

Department of Legislative Services
Maryland General Assembly
2015 Session

FISCAL AND POLICY NOTE

House Bill 1211
Appropriations

(Delegate Korman, *et al.*)

State Budget - Board of Public Works - Notice of Reductions in Appropriations

This bill requires the Board of Public Works (BPW) to post on its website notice of a proposed reduction to an appropriation at least 72 hours before the reduction may be approved. The notice must include specified information about the nature of the proposed reduction. It also requires BPW to provide written notice of the proposed reduction to specified committees of the General Assembly at least 72 hours before it may be approved.

The bill takes effect July 1, 2015.

Fiscal Summary

State Effect: BPW can comply with the bill's requirements with existing resources. To the extent that the bill's requirements delay BPW action on proposed reductions, expenditure savings (all funds) stemming from BPW actions are affected, potentially resulting in State expenditures exceeding desired levels and requiring further reductions. The net effect cannot be reliably determined. No effect on revenues.

Local Effect: To the extent that local revenues from the State are subject to reductions by BPW, any delay in BPW action on proposed reductions resulting from the bill may reduce proposed cuts to local aid from the State.

Small Business Effect: Minimal.

Analysis

Current Law: With the approval of BPW, the Governor may reduce up to 25% of any appropriation that the Governor considers unnecessary or that is subject to budgetary

reductions required under the budget bill approved by the General Assembly. However, the Governor may not reduce an appropriation for:

- the Legislative or Judicial branches of State government;
- payment of the principal or interest on State debt;
- public schools, including the Maryland School for the Deaf;
- the Maryland School for the Blind; or
- the salary of a public officer during the term of office.

Under Maryland’s Open Meetings Act, with limited exceptions, a “public body” must (1) provide adequate notice of the time and location of meetings and (2) meet in open session in a location that is reasonably accessible to attendees. A public body is any entity that (1) consists of at least two individuals and (2) is created by the Maryland Constitution; a State statute; a county or municipal charter; a memorandum of understanding or a master agreement to which a majority of the county boards of education and the Maryland State Department of Education are signatories; an ordinance; a rule, resolution, or bylaw; or an executive order of the Governor or of the chief executive authority of a political subdivision. Exclusions from the definition of “public body” include juries, the Governor’s cabinet and Executive Council, and single-member entities.

Background: Since 2007, BPW has approved reductions to appropriations on 11 separate occasions, the most recent coming in January 2015, when it reduced general fund appropriations by \$197.8 million and special fund appropriations by \$7.5 million. BPW reductions over that time period have totaled \$1.99 billion (all funds).

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Budget and Management, Department of Legislative Services

Fiscal Note History: First Reader - March 17, 2015
mel/ljm

Analysis by: Michael C. Rubenstein

Direct Inquiries to:
(410) 946-5510
(301) 970-5510