenues.	No
HB 238/SB 175	See entry for SB 175.		No
HB 366	Anne Arundel County – Property Tax Credit – Blind Individuals (Ch. 102)	Property tax revenues may decrease by $15,700 annually.	No
HB 602/SB 141	See entry for SB 141.		No
HB 642	Anne Arundel County – Alcoholic Beverages – Licenses (Ch. 110)	Minimal license fee revenues.	No
Baltimore City			
SB 376	Pathways in Technology Early College High (P-TECH) Schools Act of 2016 (Ch. 144)	Minimal grant revenues in FY 2017 and potential significant grant revenues in future years.	No

Legislation Affecting Local Government Revenues

Bill #	Title	Comment	Mandate
SB 499/HB 1227	Admissions and Amusement Tax – Baltimore City – Amateur Sports League Fees (Ch. 215/Ch. 216)	Potential significant decrease in admissions and amusement tax revenues.	No
SB 1171/HB 1401	Enoch Pratt Free Library – Hours of Operation – Funding (Ch. 714/Ch. 715)	State aid for library operations increases by $3.0 million annually in FY 2018 through 2022.	No
HB 36	Rebuilding Baltimore City Communities Act of 2016 (Ch. 607)	Potential significant decrease in property tax revenues. Potential tax revenues resulting from revitalization.	No
HB 385	Baltimore City – Abandoned Property – Tax Sales – Ground Rent (Ch. 484)	Potential revenues from additional tax sales.	No
HB 1068	Baltimore City – Alcoholic Beverages – Pub Crawl Promoter's Permits (Ch. 644)	Minimal fee revenues.	No
HB 1210	Baltimore City – Alcoholic Beverages – Licenses (Ch. 736)	License fee revenues increase by $5,000 in FY 2017 and by $1,800 annually thereafter.	No
HB 1227/SB 499	See entry for SB 499.		No
HB 1299	Property Tax – Crane Located on State Property – Exemption (Ch. 508)	Property tax revenues decrease by $2.2 million annually.	Yes
HB 1401/SB 1171	See entry for SB 1171.		No
HB 1636	Baltimore City – South Baltimore Gateway Community Impact District and Distribution of Local Impact Grants (Ch. 314)	A minimum of $7.3 million annually of local impact grant revenues are reallocated between city entities beginning in FY 2018.	No
Baltimore County			
HB 1644	Baltimore County – Alcoholic Beverages – Racetrack License (Ch. 315)	Minimal decrease in license fee revenues.	No

Legislation Affecting Local Government Revenues

Bill #	Title	Comment	Mandate
Calvert County			
SB 307	Calvert County – Bonding Authority (Ch. 182)	Bond revenue proceeds increase by a maximum of $9.41 million.	No
SB 624	Calvert County – Alcoholic Beverages – Beer or Wine Festival License (Ch. 417)	Minimal license fee revenues.	No
HB 1156	Calvert County – Alcoholic Beverages – Beer or Wine Festival License (Ch. 416)	Minimal license fee revenues.	No
HB 1353	Calvert County – Alcoholic Beverages – Special Event Festival Permit (Ch. 650)	Minimal permit fee revenues.	No
HB 1445	Calvert County – Property Tax Credit – Commerce Zones (Ch. 138)	Potential decrease in property tax revenues.	No
Caroline County			
HB 549	Caroline County – Alcoholic Beverages – Refillable Container Permit (Ch. 108)	Minimal permit fee revenues.	No
Carroll County			
HB 205	Carroll County – Public Facilities Bonds (Ch. 254)	Bond revenue proceeds increase by a maximum of $31.0 million.	No
HB 791	Carroll County – Alcoholic Beverages – Beer, Wine, and Liquor Tasting License (Ch. 120)	Minimal decrease in license fee revenues.	No
Charles County			
SB 687/HB 706	Charles County – Alcoholic Beverages – Entertainment Concessionaire and Entertainment Facility Licenses (Ch. 691/Ch. 692)	Potential license fee revenues.	No

Legislation Affecting Local Government Revenues

Bill #	Title	Comment	Mandate
HB 137	Charles County – Taxing Districts for Infrastructure Improvements – Repeal of Restriction (Ch. 97)	Potential tax revenues.	No
HB 447	Charles County – County Transfer Tax – Revenue Received by the Clerk of the Circuit Court (Ch. 621)	Transfer tax revenues increase by $203,300 in FY 2016 and by $56,600 in FY 2017.	No
HB 706/SB 687	See entry for SB 687.		No
Dorchester County			
SB 530	Dorchester County – Class B Beer, Wine, and Liquor License – Minimum Seating Requirement (Ch. 72)	Minimal license fee revenues.	No
Frederick County			
SB 1126	Frederick County – Linking Youth to New Experiences (LYNX) High School (Ch. 470)	Potential grant revenues.	No
HB 320	Frederick County – Property Tax – Small Business Tax Credit (Ch. 481)	Potential decrease in property tax revenues.	No
HB 840	Frederick County – Alcoholic Beverages – Theater and Entertainment Center License (Ch. 634)	Minimal license fee revenues.	No
HB 841	Frederick County – Alcoholic Beverages – Hotel Lobby License (Ch. 126)	Minimal license fee revenues.	No
HB 842	Frederick County – Alcoholic Beverages – Art Gallery Beer and Wine License (Ch. 635)	Minimal license fee revenues.	No
HB 843	Frederick County – Alcoholic Beverages – Beauty Salon License (Ch. 127)	Minimal license fee revenues.	No

Legislation Affecting Local Government Revenues

Bill #	Title	Comment	Mandate
HB 1031	Frederick County – Alcoholic Beverages – Refillable Container Permits (Ch. 291)	Minimal permit fee revenues.	No
HB 1109	Frederick County – Dry Election Districts – Repeal (Ch. 133)	Potential significant license fee revenues.	No
Garrett County			
SB 879/HB 1072	Garrett County – Alcoholic Beverages – Various Licenses (Ch. 590/Ch. 591)	Potential license fee revenues in FY 2018; potential minimal impact on revenues annually thereafter.	No
SB 1080	Garrett County – Property Tax Exemption – Garrett College Business Incubator (Ch. 240)	Property tax revenues may decrease by $4,200 annually.	No
HB 1072/SB 879	See entry for SB 879.		No
Harford County			
SB 795/HB 892	Harford County – Alcoholic Beverages – Movie Theater License (Ch. 428/Ch. 429)	Minimal license fee revenues.	No
SB 916/HB 1051	Harford County – Alcoholic Beverages – Community College License (Ch. 448/Ch. 449)	Minimal license fee revenues.	No
HB 892/SB 795	See entry for SB 795.		No
HB 969	Harford County – Alcoholic Beverages – Business Establishments Near Schools (Ch. 285)	Minimal license fee revenues.	No
HB 1051/SB 916	See entry for SB 916.		No

Legislation Affecting Local Government Revenues

Bill #	Title	Comment	Mandate
Howard County			
HB 654	Howard County – Alcoholic Beverages – Class D Beer, Wine, and Liquor Licenses Ho. Co. 10-16 (Ch. 625)	Minimal decrease in license fee revenues.	No
Montgomery County			
HB 1029	Montgomery County – Alcoholic Beverages – Class BD-BWL License – Hours of Sale MC 17-16 (Ch. 641)	Minimal license fee revenues.	No
HB 1064	Montgomery County – Sale of Alcoholic Beverages – Distance From Places of Worship, Schools, and Youth Centers MC 18-16 (Ch. 292)	Minimal license fee revenues.	No
HB 1076	Montgomery County – Alcoholic Beverages – Sports Stadium License MC 19-16 (Ch. 646)	Minimal license fee revenues.	No
HB 1079	Montgomery County Student Loan Refinancing Authority MC 27-16 (Ch. 296)	Potential reimbursement revenues in future years.	No
HB 1115	Montgomery County – Cigarette Retailers – County License Fee MC 12-16 (Ch. 732)	Minimal license fee revenues.	No
Prince George's County			
SB 256/HB 1017	Prince George's County – Property Tax Deferrals – Elderly and Disabled Homeowners (Ch. 368/Ch. 369)	Delayed property tax revenues.	No
HB 1017/SB 256	See entry for SB 256.		No

Legislation Affecting Local Government Revenues

Bill #	Title	Comment	Mandate
HB 1020	Prince George's County – Alcoholic Beverages Licenses – Class B-WPL (Waterfront Pavilion) Beer, Wine, and Liquor License PG 314-16 (Ch. 640)	Minimal license fee revenues.	No
HB 1021	Prince George's County – Alcoholic Beverages – Licenses, Notice Requirements, and Loitering Enforcement PG 303-16 (Ch. 730)	License fee revenues increase by $63,500 in FY 2017 and by $54,400 annually thereafter.	No
HB 1069	Prince George's County – Alcoholic Beverages – Entertainment Concessionaire and Facility Licenses PG 311-16 (Ch. 293)	License fee revenues increase by a maximum of $91,100 in FY 2017 and by a maximum of $82,000 annually thereafter.	No
HB 1135	Prince George's County – Board of License Commissioners – Budget and Funding PG 308-16 (Ch. 299)	License fee revenues of $300,000 annually are reallocated.	No
HB 1138	Prince George's County – School Facilities Surcharge – Student Housing Exemptions PG 439-16 (Ch. 733)	Potential significant school facilities surcharge revenues.	Yes
HB 1311	Prince George's County – Alcoholic Beverages Licenses – Development District Licenses and Sunday Off-Sale Permits PG 305-16 (Ch. 307)	License and permit fee revenues increase by $41,200 in FY 2017 and by $32,500 annually thereafter.	No
St. Mary's County			
SB 998/HB 917	St. Mary's County – Property Tax Credit – New or Expanding Businesses (Ch. 598/Ch. 599)	Potential decrease in property tax revenues.	No
SB 1015/HB 1062	St. Mary's County – Alcoholic Beverages – Permits, Training, Prohibited Acts, and Violations (Ch. 600/Ch. 601)	Minimal fine and permit fee revenues.	No
HB 917/SB 998	See entry for SB 998.		No

Legislation Affecting Local Government Revenues

Bill #	Title	Comment	Mandate
HB 1062/SB 1015	See entry for SB 1015.		No
Washington County			
SB 227/HB 790	Washington County – Property Tax Credit – Disabled Veterans (Ch. 362/Ch. 363)	Property tax revenues may decrease by $564,900 annually.	No
SB 877/HB 1320	Washington County – Alcoholic Beverages – Class CT (Cinema/Theater) License (Ch. 586/Ch. 587)	Minimal license fee revenues.	No
SB 1078	Washington County – Alcoholic Beverages – Class A Beer, Wine, and Liquor – License Fee (Ch. 239)	License fee revenues increase by $11,400 annually.	No
SB 1079	Washington County – Alcoholic Beverages – Hotel and Motel Licenses (Ch. 605)	Minimal license fee revenues.	No
SB 1135	Washington County – Business Licenses – Repeal of Zoning Certification Requirement (Ch. 471)	Fee revenues decrease by $11,900 annually.	No
HB 779	Alcoholic Beverages – Washington County – Local Penalties (Ch. 118)	Minimal fine revenues.	No
HB 790/SB 227	See entry for SB 227.		No
HB 1320/SB 877	See entry for SB 877.		No
Wicomico County			
SB 1140	Wicomico County – Alcoholic Beverages – Youth and Civic Center License (Ch. 242)	Minimal license fee revenues and potential significant revenues from the sale of alcoholic beverages.	No

Legislation Affecting Local Government Revenues

Bill #	Title	Comment	Mandate
Worcester County			
SB 130	Worcester County – Alcoholic Beverages – Refillable Container Permit for Draft Beer (Ch. 50)	Minimal permit fee revenues.	No
SB 967/HB 697	Worcester County – Alcoholic Beverages – Class A Beer, Wine, and Liquor License (Ch. 113/Ch. 112)	License fee revenues. Potential decrease in alcoholic beverages revenues.	No
HB 697/SB 967	See entry for SB 967.		No

Legislation Affecting Local Government Expenditures

Bill #	Title	Comment	Mandate
Legislation Affecting All/Multiple Local Jurisdictions			
SB 1/HB 11	Health Insurance – In Vitro Fertilization – Use of Spouse's Sperm – Exception (Ch. 325/Ch. 326)	Potential employee health care costs.	No
SB 83	Public Safety – School Safety Enforcement Fund (Ch. 529)	Expenditures are affected correspondingly with any minimal reallocation of grant revenues.	No
SB 86	Unemployment Insurance – Exemption From Actively Seeking Work Requirement – Repeal (Ch. 339)	Unemployment insurance costs decrease.	No
SB 90	Unemployment Insurance – Recovery of Benefits and Penalties for Fraud (Ch. 342)	Minimal decrease in unemployment insurance costs beginning in FY 2018.	No
SB 91	Public Health – State-Identified HIV Priorities (Ch. 46)	Potential increase in local health department expenditures to the extent additional funding is provided by the State.	No
SB 97	Public Health – Opioid-Associated Disease Prevention and Outreach Programs (Ch. 348)	Potential significant program implementation costs.	No
SB 104	Housing and Community Development – Local Government Infrastructure Projects – Financing (Ch. 18)	Potential decrease in debt service expenditures for municipalities.	No
SB 156/HB 98	Criminal Law – Participation in Court Proceedings – Retaliation (Ch. 532/Ch. 533)	Minimal incarceration costs.	No
SB 161/HB 336	Criminal Procedure – Seizure and Forfeiture (Ch. 658/Ch. 619)	Potential compliance costs for law enforcement agencies and State's Attorneys' offices.	No
SB 178/HB 493	Criminal Law – Extortion – Immigration Status (Ch. 536/Ch. 537)	Minimal incarceration costs.	No

Legislation Affecting Local Government Expenditures

Bill #	Title	Comment	Mandate
SB 271/HB 722	Capital Grant Program for Local School Systems With Significant Enrollment Growth or Relocatable Classrooms – Funding (Ch. 665/Ch. 666)	Matching grant expenditures for certain counties.	No
SB 278/HB 155	Criminal Law – Stalking (Ch. 544/Ch. 545)	Minimal incarceration costs.	No
SB 283	Criminal Law – Cruelty to Animals – Implement of Dogfighting (Ch. 546)	Minimal incarceration costs.	No
SB 297	Health Insurance – Habilitative Services – Period of Time for Coverage (Ch. 371)	Minimal employee health care costs.	No
SB 322/HB 378	Homeowners' Property Tax Credit Program – Eligibility Awareness Campaign (Ch. 667/Ch. 668)	Potential program costs.	No
SB 421/HB 86	Special Education – Translations of Individualized Education Programs or Individualized Family Service Plans – Native Language (Ch. 204/Ch. 205)	Potential significant school system costs, largely for Montgomery and Prince George's counties.	Yes
SB 425	Maryland Income Tax Refunds – Warrant Intercept Program – Statewide (Ch. 387)	Potential implementation costs through FY 2020. Potential decrease in warrant service costs through FY 2020.	No
SB 493	Teacher Induction, Retention, and Advancement Act of 2016 (Ch. 740)	Potential matching grant expenditures.	No
SB 494/HB 713	State Department of Education – Community-Partnered School Behavioral Health Services Programs – Reporting System and Report (School Behavioral Health Accountability Act) (Ch. 213/Ch. 214)	Minimal administrative costs.	No
SB 505	Workers' Compensation Insurance – Premium Discount – Alcohol- and Drug-Free Workplace Program (Ch. 394)	Potential significant decrease in workers' compensation costs.	No

Legislation Affecting Local Government Expenditures

Bill #	Title	Comment	Mandate
SB 520	County Boards of Education – School Buses – Motor Fuel Tax Exemption and Refund (Ch. 397)	County motor fuel tax payments decrease by $5.6 million in FY 2017, by $5.8 million in FY 2018, and by a minimum of $6.2 million annually thereafter.	No
SB 575	County Boards of Education – Limit on Liability (Ch. 680)	Potential significant insurance costs.	Yes
SB 584/HB 668	Preschool Development Grants – Expansion Grants – Required State Funding (Ch. 683/Ch. 684)	Potential school system costs supported by grant revenues.	No
SB 595	Education – Middle School Students – Awarding of Credit (Ch. 686)	Minimal decrease in school system costs beginning in FY 2021.	No
SB 603	Criminal Law – Pretrial Release – Prior Crimes (Ch. 567)	Minimal incarceration costs.	No
SB 794/HB 657	Education – Prekindergarten and Kindergarten Assessments – Administration (Ch. 427/Ch. 273)	Potential compensation costs.	No
SB 797/HB 1476	Housing and Community Development – Shelter and Transitional Housing Facilities Grant Program – Mandated Funding (Ch. 698/Ch. 699)	Potential matching grant expenditures.	No
SB 821	Participating Governmental Units – Amortization Schedule (Ch. 233)	Collective pension costs for participating governmental units increase by between $5.0 million and $13.9 million annually from FY 2018 through 2021 and decrease by $38.7 million annually thereafter.	No
SB 876/HB 870	Natural Resources – Black Fly Management and Control – Washington County (Ch. 584/Ch. 585)	Potential program costs in Washington County. Potential program costs for other jurisdictions in future years.	No
SB 1005	Justice Reinvestment Act (Ch. 515)	Potential significant incarceration, administrative, and program costs beginning in FY 2018.	No
SB 1052	University of Maryland Strategic Partnership Act of 2016 (Ch. 25)	Community college expenditures correspond with increased funding beginning in FY 2018.	No

Legislation Affecting Local Government Expenditures

Bill #	Title	Comment	Mandate
SB 1097	Local Government Tort Claims Act – Regional Development Councils (Ch. 466)	Minimal decrease in insurance costs for regional development councils.	No
HB 11/SB 1	See entry for SB 1.		No
HB 72	Education – Sexual Abuse and Assault Awareness and Prevention Program – Development and Implementation (Ch. 609)	Minimal program costs.	Yes
HB 74	Judgeships – Circuit Courts and District Court (Ch. 91)	Circuit court costs in certain counties.	No
HB 86/SB 421	See entry for SB 421.		Yes
HB 98/SB 156	See entry for SB 156.		No
HB 155/SB 278	See entry for SB 278.		No
HB 166	Criminal Procedure – Pretrial Release – Out-of-State Sex Offenders (Ch. 616)	Minimal incarceration costs.	No
HB 336/SB 161	See entry for SB 161.		No
HB 378/SB 322	See entry for SB 322.		No
HB 409	Criminal Law – Providing Alcohol to Underage Drinkers – Penalties (Alex and Calvin's Law) (Ch. 513)	Minimal incarceration costs.	No
HB 437	Department of Health and Mental Hygiene – Prescription Drug Monitoring Program – Modifications (Ch. 147)	Potential program costs for local health departments.	No
HB 459	Birth and Death Certificates – Fee Reduction (Ch. 316)	Minimal decrease in vital records costs.	No

Legislation Affecting Local Government Expenditures

Bill #	Title	Comment	Mandate
HB 493/SB 178	See entry for SB 178.		No
HB 551	Education – Children With Disabilities – Individualized Education Program Mediation (Ch. 271)	Minimal school system costs.	Yes
HB 637	Local Government Tort Claims Act – Notice Requirement – Exception (Ch. 624)	Potential significant costs relating to liability claims.	No
HB 657/SB 794	See entry for SB 794.		No
HB 668/SB 584	See entry for SB 584.		No
HB 686	Department of Housing and Community Development – Strategic Demolition and Smart Growth Impact Fund – Establishment (Ch. 30)	Matching fund expenditures for Baltimore City and potentially other counties through FY 2019.	No
HB 713/SB 494	See entry for SB 494.		No
HB 722/SB 271	See entry for SB 271.		No
HB 771	Public Schools – Administration of Diabetes Care Services – Guidelines (Ch. 277)	Potential significant school system and local health department training and personnel costs.	Yes
HB 773	Drunk and Drugged Driving – Evidence of Blood Test (Ch. 630)	Minimal decrease in operational costs.	No
HB 854	State Highway Administration – Relocation of Water or Sewer Lines – Cost Sharing (Ch. 281)	Potential decrease in expenditures for water or sewer line relocation projects.	No
HB 870/SB 876	See entry for SB 876.		No
HB 1007	Freedom to Vote Act (Ch. 287)	Potential election costs.	No

Legislation Affecting Local Government Expenditures

Bill #	Title	Comment	Mandate
HB 1008	Election Law – Early Voting Centers (Ch. 288)	Election costs increase beginning in FY 2018 by $550,000 for primary elections and by $725,000 for general elections.	Yes
HB 1013	Maryland Open Transportation Investment Decision Act of 2016 (Ch. 36)	Potential planning costs for transportation projects.	No
HB 1016	Public Safety and Policing Workgroup – Recommendations (Ch. 519)	Program costs of $500,000 annually beginning in FY 2018 are covered by State grant revenues. Significant law enforcement compliance costs.	Yes
HB 1101	Municipal Corporations – Closed Swimming Lake – Regulation MC 32-16 (Ch. 131)	Potential decrease in compliance costs for municipalities.	No
HB 1363	Property Tax – Appeals – Provision of Information to Taxpayers (Ch. 737)	Reimbursement costs increase by $7,000 annually.	No
HB 1402	Education – Public School Opportunities Enhancement Act (Ch. 32)	Potential significant matching fund expenditures for certain counties.	No
HB 1476/SB 797	See entry for SB 797.		No
HB 1581	Harford County Deputy Sheriffs Dailey and Logsdon Benefits Memorial Act (Ch. 12)	Minimal pension costs for participating governmental units.	No

Legislation Affecting Local Governments by Subdivision

Anne Arundel County

SB 141/HB 602	Anne Arundel County – Special Taxing Districts – Water or Wastewater Services (Ch. 353/Ch. 354)	Potential service costs offset by increased connection charges.	No
HB 602/SB 141	See entry for SB 141.		No

Legislation Affecting Local Government Expenditures

Bill #	Title	Comment	Mandate
Baltimore City			
SB 376	Pathways in Technology Early College High (P-TECH) Schools Act of 2016 (Ch. 144)	Minimal school system costs in FY 2016 and potential significant school system costs in future years.	No
SB 499/HB 1227	Admissions and Amusement Tax – Baltimore City – Amateur Sports League Fees (Ch. 215/Ch. 216)	Potential costs for tax refunds.	Yes
SB 552/HB 146	Property Tax Credit – Disabled or Fallen Law Enforcement Officers and Rescue Workers and Public Safety Officers (Ch. 558/Ch. 559)	Baltimore City administrative costs increase by $200,000 in FY 2017, by $96,000 in FY 2018, and by $48,400 annually thereafter.	No
SB 1171/HB 1401	Enoch Pratt Free Library – Hours of Operation – Funding (Ch. 714/Ch. 715)	Expenditures of $3.75 million annually in FY 2018 through 2022 are largely supported by increased State aid of $3.0 million annually. Retirement costs increase by $210,000 annually in FY 2019 through 2023.	No
HB 558	Baltimore City – Partially Elected School Board (Ch. 723)	Minimal election and school board costs beginning in FY 2023.	Yes
HB 1068	Baltimore City – Alcoholic Beverages – Pub Crawl Promoter's Permits (Ch. 644)	Potential significant enforcement costs.	No
HB 146/SB 552	See entry for SB 552.		No
HB 1227/SB 499	See entry for SB 499.		Yes
HB 1401/SB 1171	See entry for SB 1171.		No
Baltimore County			
HB 9	Baltimore County – Orphans' Court Judges – Compensation (Ch. 245)	Potential increase or decrease in salary expenditures beginning in FY 2019.	No

Legislation Affecting Local Government Expenditures

Bill #	Title	Comment	Mandate
HB 55	Baltimore County – Education – WhyTry Program (Ch. 249)	School system training costs increase by a total of $30,600 between FY 2017 and 2018.	Yes
Calvert County			
SB 307	Calvert County – Bonding Authority (Ch. 182)	Debt service expenditures increase by $647,700 annually over a 15-year period and by $66,400 annually over a 25-year period.	No
HB 1157	Calvert County – Assistant Sheriff – Salary and Status (Ch. 302)	Salary expenditures increase by $5,700 in FY 2017 and $7,600 annually thereafter.	No
Carroll County			
SB 195	Carroll County – State's Attorney's Office and Child Support Enforcement Administration – Transfer of Personnel (Ch. 53)	Significant decrease in child support enforcement costs. Pension costs in FY 2017.	No
HB 205	Carroll County – Public Facilities Bonds (Ch. 254)	Debt service expenditures increase by $2.0 million annually over a 20-year period.	No
HB 1147	Carroll County – Board of Education Members – Term Limitation and Referendum (Ch. 301)	Minimal election costs in FY 2017.	No
Cecil County			
HB 816	Cecil County – Sheriff – Salary (Ch. 632)	Salary expenditures increase by a minimum of $14,200 in FY 2019 and by a minimum of $24,400 annually thereafter.	No
Charles County			
SB 390/HB 505	Charles County Sheriff – Salaries and Collective Bargaining (Ch. 669/Ch. 670)	Potential legal and significant employee compensation costs.	Yes

Legislation Affecting Local Government Expenditures

Bill #	Title	Comment	Mandate
HB 137	Charles County – Taxing Districts for Infrastructure Improvements – Repeal of Restriction (Ch. 97)	Potential administrative costs are offset by additional tax revenues.	No
HB 505/SB 390	See entry for SB 390.		Yes
Frederick County			
SB 1126	Frederick County – Linking Youth to New Experiences (LYNX) High School (Ch. 470)	Any potential school system costs are assumed to be absorbable or offset by grant revenues.	No
Harford County			
SB 146	Harford County – State's Attorney – Salary (Ch. 52)	Salary expenditures increase by $13,700 in FY 2019 and by a maximum of $22,700 annually thereafter.	No
Howard County			
HB 631	Workers' Compensation – Permanent Partial Disability – Howard County Deputy Sheriffs Ho. Co. 11-16 (Ch. 493)	Minimal workers' compensation costs.	No
Kent County			
SB 629/HB 358	Kent County – Prospective Employees and Volunteers – Criminal History Records Check (Ch. 76/Ch. 77)	Minimal costs for criminal history records checks.	No
HB 358/SB 629	See entry for SB 629.		No

Legislation Affecting Local Government Expenditures

Bill #	Title	Comment	Mandate
Montgomery County			
HB 204	Montgomery County – Elections – Early Voting Centers MC 14-16 (Ch. 7)	Election costs increase by $28,300 in FY 2016 and 2017.	Yes
HB 1073	Montgomery County – Alcoholic Beverages – License Applications – Online Notice MC 5-16 (Ch. 645)	Administrative costs decrease by $46,400 annually.	No
HB 1079	Montgomery County Student Loan Refinancing Authority MC 27-16 (Ch. 296)	Potential significant implementation and operating costs.	No
HB 1115	Montgomery County – Cigarette Retailers – County License Fee MC 12-16 (Ch. 732)	Potential enforcement costs covered by increased license fee revenues.	No
Prince George's County			
SB 256/HB 1017	Prince George's County – Property Tax Deferrals – Elderly and Disabled Homeowners (Ch. 368/Ch. 369)	Potential implementation costs.	Yes
SB 324	Prince George's County Regional Medical Center Act of 2016 (Ch. 13)	County operating and capital expenditures increase by a total of $263.0 million over the course of multiple fiscal years; expenditures are generally included in county budget plans.	Yes
HB 1017/SB 256	See entry for SB 256.		Yes
Somerset County			
SB 134/HB 148	Somerset County – Sheriff – Salary (Ch. 165/Ch. 166)	Salary expenditures increase by $10,400 in FY 2019 and by $17,900 annually thereafter.	No
SB 135/HB 149	Somerset County – Commissioners – Salary and Expense Reimbursements (Ch. 167/Ch. 168)	Salary expenditures increase by $4,900 in FY 2019 and by $8,400 annually thereafter.	No

Legislation Affecting Local Government Expenditures

Bill #	Title	Comment	Mandate
HB 148/SB 134	See entry for SB 134.		No
HB 149/SB 135	See entry for SB 135.		No
Washington County			
SB 227/HB 790	Washington County – Property Tax Credit – Disabled Veterans (Ch. 362/Ch. 363)	Minimal administrative costs.	No
HB 790/SB 227	See entry for SB 227.		No
Wicomico County			
SB 145	Wicomico County Board of Education – Election and Appointment of Members (Ch. 169)	Election costs increase by $10,000 in FY 2017.	No
SB 1140	Wicomico County – Alcoholic Beverages – Youth and Civic Center License (Ch. 242)	Potential significant personnel and compliance costs.	No

Chapter 5. Vetoed Legislation

Vetoed Legislation

The following are 2016 bills that were vetoed by the Governor for policy reasons (but excluding those for which the vetoes were subsequently overridden). The fiscal impact of the legislation is described below.

SB 540 Morgan State University – Student Housing

Higher education revenues generated from student housing may have decreased and higher education expenditures associated with student housing may have increased.

SB 907 Transportation – Harry W. Nice Memorial Potomac River Bridge – Replacement

Nonbudgeted expenditures would have increased by as much as $75 million annually beginning in FY 2018 to provide funding for a replacement bridge.

SB 910 Maryland Education Development Collaborative – Established

General fund expenditures would have increased by $250,000 in FY 2017, $191,600 in FY 2018, and $197,500 in FY 2019. Higher education and local school system revenues may have increased minimally during those years from funding provided by the collaborative.

SB 921/HB 1106 Clean Energy Jobs – Renewable Energy Portfolio Standard Revisions

Under one set of assumptions, State expenditures (all funds) would have increased by $0.1 million in FY 2017, escalating to $2.2 million in FY 2021, due to higher electricity prices. Special funds revenues may have increased beginning in FY 2018 from electricity supplier payments, and special funds may have been used to provide funding for access to capital for small, minority, and women-owned businesses in the "clean energy industry" as early as FY 2017. Local expenditures would have increased, beginning in FY 2017, due to higher electricity prices.

HB 1010 Maryland Transit Administration Oversight and Planning Board

Transportation Trust Fund expenditures would have increased by as much as $7.3 million in FY 2017, and by lesser amounts in future years, for personnel, contractual services, and other costs.