

Department of Legislative Services  
Maryland General Assembly  
2005 Session

FISCAL AND POLICY NOTE

House Bill 1515  
Appropriations

(Delegate Cane, *et al.*)

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University of Maryland - Cooperative Extension Service - Mandatory Funding

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This bill requires the Governor to include money in the annual State budget for the Maryland Cooperative Extension Service (MCE) that is at least equal to the appropriation for MCE in fiscal 2004.

The bill takes effect July 1, 2005.

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Fiscal Summary

**State Effect:** General fund expenditures could increase by an estimated \$16.6 million annually beginning in FY 2006 to fund MCE as a specific line item in the State's operating budget. The expenditures would be offset by a decrease in the State's general fund appropriation to the University of Maryland, College Park (UMCP). Revenues would not be affected.

**Local Effect:** None.

**Small Business Effect:** Minimal.

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Analysis

**Current Law:** MCE is a partnership program operated by UMCP and the University of Maryland Eastern Shore (UMES). MCE is funded from UMCP's budget.

**Background:** MCE is a "statewide, non-formal education system" within UMES and the College of Agriculture and Natural Resources at UMCP. MCE provides educational

programs and problem-solving assistance to Maryland citizens. According to the University System of Maryland, funding for MCE decreased each year from fiscal 2003 to 2005, but MCE is requesting an increase in its funding level for fiscal 2006. Annual funding for MCE from fiscal 2002 to 2006 is shown in **Exhibit 1**.

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**Exhibit 1**  
**Funding for the Maryland Cooperative Extension Service**  
**Fiscal 2002 to 2006**

	<u>Funding</u>	<u>Change</u>
Fiscal 2002	\$18,994,602	
Fiscal 2003	18,164,443	-4.4%
Fiscal 2004	16,555,702	-8.9%
Fiscal 2005	16,409,522	-0.9%
Fiscal 2006 Request	16,930,522	3.2%

Source: University System of Maryland

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**State Expenditures:** Assuming that the bill requires an appropriation for MCE that is separate from the appropriation for UMCP, general fund expenditures would increase by \$16.6 million annually beginning in fiscal 2006 to match the fiscal 2004 funding level for MCE. It is likely, however, that the increase would be offset by an equivalent decrease in the general fund appropriation for UMCP as UMCP's budget currently includes MCE. The proposed fiscal 2006 State budget includes a State appropriation of \$323.2 million for UMCP, an increase of 4.1% over the fiscal 2005 appropriation. The budget committees have added language to the State budget bill (HB150) that restricts at least \$17 million of UMCP's fiscal 2006 appropriation for MCE and states the General Assembly's intent that future operating budgets include a separate line for MCE.

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**Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** University System of Maryland, Department of Legislative Services

**Fiscal Note History:** First Reader - March 22, 2005  
mam/rhh

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