

Department of Legislative Services
Maryland General Assembly
2024 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 524 (Delegates Edelson and Young)
Appropriations

Living Classrooms Foundation - Required Appropriation

This bill requires the Governor to include \$3.4 million in the annual budget bill for each of fiscal 2026 through 2030, for the maintenance, capital preservation, and operations of the seven historic ships stewarded by the Living Classrooms Foundation (Living Classrooms). **The bill takes effect July 1, 2024.**

Fiscal Summary

State Effect: General fund expenditures increase by \$3.4 million annually in FY 2026 through 2030. **This bill establishes a mandated appropriation in FY 2026 through FY 2030.**

(\$ in millions)	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	3.40	3.40	3.40	3.40	3.40
Net Effect	(\$3.40)	(\$3.40)	(\$3.40)	(\$3.40)	(\$3.40)

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

Local Effect: None.

Small Business Effect: Potential meaningful.

Analysis

Current Law/Background: The State of Maryland, through the Maryland State Department of Education (MSDE), provides annual grants to nonprofit organizations through the State Aided Institutions (SAI) program to provide enriching educational programs experiences to students and teachers that cannot be replicated in the classroom.

MSDE advises that Living Classrooms currently receives SAI funding to implement programs include programming aboard historic sailing and motor vessels (Lady Maryland, Sigsbee, and Mildred Belle), and at the Masonville Cove Environmental Education Center. These funds may not be used for maintenance or capital preservation. (The other four vessels stewarded by Living Classrooms include the USS Constellation, the USS Torsk, the Lightship Chesapeake, and the USCG Cutter 37). The fiscal 2025 operating budget as introduced includes \$320,447 in SAI funding for Living Classrooms. Further, Living Classrooms was awarded an operating grant during fiscal 2024 in the amount of \$350,000 for the purpose of funding maintenance and operational costs. These operating and programmatic funds may not be used for capital preservation.

The fiscal 2024 capital budget bill (Chapter 103) includes \$500,000 for a grant to Living Classrooms for the acquisition, planning, design, construction, repair, renovation, reconstruction, site improvement, and capital equipping of infrastructure improvements for the Living Classrooms historic ships.

Small Business Effect: Small businesses that provide ship maintenance services may benefit.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Maryland State Department of Education; Department of Budget and Management; Living Classrooms Foundation, Department of Legislative Services

Fiscal Note History: First Reader - February 14, 2024
km/mcr

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