

Department of Legislative Services
 Maryland General Assembly
 2021 Session

FISCAL AND POLICY NOTE
 Third Reader - Revised

House Bill 1053
 Appropriations

(Delegate B. Barnes)

Budget and Taxation

Operating Budget - Education Programs - Mandated Funding

This bill requires the Governor to include, in the annual budget bill for fiscal 2023, an appropriation to each grant recipient (known as State-Aided Educational Institutions, or SAIs) under Funding for Educational Organizations, Other Institutions that is equal to the greater of the funding amount that the recipient received in fiscal 2020, 2021 or 2022. In addition, the Governor must provide a total of \$150,000 under Funding for Educational Organizations, Other Institutions in the fiscal 2023 annual budget bill. **The bill takes effect July 1, 2021.**

Fiscal Summary

State Effect: General fund expenditures increase by \$1.7 million in fiscal 2023 over the fiscal 2022 allowance. **This bill establishes a mandated appropriation for FY 2023.**

(in dollars)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	0	1,712,700	0	0	0
Net Effect	\$0	(\$1,712,700)	\$0	\$0	\$0

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

Local Effect: None. Local governments do not receive grants through the Funding for Educational Organizations budget item.

Small Business Effect: None. Grant recipients are not for-profit institutions.

Analysis

Current Law: The State of Maryland, through the Maryland State Department of Education (MSDE), provides annual grants to nonprofit organizations (SAIs) to provide enriching educational programs experiences to students and teachers, which cannot be replicated in the classroom. Funding of SAIs is not mandated.

State law establishes the following annual process for qualifying SAIs and assessing their merit with respect to specified goals. The timing of each step in the process is specified. To qualify as an SAI, an educational institution must submit specified documentation, including a request for funding, to MSDE. MSDE must review applications for qualification as an SAI and must submit a list of the qualified institutions to the State Superintendent of Schools. The State Superintendent must review and comment on the institutions on the list and the extent and manner in which each would forward the goals of the Maryland Schools for Success Program and the Maryland School Performance Program and present the list and comments of qualified institutions and comments on each institution to the State Board, for review and comment by the board. The State Board of Education must submit to the Governor the list of qualified institutions; the Superintendent's comments on each institution; and the State Board's comments, if any, on each institution.

State Expenditures: As shown in **Exhibit 1**, the bill provides minimum funding for 57 SAIs that receive funding in at least one year during the fiscal 2020 through 2022 period. The Governor's allowance for fiscal 2022 provides 10% less than prior year funding for each of the 56 SAIs, resulting in a statewide total of \$4.9 million. Thus, the bill provides the equivalent of the greater funding amount for each grant recipient in fiscal 2020 or fiscal 2021 for those 56 organizations. One organization, the Chesapeake Bay Foundation, received \$437,700 in fiscal 2020 but has not been funded since. Though the National Museum of Ceramic Art and Glass received funding in fiscal 2020, this analysis assumes no fiscal 2023 funding because the museum is no longer in operation.

Assuming no change in the fiscal 2022 allowance, mandated statewide funding in fiscal 2023 under the bill is nearly \$6.5 million plus \$150,000, or \$6.6 million. This represents a \$1.7 million increase over the fiscal 2022 allowance for SAIs.

Exhibit 1
Funding for State-Aided Institutions

<u>Institution</u>	<u>Appropriation Fiscal 2020</u>	<u>Appropriation Fiscal 2021</u>	<u>Allowance Fiscal 2022</u>	<u>Greater</u>	<u>Difference vs. Fiscal 2022</u>
Accokeek Foundation	\$20,978	\$18,880	\$16,992	\$20,978	\$3,986
Adventure Theater	0	18,000	16,200	18,000	1,800
Alice Ferguson Foundation	83,261	74,935	67,441	83,261	15,820
Alliance of Southern Prince George's Communities, Inc.	33,305	29,974	26,977	33,305	6,328
American Visionary Art Museum	15,776	18,000	16,200	18,000	1,800
Annapolis Maritime Museum	40,037	36,033	32,430	40,037	7,607
Audubon Naturalist Society	0	18,000	16,200	18,000	1,800
Baltimore Center Stage	0	18,000	16,200	18,000	1,800
Baltimore Museum of Art	0	18,000	16,200	18,000	1,800
Baltimore Museum of Industry	84,138	75,724	68,152	84,138	15,986
Baltimore Symphony Orchestra	66,609	59,948	53,953	66,609	12,656
B&O Railroad Museum	63,104	56,794	51,115	63,104	11,989
Best Buddies International (Maryland Program)	166,522	149,870	134,883	166,522	31,639
Calvert Marine Museum	52,446	47,201	42,481	52,446	9,965
Chesapeake Bay Environmental Center	0	18,000	16,200	18,000	1,800
Chesapeake Bay Foundation	437,341	0	0	437,341	437,341
Chesapeake Bay Maritime Museum	21,034	18,931	17,038	21,034	3,996
Chesapeake Shakespeare Company	0	18,000	16,200	18,000	1,800
Citizenship Law-Related Education	30,675	27,607	24,847	30,675	5,828
Collegebound Foundation	37,688	33,919	30,527	37,688	7,161
The Dyslexia Tutoring Program, Inc.	37,688	33,919	30,527	37,688	7,161
Echo Hill Outdoor School	56,092	50,483	45,435	56,092	10,657
Everyman Theater	52,446	47,201	42,481	52,446	9,965
Fire Museum of Maryland	10,489	18,000	16,200	18,000	1,800
Greater Baltimore Urban League	0	18,000	16,200	18,000	1,800
Historic London Town and Gardens	0	18,000	16,200	18,000	1,800
Imagination Stage	249,785	224,806	202,325	249,785	47,460
Irvine Nature Center	0	18,000	16,200	18,000	1,800
Jewish Museum of Maryland	13,146	18,000	16,200	18,000	1,800
Junior Achievement of Central Maryland	42,068	37,861	34,075	42,068	7,993
KID Museum	0	18,000	16,200	18,000	1,800
Learning Undefeated	26,223	23,601	21,241	26,223	4,982

<u>Institution</u>	<u>Appropriation Fiscal 2020</u>	<u>Appropriation Fiscal 2021</u>	<u>Allowance Fiscal 2022</u>	<u>Greater</u>	<u>Difference vs. Fiscal 2022</u>
Living Classrooms Inc.	319,023	287,122	258,409	319,023	60,614
Maryland Academy of Sciences	915,879	824,292	741,863	915,879	174,016
Maryland Historical Society	125,329	112,797	101,516	125,329	23,813
Maryland Humanities Council	43,821	39,439	35,495	43,821	8,326
Maryland Leadership	45,575	41,017	36,915	45,575	8,660
Maryland Zoo in Baltimore Math, Engineering and Science Achievement	851,900	766,711	690,039	851,900	161,861
National Aquarium in Baltimore	497,817	448,036	403,232	497,817	94,585
National Great Blacks in Wax Museum	42,068	37,861	34,075	42,068	7,993
Northbay	500,000	450,000	405,000	500,000	95,000
Olney Theatre	146,365	131,729	118,556	146,365	27,809
Outward Bound	133,219	119,897	107,908	133,219	25,311
Port Discovery	116,566	104,909	94,418	116,566	22,148
Round House Theater	0	23,601	21,241	23,601	2,360
Reginald F. Lewis Museum	26,223	18,000	16,200	26,223	10,023
Salisbury Zoological Park	18,404	18,000	16,200	18,404	2,204
Sotterly Foundation	13,146	18,000	16,200	18,000	1,800
South Baltimore Learning Center	42,068	37,861	34,075	42,068	7,993
State Mentoring Resource Center	79,755	71,779	64,601	79,755	15,154
Sultana Projects	21,034	18,931	17,038	21,034	3,996
SuperKids Camp	410,172	369,156	332,239	410,172	77,933
Village Learning Place	45,575	41,017	36,915	45,575	8,660
Walters Art Museum	16,652	18,000	16,200	18,000	1,800
Ward Museum	35,058	31,552	28,398	35,058	6,660
Young Audiences of Maryland	89,158	80,242	72,218	89,158	16,940
Total	\$6,255,412	\$5,463,415	\$4,917,071	\$6,479,804	\$1,562,733

* Funded in fiscal 2020 under its former name, MdBioLab Foundation, Inc.

Source: Governor's Fiscal 2022 Budget Books; Department of Legislative Services

Additional Information

Prior Introductions: None.

Designated Cross File: SB 882 (Senator Guzzone) - Budget and Taxation.

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

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