

Department of Legislative Services
 Maryland General Assembly
 2024 Session

FISCAL AND POLICY NOTE
 First Reader

House Bill 348 (Delegate Smith)
 Appropriations

University of Baltimore - Schaefer Center for Public Policy - Funding

This bill requires the Governor, beginning in fiscal 2025, to include in the annual budget bill an appropriation of \$1.9 million to the Schaefer Center for Public Policy at the University of Baltimore (UBalt). **The bill takes effect July 1, 2024.**

Fiscal Summary

State Effect: Beginning in FY 2025, general fund expenditures increase by \$1.5 million annually. University System of Maryland higher education revenues and expenditures increase correspondingly. This reflects replacing \$400,000 in existing State funding with the funding required by the bill, as explained below. **This bill establishes a mandated appropriation beginning in FY 2026.**

(\$ in millions)	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Higher Ed Rev.	\$1.5	\$1.5	\$1.5	\$1.5	\$1.5
GF Expenditure	\$1.5	\$1.5	\$1.5	\$1.5	\$1.5
Higher Ed Exp.	\$1.5	\$1.5	\$1.5	\$1.5	\$1.5
Net Effect	(\$1.5)	(\$1.5)	(\$1.5)	(\$1.5)	(\$1.5)

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

Local Effect: Local agencies may benefit from additional support for public-sector management training and placement of interns.

Small Business Effect: None.

Analysis

Current Law: The Schaefer Center for Public Policy does not receive regular dedicated State funding in statute; however, fiscal 2023 and 2024 center operations were funded through a combination of general fund and supplemental appropriations.

State Fiscal Effect: UBalt advises that \$400,000 in presumed existing State general funds for fiscal 2025 is intended to be replaced by the \$1.9 million in general funds required by the bill. If so, general fund expenditures increase by a net of \$1.5 million in fiscal 2025, with corresponding increases in UBalt higher education revenues and expenditures.

The center received a \$400,000 general fund appropriation in fiscal 2023 and 2024, along with additional State funds that are not anticipated in fiscal 2025. Hence, this estimate assumes that, absent the bill, the center would have obtained \$400,000 in State general funds in fiscal 2025 and beyond. The additional funding for fiscal 2025 is discretionary, however. Further, to the extent that \$400,000 in State funding would not have been provided, general fund expenditures increase up to \$1.9 million to meet the mandated amount beginning in fiscal 2026. Likewise, to the extent that more than \$400,000 in State funding would have been provided, general fund expenditures are less. As noted above, UBalt higher education revenues and expenditures increase correspondingly.

According to the center, the funding is to support staff salaries and benefits (for instructors, faculty researchers, fellows, graduate and doctoral students, and NextGen assistant interns), operating expenses, travel and training expenses, contractual services (*e.g.*, administrative software, advertising, and association dues), and equipment. To the extent that such funding results in additional support for public-sector management training and placement of more interns, other State agencies may benefit. For example, the center advises that, from December 2022 through December 2023, the program placed 125 students in paid internships in 64 positions at 44 host sites – which included State, county, and municipal government agencies as well as nonprofit organizations.

Additional Information

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

Designated Cross File: SB 101 (Senator McCray) - Budget and Taxation.

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

Fiscal Note History: First Reader - January 17, 2024
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