
Fiscal Briefing

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The Governor's Fiscal 2023 Plan

Quick Look at Fiscal 2023 Budget

Budget Growth Fiscal 2022-2023 (\$ in Millions)

	<u>2022 Plan</u>	<u>2023 Plan</u>	<u>\$ Change</u>	<u>% Change</u>
All Funds	\$61,626	\$58,048	-\$3,578	-5.8%
General Funds	21,126	25,746	4,620	21.9%
Special Funds*	15,139	14,707	-432	-2.9%
Federal Funds	25,361	17,595	-7,766	-30.6%

*Includes higher education funds.

- The Governor's spending plan leaves a closing balance of \$3.7 billion at the end of fiscal 2022 and \$584 million at the end of fiscal 2023.
- The Rainy Day Fund ends fiscal 2023 with a record balance of \$3.6 billion (15.9% of general fund revenues). Combined cash balances at the close of fiscal 2023 of \$4.2 billion represent about 18.5% of general fund revenues.
- Backfilling for the loss of temporary enhanced federal Medicaid matching funds and a mandated \$2.4 billion appropriation to the Rainy Day Fund are significant contributors to the extraordinary 21.9% general fund growth. Removing appropriations to the Rainy Day Fund from the calculation produces general fund growth of 13.3%.
- Overall spending declines in fiscal 2023 as temporary federal aid from the Coronavirus Aid, Relief, and Economic Security Act, the Consolidated Appropriations Act of 2021; and the American Rescue Plan Act dissipate. Federal funds for entitlement programs also fall as enhanced Medicaid matching funds sunset, benefit enhancements for the Supplemental Nutrition Assistance Program expire, and the economy recovers. **No funds from the Infrastructure Investment and Jobs Act are included in the budget. The Act is expected to provide the State with more than \$2.8 billion of new funding over five years.**
- The Administration's plan proposes tax and fee relief expected to reduce general fund revenues by \$224 million in fiscal 2023 and \$942 million by fiscal 2027:
 - Beginning in fiscal 2023, the Governor proposes phasing out the income tax on retirement income.
 - Beginning in fiscal 2023, the Governor proposes eliminating business filing fees for online filers.

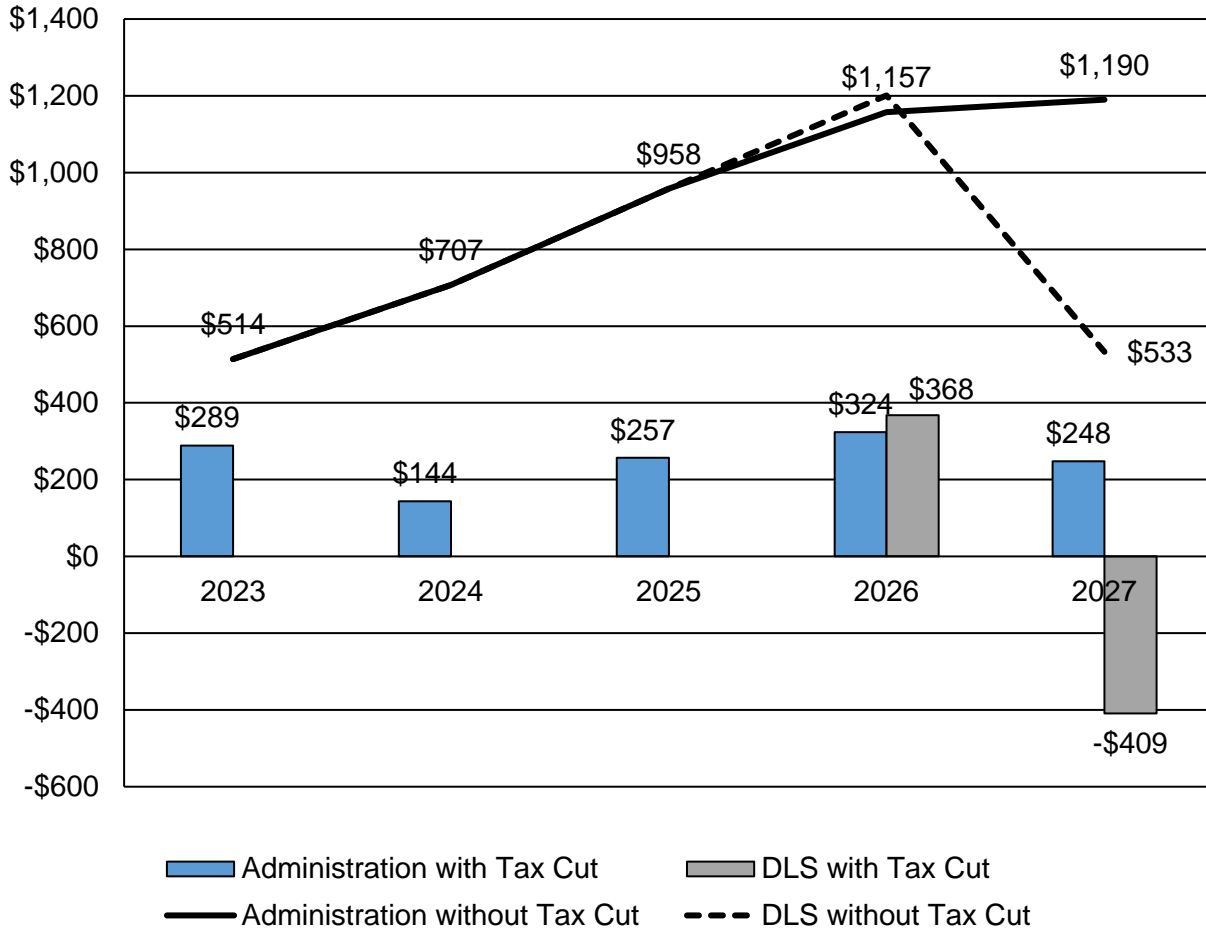
- The Governor also proposes removing the sunset on temporary enhancements to the Earned Income Tax Credit (EITC) enacted at the 2021 session for tax years 2020 through 2022. The Governor’s plan does not, however, extend the temporary expansion of eligibility for EITC to taxpayers who lack a valid Social Security number at the time of filing, which has an estimated annual cost of \$67 million.

General Fund Impact of Administration Tax Relief Proposals
Fiscal 2023 and 2027
(\$ in Millions)

	<u>2023</u>	<u>2027</u>
Phase Out Income Tax on Retirement Income	-\$188.0	-\$730.0
No Business Filing Fees for Online Filers	-36.0	-48.0
Extend Earned Income Tax Credit Enhancements		-164.0
Total Revenue Loss	-\$224.0	-\$942.0

- The Administration’s budget forecast projects that the State will close each of the next five years with a structural surplus even after accounting for the proposed revenue reductions.
- The Department of Legislative Services (DLS) finds K-12 education costs required under current law will exceed the level forecast by the Administration. Adjusting the Administration forecast to reflect DLS estimates of education aid results in a structural budget deficit in fiscal 2027 after accounting for the proposed revenue reductions. The Administration has rebuffed requests to share the assumptions underlying its K-12 education forecast.
- The structural gap forecast for fiscal 2027 will likely worsen in fiscal 2028 when the tax relief proposals are fully phased in and the Blueprint Fund requires a larger general fund supplement than projected in fiscal 2027. DLS will develop a fiscal 2028 forecast in the coming weeks.

Structural Budget Outlook Fiscal 2023-2027 (\$ in Millions)



DLS: Department of Legislative Services

How Did the Governor Allocate the Fiscal 2022 Surplus?

- The State entered the 2022 session with a \$4.0 billion general fund surplus for fiscal 2022 due primarily to fiscal 2021 revenue collections exceeding the estimate by almost \$1.8 billion and revised fiscal 2022 revenue estimates surpassing the estimate from the close of the 2021 legislative session by \$1.5 billion.
- The Governor’s budget proposes spending about \$1.2 billion of the surplus with the remaining \$2.7 billion saved for the future.

How Was the Fiscal 2022 Surplus Allocated? (\$ in Millions)

Available Fiscal 2022 Surplus Prior to Budget Submission	\$3,961
 Proposed Uses	
Rainy Day Fund – Balance to 15.9%	\$2,416
General Fund Balance	315
Net Fiscal 2022 Spending Adjustments	229
Employee Compensation (\$195)	
Cybersecurity (\$100)	
Child Care Providers (\$50)	
Health Insurance Deficit (\$80)	
Net Other Including Fund Swaps to Federal Funds (-\$197)	
One-time Operating Spending in Fiscal 2023	91
Unfunded Liabilities (\$50)	
Program Open Space Repayment (\$31)	
Food Banks (\$10)	
PAYGO in Fiscal 2023	910
 Total Proposed Uses Over Fiscal 2022 and 2023	 \$3,961

Other Key Features

- K-12 education funding increases by \$260.2 million (3.5%). No funding is provided for the Education Effort Adjustment component of Kirwan, which was to provide funds to Baltimore City and Prince George’s County in fiscal 2023.

- Rates for most health care providers, including those serving Medicaid enrollees, the developmentally disabled, and people with behavioral health needs, increase by 3.25% to 4.00% depending on the provider type. The budget also funds evaluation and management fees for physicians at 100% of the Medicare rate rather than the traditional 93%.

- Funding for crime prevention and victim services increases by \$100 million in fiscal 2023. This provides enhanced funding for police aid (\$48 million), victim service providers (\$23 million), justice reinvestment grants (\$8 million), police accountability resources (\$8 million), violence intervention programs (\$5 million), rape kit testing (\$3 million), and protection against hate crime (\$2 million).

- The budget allocates \$60 million of new State resources to assisting child care providers and supporting the child care scholarship program.

- \$110 million is provided to evaluate and address cybersecurity issues in State government.

- Tuition for in-state students at the University System of Maryland grows 2.0%, while State operating support of the System increases by \$299 million (19.1%). Operating aid for Morgan State University rises \$33 million (28.2%), while funding for St. Mary's College increases by \$1.8 million (5.8%).
- Community College formula aid increases by \$59.4 million (19%), and aid to nonpublic higher education institutions rises by \$29.8 million (34%). Funding for Educational Excellence scholarships increases by \$14.9 million (17%).
- The allowance includes \$832 million for enhancements to employee compensation including cost-of-living adjustments (COLA) in fiscal 2022 and 2023, bonuses for certain employees, and salary increments in fiscal 2022 and 2023. Precise salary adjustments vary by bargaining unit, but most State employees will receive a \$1,500 bonus, a 1% COLA, and a salary increment (valued at about 2% of salary) in fiscal 2022 and a 3% COLA and an increment (valued at about 2% of salary) in fiscal 2023.
- Capital spending from general obligation (GO) bonds is funded at \$1,165 million, \$265 million higher than recommended by the Capital Debt Affordability Committee and conditionally recommended by the Spending Affordability Committee (SAC). Another \$39 million of GO capacity is created through deauthorizations of previously approved projects. The GO authorizations are supplemented by \$210 million of bond premium revenue and \$922 million of general fund PAYGO.
- \$50 million of GO bonds are reserved for legislative priorities, and \$51 million of legislative prior authorizations from the 2021 session are funded.
- The budget dedicates \$520 million of GO bonds and cash to school facility needs which, when coupled with \$480 million of Built to Learn revenue bonds, brings the total funding for school facilities to \$1.0 billion.
- The budget includes \$286 million of GO bonds and cash (general and special funds) for facilities renewal and critical maintenance, including \$38 million for parks and \$112 million for State facilities, and \$136 million for higher education institutions including community colleges.

Potential Legislative Issues

- Consideration of the Governor's tax relief proposals.
- The appropriate level of cash reserves to maintain. The Governor's Rainy Day Fund balance far exceeds the SAC target of 9% of general fund revenues.
- Developing clear criteria for withdrawing funds from the Rainy Day Fund.

- Underfunding of Kirwan. The allowance does not fund the Education Effort Adjustment component of Kirwan that was expected to provide about \$125.5 million in grants to Baltimore City (\$99.0 million) and Prince George's County (\$26.5 million) in fiscal 2023. The Governor also failed to include \$14.2 million in the budget for eight other Blueprint Programs.

**Unfunded Blueprint Programs
(\$ in Millions)**

<u>Program</u>	<u>Amount</u>
Effort Adjustment	\$125.5
Blueprint Training for Leaders and Teachers	7.2
State Model Curriculum and Instructional Materials	2.7
Expert Review Teams	1.3
National Board Certification Support	1.0
Career and Technical Education Committee and Skills Board	0.8
Behavioral Health Training	0.7
College and Career Readiness Equating Study	0.5
Total	\$139.7

- How to spend new federal infrastructure funding. The allowance does not contain any of the federal funding from the Infrastructure Investment and Jobs Act, which is expected to send over \$3 billion of enhanced funding to the State over the next five years.
- Capital funding for legislative priorities. The Governor's budget reserves \$50 million of GO bonds for allocation by the General Assembly, far short of the Spending Affordability target of \$300 million.
- Long-term sustainability of the Blueprint Fund. DLS projects that the Blueprint Fund can fully support implementation of the Kirwan education enhancements through fiscal 2025. Beginning in fiscal 2026, a general fund supplement may prove necessary.
- How to repurpose unanticipated savings of more than \$100 million from the recent 90-day federal extension of the national health emergency declaration. The extension allows the State to claim an additional three months of enhanced Medicaid matching funds.
- State hiring and retention. Filling positions continues to pose a significant challenge for the State. The salary increases and bonuses included in the budget should help improve State hiring, but it remains to be seen if they are adequate to increase the attractiveness of State employment. The General Assembly may wish to consider additional creative strategies for addressing the State's hiring and retention challenges.

Economic and Revenue Outlook

Maryland Economy – Calendar 2021

<u>Month</u>	<u>Employment</u>		<u>Unemployment Rate</u>	<u>Quarterly Wages</u>		<u>Housing Market</u>	
	<u>Percent Change Over 2020</u>	<u>Difference Over Jan. 2020</u>		<u>Nominal Over 2020</u>	<u>Inflation Adjusted Over 2020</u>	<u>Existing Home Sales Over 2020</u>	<u>Median Home Price Over 2020</u>
January	-6.0%	-165,900	6.4%			14.2%	12.4%
February	-5.9%	-164,700	6.2%			12.3%	10.2%
March	-4.4%	-151,900	6.2%	5.6%	3.7%	11.4%	8.7%
April	10.7%	-146,100	6.2%			27.1%	10.8%
May	9.6%	-139,000	6.1%			46.1%	14.9%
June	7.4%	-141,200	6.2%	10.9%	5.8%	24.2%	13.6%
July	5.2%	-121,800	6.0%			-3.2%	12.1%
August	4.9%	-111,300	6.0%			2.9%	10.3%
September	4.3%	-106,700	5.8%	8.8%	3.4%	-4.4%	8.2%
October	3.9%	-93,200	5.6%			-10.4%	7.2%
November	3.5%	-84,800	5.4%			-3.0%	4.5%
<i>Year to Date</i>	2.7%	<i>n.a.</i>	6.0%	8.4%	4.2%	8.5%	10.2%

U.S. CPI Forecast: Year-over-year Percent Change

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Moody's Analytics	1.8%	1.2%	4.7%	4.8%	2.1%	2.3%	2.3%
IHS Markit	1.8%	1.2%	4.7%	4.2%	2.2%	2.1%	2.2%

Note: Employment and the unemployment rate based on seasonally adjusted data. Data on home sales and the median home price from the Maryland Association of Realtors

General Fund Revenue Forecast (\$ in Millions)

	Fiscal 2022				Fiscal 2023			
	Sep 2021	Dec 2021	Difference	Percent Change	Sep 2021	Dec 2021	Difference	Percent Change
				vs. Fiscal 2021				vs. Fiscal 2022
Personal Income Tax ⁽¹⁾	\$11,797	\$12,058	\$261	3.0%	\$12,634	\$12,915	\$281	7.1%
Corporate Income Tax	1,446	1,389	-56	-5.0%	1,556	1,527	-29	9.9%
Sales and Use Tax	5,283	5,510	226	10.5%	5,520	5,743	223	4.2%
State Lottery	641	649	8	2.7%	651	665	13	2.5%
Other	2,009	2,066	56	22.5%	1,985	2,040	55	-1.2%
Ongoing General Funds ⁽²⁾	\$21,176	\$21,672	\$495	5.9%	\$22,346	\$22,889	\$543	5.6%
Volatility Adjustment	-80	-80	0	n.a.	-100	-100	0	25.0%
Total General Funds	\$21,096	\$21,592	\$495	3.7%	\$22,246	\$22,789	\$543	5.5%
Selected Special Funds for Education								
Sales Tax	\$671	\$612	-\$59	44.5%	\$611	\$589	-\$22	-3.7%
Sports Betting	n.a.	13	n.a.	n.a.	n.a.	26	n.a.	n.a.
Casinos	561	588	27	10.6%	571	598	27	1.8%
<i>Sales Tax – Blueprint Fund</i>								
<i>Baseline Transfer</i>	<i>\$583</i>	<i>\$563</i>	<i>-\$21</i>					
<i>Catch Up for Underdistribution in Fiscal 2021</i>	<i>88</i>	<i>49</i>	<i>-38</i>					
<i>Total Fiscal 2022 transfer</i>	<i>\$671</i>	<i>\$612</i>	<i>-\$59</i>					

⁽¹⁾ The December estimate reflects an extra distribution of \$50 million in fiscal 2022 to the Local Income Tax Reserve Account. The annual financial analysis of the account showed it to be underfunded by \$816.5 million at the end of fiscal 2021 and by \$77.9 million net of canceled repayments for prior transfers.

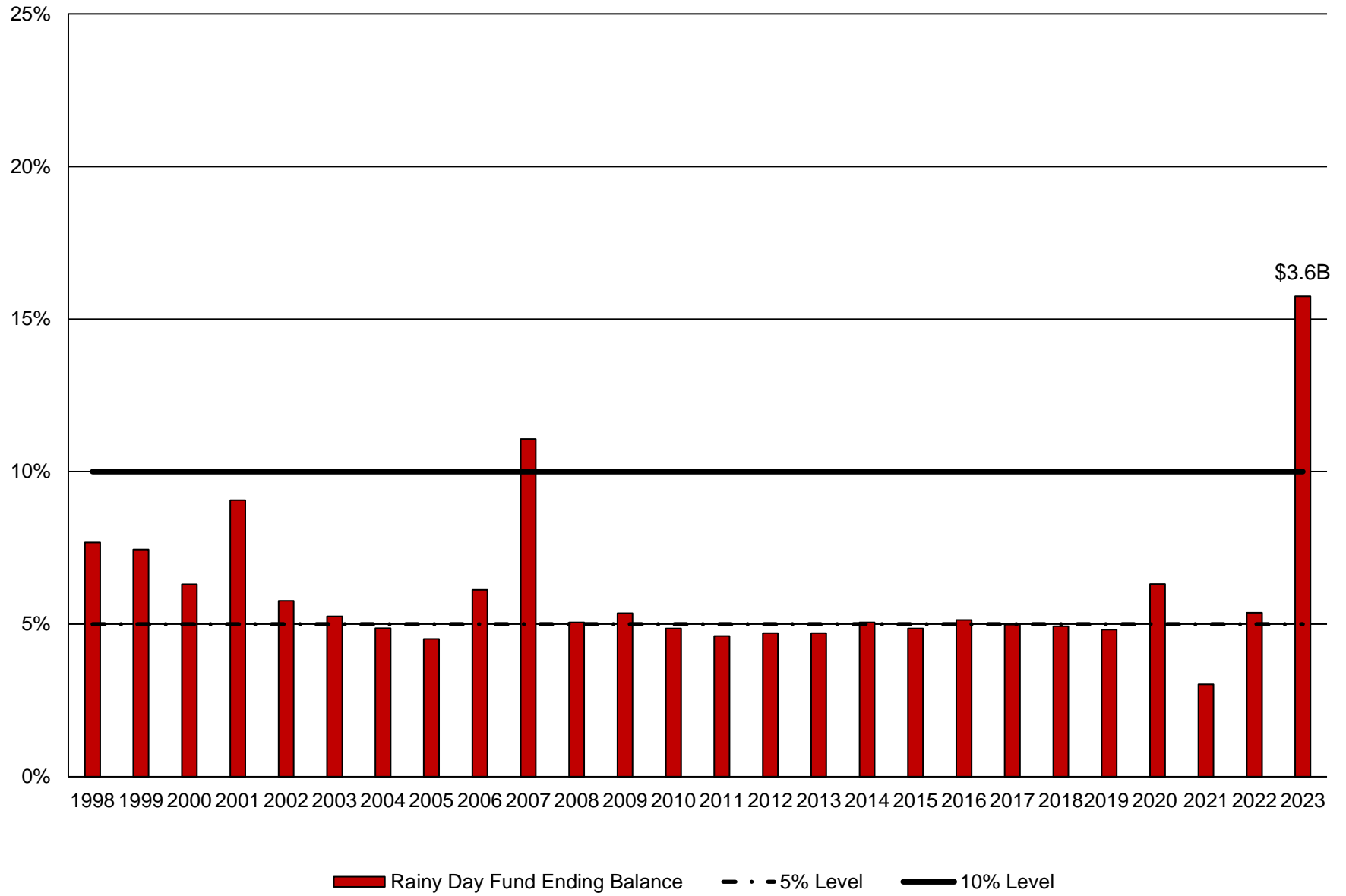
⁽²⁾ The Budget Reconciliation and Financing Act of 2020 (Chapter 538) eliminated the Rate Stabilization Fund beginning in fiscal 2022. The insurance premiums tax revenue that was distributed to the fund will be directed to the General Fund. Adjusted for this law change, general fund revenue growth in fiscal 2022 would be about 4.4% over fiscal 2021.

Operating Budget

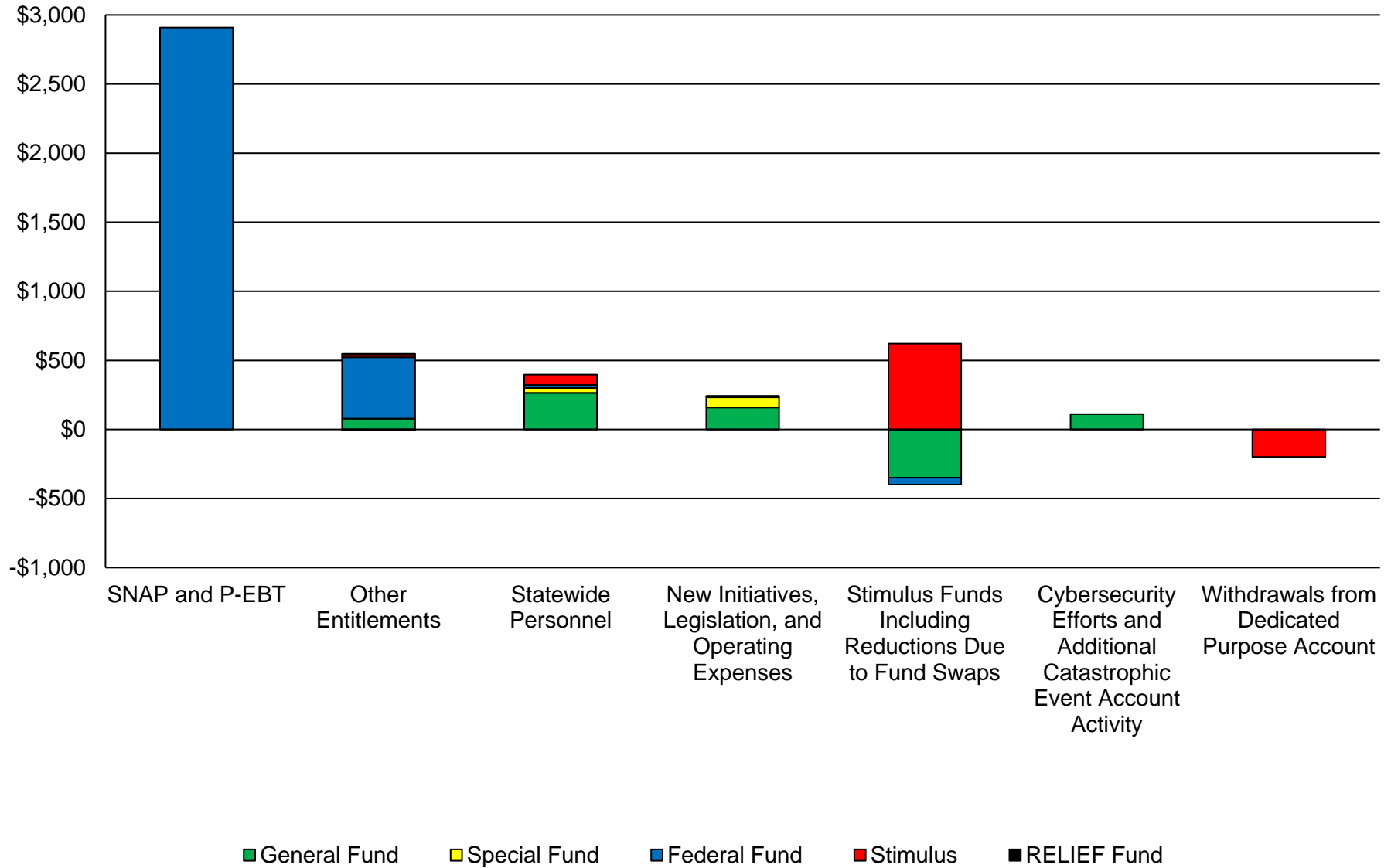
General Fund: End-of-year Balances
Fiscal 2021-2023
(\$ in Millions)

	<u>2021</u> <u>Actual</u>	<u>2022</u> <u>Working</u>	<u>2023</u> <u>Allowance</u>
Funds Available			
Total Funds Available	\$22,035	\$24,850	\$26,330
Total Spending	18,796	21,126	25,746
Cash Balance/(Shortfall)	\$3,239	\$3,724	\$584
Structural Balance (Ongoing Revenues Less Ongoing Spending)	\$1,795	\$1,226	\$289
Ratio (Ongoing Revenues/Ongoing Operating Costs)	109.5%	106.0%	101.3%
Estimated Rainy Day Fund Balance – June 30	\$631	\$1,160	\$3,588
Available Cash Balance (General Funds + Rainy Day Fund Above 5%)	\$2,829	\$3,829	\$3,059

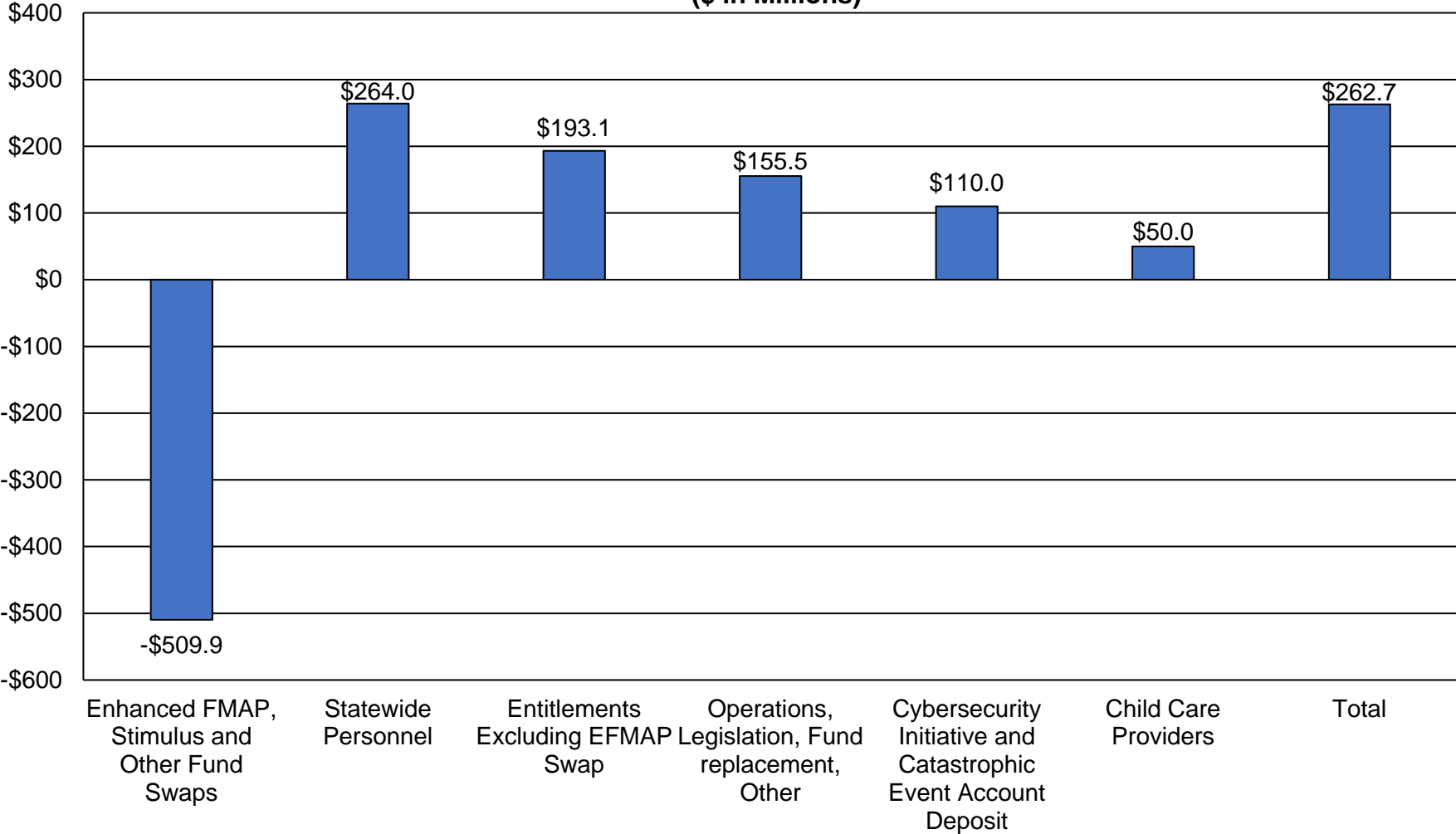
Rainy Day Fund Balance as a Percent of General Fund Revenues Fiscal 1998-2023



**Fiscal 2022 Deficiencies, Net of Contingent Reductions,
Total \$4.2 Billion
(\$in Millions)**

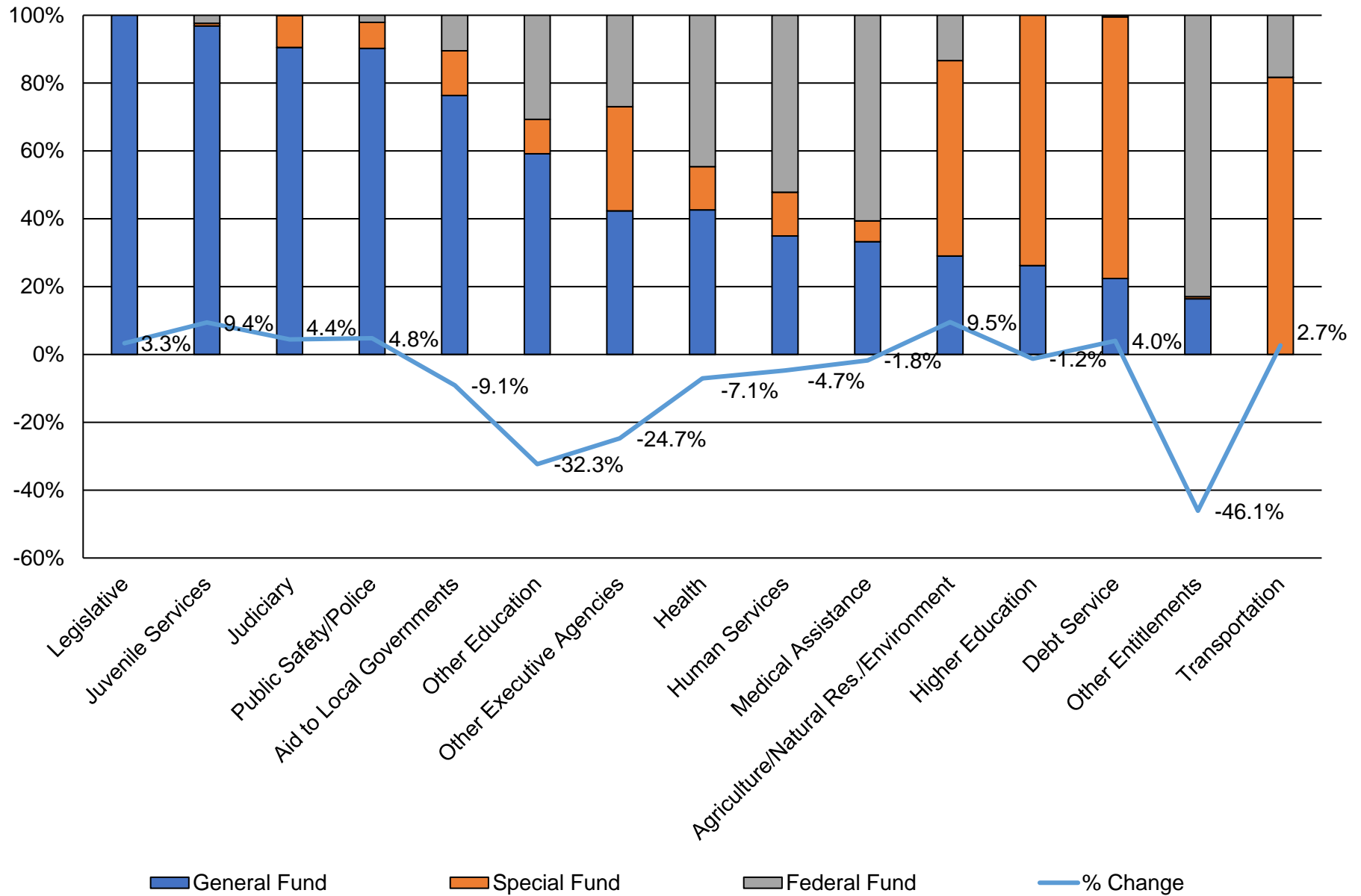


**General Fund Deficiencies, Net of Contingent
Reductions, Total \$262.7 Million
(\$ in Millions)**

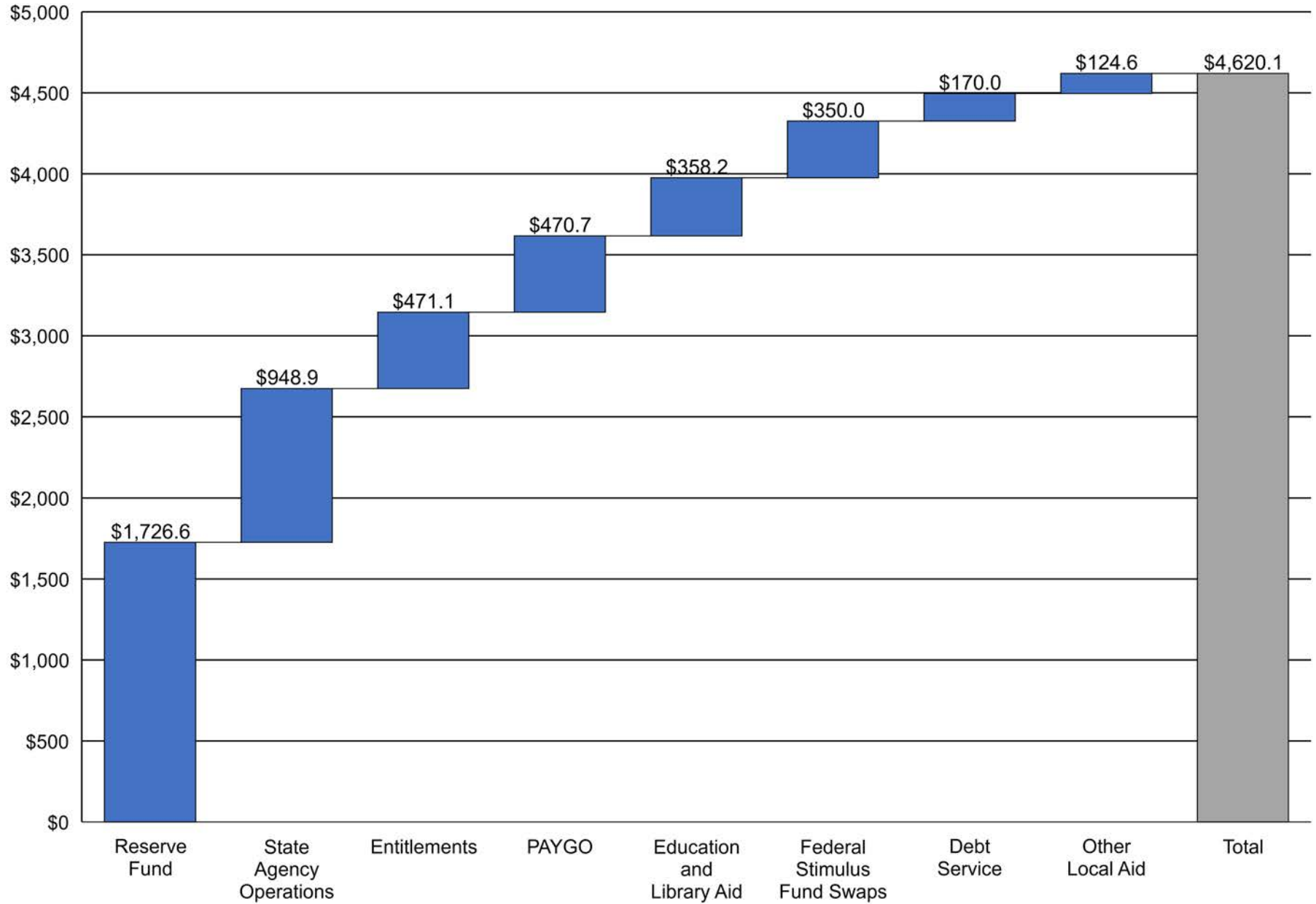


FMAP: Federal Medical Assistance Program
EFMAP: Enhanced Federal Medical Assistance Program

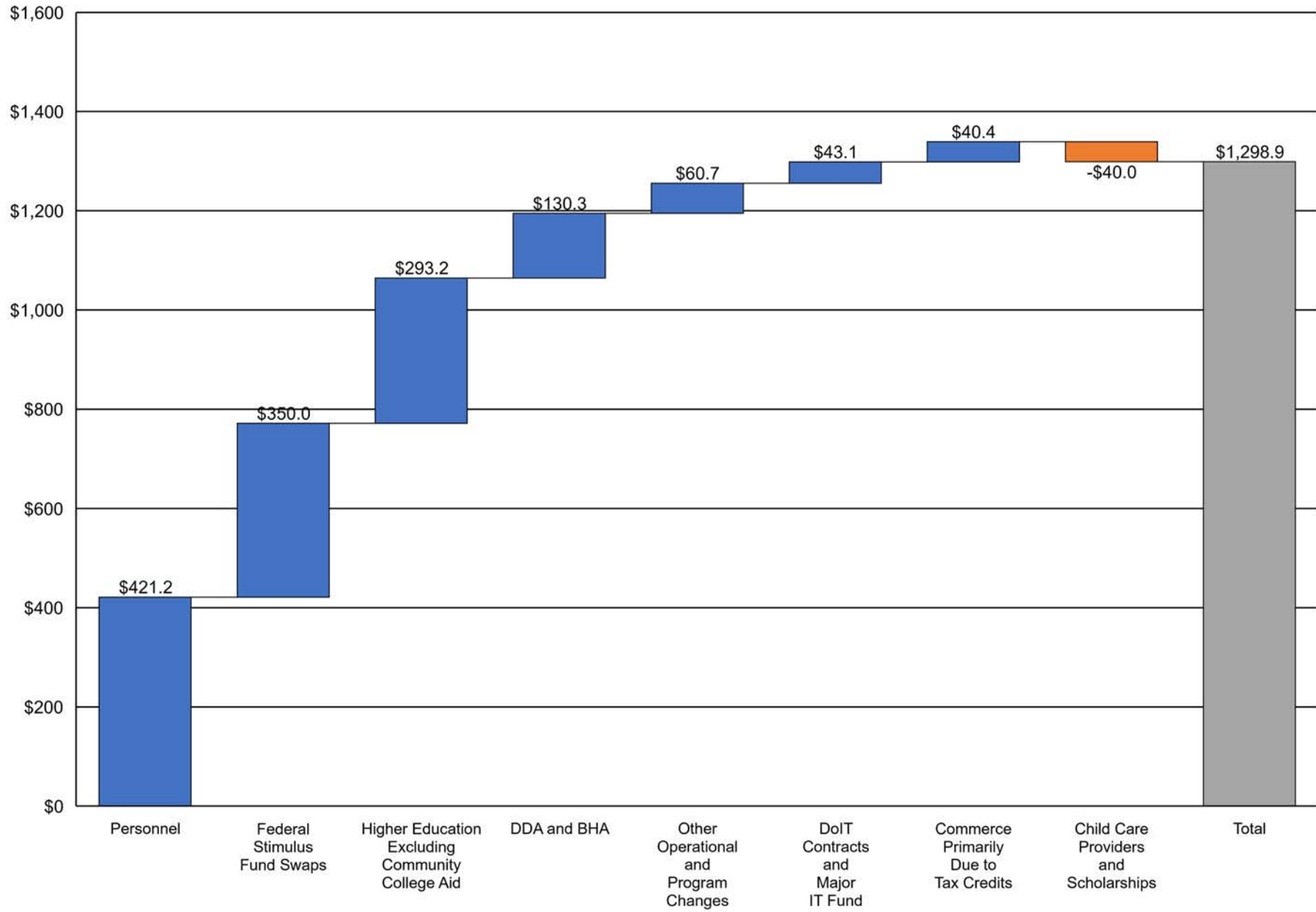
Fiscal 2023 Operating Budget by Fund Type and Fiscal 2022 to 2023 Growth Percentage



Fiscal 2023 General Fund Growth Totals \$4.6 Billion



General Fund Increase for State Agencies Totals \$1.3 Billion



**General Fund Spending: Allowance Compared to Baseline
(\$ in Millions)**

	<u>Total Difference</u>
PAYGO	\$824,000
Employee Compensation (Fiscal 2022 and 2023)	510,930
Medicaid Costs	204,952
Statewide Cybersecurity Assessment	110,000
State's Public Higher Education Institutions	78,480
Debt Service (Primarily Fund Swap)	76,000
Child Care	60,000
State Aid for Police Protection	47,173
Community College Aid	45,732
DHS Assistance Payments – Fund Swap	41,200
DPSCS – Overtime/Reclasses/Turnover Relief	37,453
Core Public Health Grants	33,213
DDA Community Services	32,925
Reclass for Staff at State Hospitals	31,331
Sellinger Formula	17,501
Local Law Enforcement Grants	15,897
Educational Excellence Awards	13,167
Tobacco Prevention/Enforcement and Other Public Health	12,989
DPSCS – Equipment	12,009
Health Information Exchange (CRISP)	10,213
Food Banks	10,000
Residential Tenants Access to Counsel	-14,000
Education Aid Formulas	-285,581
Net Other Changes	63,386
Total	\$1,988,970

CRISP: Chesapeake Regional Information System for Our Patients

DDA: Maryland Developmental Disabilities Administration

DHS: Department of Human Services

DPSCS: Department of Public Safety and Correctional Services

PAYGO: pay-as-you-go

Public Safety Enhancements

Administration's ReFund the Police Initiative (\$ in Millions)

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>Total</u>
Police Aid		\$45	\$46	\$47	\$138
Salary Enhancements		35	63	93	191
Police Scholarships		10	10	10	30
Police Accountability Resources		8	8	8	24
Sheriffs Association grants		0	0	0	1
Neighborhood Safety grants	\$10	0	10	10	30
Law Enforcement capital		21	18	13	51
Victim Services and VOCA Providers	20	6	6	6	37
Total	\$30	\$125	\$162	\$187	\$503

VOCA: Victims of Crime Act

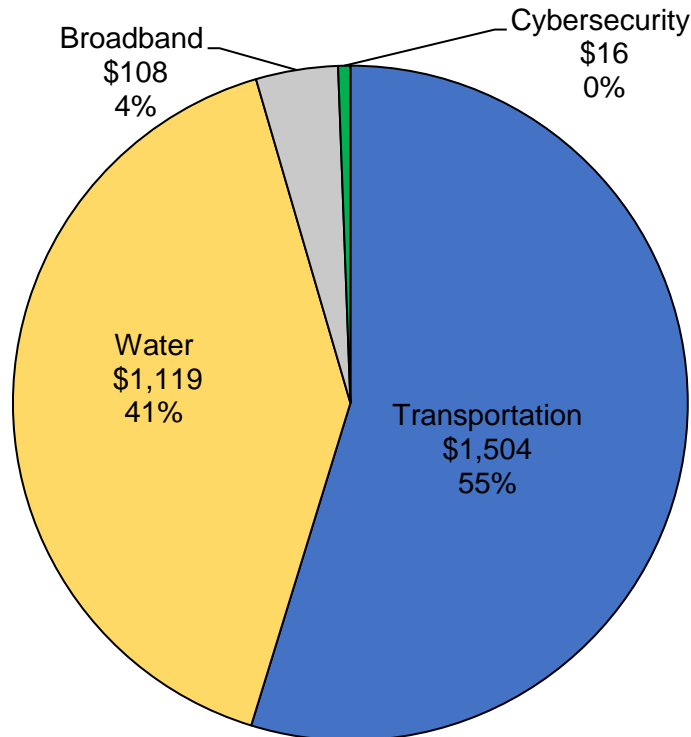
- Police scholarships and accountability resources funding fulfills requirements of the Maryland Police Accountability Act of 2021 (Chapter 59)
- Funding for victim services and the Victims of Crime Act providers includes \$19.8 million in federal funds and provides general fund enhancements for the following programs:
 - Address Confidentiality
 - Regional Navigators
 - Sexual Assault Unit
 - Crisis Intervention
 - Community Service Coordinators
 - New Futures Bridge Subsidy
- Public safety enhancements not captured in the Initiative provide increases for Justice Reinvestment (\$8 million), Violence Intervention (\$5 million), Rape Kit Testing (\$3 million), and Protection Against Hate Crimes (\$2 million).

Infrastructure Investment and Jobs Act Expected to Provide More Than \$8 Billion Over the Next Five Years
(\$ in Millions)

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>Five-year Total</u>
Transportation	\$1,158	\$1,181	\$1,206	\$1,230	\$1,257	\$6,889
Water	202	219	227	235	235	1,119
Energy	54	0	0	0	0	54
Broadband	22	22	22	22	22	108
Cybersecurity	3	6	5	2	0	16
Disaster Mitigation	2	2	2	2	2	8
Total	\$1,393	\$1,382	\$1,414	\$1,443	\$1,467	\$8,193

Note: Funding for water infrastructure includes \$238 million for the Chesapeake Bay, all of which may not be allocated to Maryland. Five-year total funding may not equal sum of individual years, as available information may indicate a total amount anticipated for award without specifying the year in which it will be appropriated.

Estimated New or Enhanced Funding Accounts for \$2.8 Billion, Or 35%, of Five-year Total Funding
(\$ in Millions)



Personnel

Analysis of Vacancies and Turnover Rate
Fiscal 2023 Allowance Compared to January 2022 Vacancies

<u>Department/Service Area</u>	<u>Positions</u>	<u>Budgeted Turnover Rate</u>	<u>Vacancies to Meet Turnover</u>	<u>January Vacancies</u>	<u>Vacancies Above/Below Turnover</u>	<u>Actual Vacancy Rate</u>
Public Safety, Health and Human Services						
Public Safety and Correctional Services	9,229	10.0%	923	1,305	382	14.1%
Health	6,373	8.2%	520	825	305	12.9%
Human Services	5,991	6.9%	412	882	470	14.7%
Police and Fire Marshal	2,506	7.0%	175	327	152	13.1%
Juvenile Services	1,996	5.0%	100	254	154	12.7%
Subtotal	26,094	8.1%	2,130	3,593	1,463	13.8%
Transportation	9,058	5.1%	465	904	439	10.0%
Other Executive						
Legal (Excluding Judiciary)	1,493	6.2%	93	182	89	12.2%
Executive and Administrative Control	1,603	4.1%	66	182	116	11.4%
Financial and Revenue Administration	2,115	5.0%	106	262	156	12.4%
Budget and Management and DoIT	505	4.9%	25	63	38	12.4%
Retirement	188	4.6%	9	23	14	12.2%
General Services	656	5.2%	34	69	35	10.4%
Natural Resources	1,353	4.1%	56	175	119	12.9%
Agriculture	412	6.8%	28	64	35	15.4%
Labor	1,355	7.9%	107	129	22	9.5%
MSDE and Other Education	2,004	4.5%	89	309	220	15.4%
Housing and Community Development	333	5.0%	17	20	3	6.0%
Commerce	188	5.0%	9	21	12	11.2%
Environment	880	6.1%	53	85	31	9.6%
Subtotal	13,086	5.3%	693	1,581	889	12.1%
Executive Branch	48,238	6.7%	3,288	6,079	2,791	12.6%

DoIT: Department of Information Technology
MSDE: Maryland State Department of Education

Source: Department of Budget and Management; Department of Legislative Services

Salary Actions in Governor's Allowance

Fiscal 2022 total cost: \$242.4 million

Fiscal 2023 total cost: \$590.1 million

<u>Bargaining Unit</u>	<u>Salary Action</u>
AFSCME	Jan. 1 2022 \$1,000 Bonus Jan. 1 2022 2% COLA and Increment July 1 2022 3% COLA and Increment
AFT-Healthcare, MPEC, nonrepresented	Jan. 1 2022 \$1,500 Bonus Jan. 1 2022 1% COLA and Increment July 1 2022 3% COLA and Increment
SLEOLA	July 1 2022 7% COLA and Increment

AFT: American Federation of Teachers

AFSCME: American Federation of State, County and Municipal Employees

COLA: cost-of-living-adjustment

MPEC: Maryland Professional Employee Council

State Aid to Local Governments

State Aid by Governmental Entity
Amount and Percent of Total
(\$ in Millions)

	<u>Fiscal 2023 State Aid Amount</u>	<u>Percent of Total</u>
Public Schools	\$7,793.3	84.5%
Libraries	88.0	1.0%
Community Colleges	429.7	4.7%
Local Health	74.9	0.8%
County/Municipal	840.9	9.1%
Total	\$9,226.8	100.0%

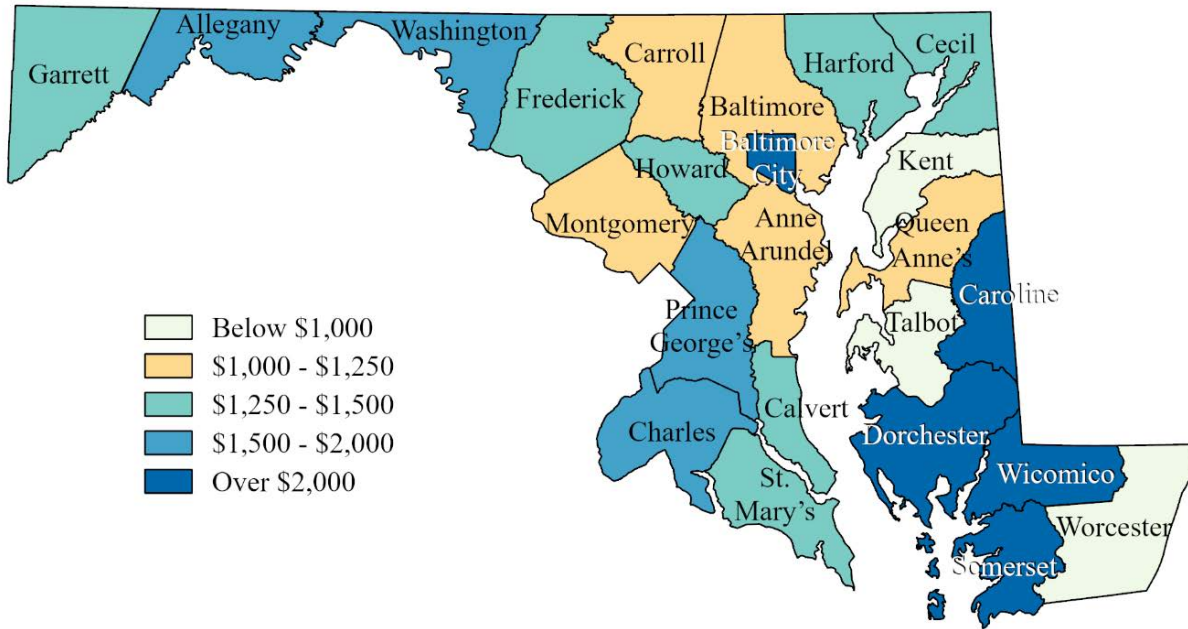
Change in State Aid
(\$ in Millions)

	<u>Fiscal 2023 Aid Change</u>	<u>Percent Change</u>
Public Schools	\$260.2	3.5%
Libraries	3.0	3.6%
Community Colleges	58.2	15.7%
Local Health	1.0	1.4%
County/Municipal	60.9	7.8%
Total	\$383.3	4.3%

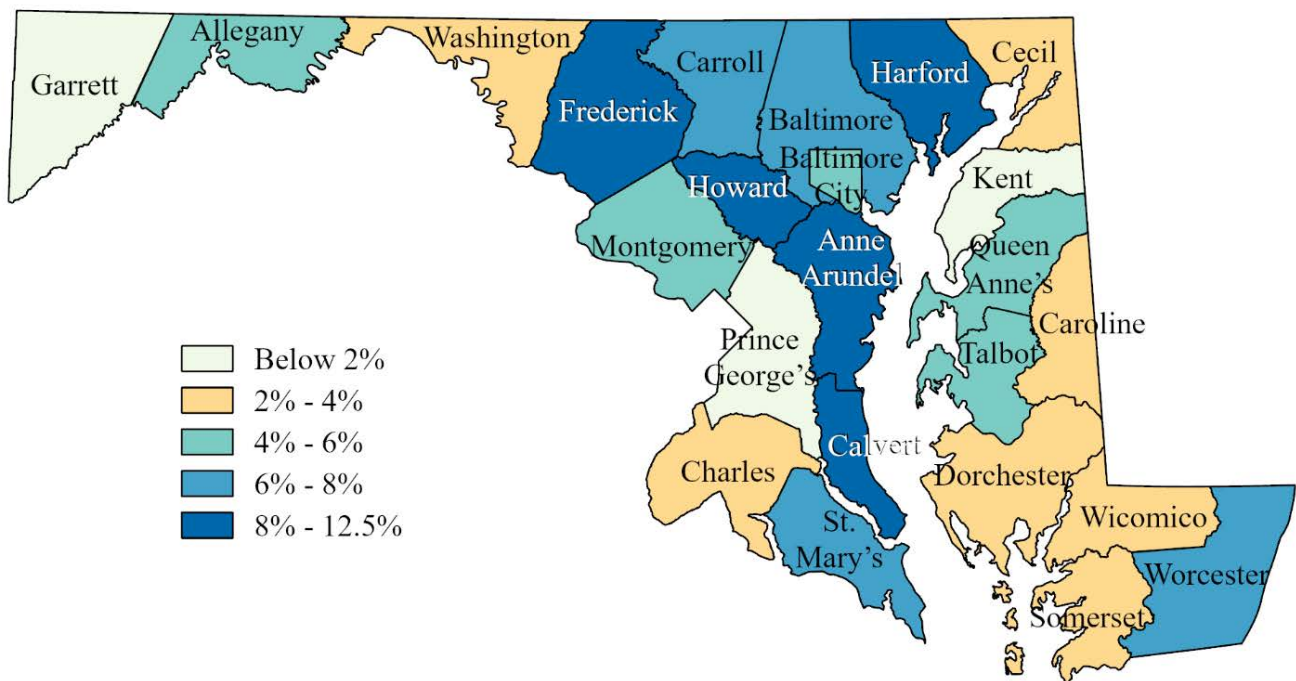
State Aid by Major Programs
Fiscal 2021-2023
(\$ in Millions)

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Difference</u>	<u>Percent Difference</u>
Public Schools					
Foundation Programs	\$3,502.7	\$3,413.3	\$3,817.4	\$404.0	11.8%
Compensatory Aid	1,364.7	1,286.7	1,294.0	7.3	0.6%
English Language Learners Grant	348.2	334.3	422.5	88.2	26.4%
Special Education Formula Aid	314.9	311.1	401.3	90.2	29.0%
Special Education – Nonpublic	123.9	127.5	132.1	4.6	3.6%
Student Transportation	310.2	288.1	336.0	47.9	16.6%
Guaranteed Tax Base	41.2	49.9	45.8	-4.1	-8.2%
Head Start/Pre-Kindergarten	29.6	29.6	29.6	0.0	0.0%
Blueprint Programs	339.7	390.8	469.7	78.9	20.2%
Blueprint COVID Relief	45.0	211.6	0.0	-211.6	-100.0%
Blueprint Hold Harmless	0.0	209.4	0.0	-209.4	-100.0%
Other Education Programs	90.6	102.0	120.3	18.3	18.0%
Subtotal Direct Aid	\$6,510.7	\$6,754.2	\$7,068.7	\$314.5	4.7%
Retirement Payments	750.3	779.0	724.6	-54.3	-7.0%
Total Public School Aid	\$7,261.0	\$7,533.2	\$7,793.3	\$260.2	3.5%
Libraries					
Library Aid Formula	44.1	44.7	46.7	2.0	4.4%
State Library Network	19.5	19.8	20.5	0.8	3.9%
Subtotal Direct Aid	\$63.6	\$64.4	\$67.2	\$2.8	4.3%
Retirement Payments	20.0	20.5	20.8	0.3	1.4%
Total Library Aid	\$83.5	\$84.9	\$88.0	\$3.0	3.6%
Community Colleges					
Community College Formula	249.7	290.1	349.4	59.3	20.5%
Other Programs	43.9	35.5	35.3	-0.2	-0.5%
Subtotal Direct Aid	\$293.6	\$325.6	\$384.7	\$59.2	18.2%
Retirement Payments	45.4	46.0	45.0	-1.0	-2.1%
Total Community College Aid	\$339.0	\$371.5	\$429.7	\$58.2	15.7%
Local Health Grants	\$69.0	\$73.9	\$74.9	\$1.0	1.4%
County/Municipal Aid					
Transportation	264.9	272.1	282.2	10.2	3.7%
Public Safety	167.9	183.2	241.6	58.4	31.9%
Disparity Grant	163.3	158.2	145.8	-12.4	-7.8%
Gaming Impact Aid	92.2	99.8	101.5	1.7	1.7%
Other Grants	61.8	66.8	69.7	3.0	4.4%
Total County/Municipal Aid	\$750.1	\$780.0	\$840.9	\$60.9	7.8%
Total State Aid	\$8,502.7	\$8,843.5	\$9,226.8	\$383.3	4.3%

State Aid to Local Governments Per Capita Funding Fiscal 2023



State Aid to Local Governments Annual Percent Change Fiscal 2023



Direct Education Aid Funding Increase in Fiscal 2023
(\$ in Thousands)

County	<u>COVID Relief</u>		<u>Including COVID Relief</u>			<u>Excluding COVID Relief</u>			
	Fiscal 2022	Fiscal 2022	Fiscal 2023	Difference	Percent Difference	Fiscal 2022	Fiscal 2023	Difference	Percent Difference
Allegany	\$3,093	\$92,045	\$97,301	\$5,256	5.7%	\$88,952	\$97,301	\$8,349	9.4%
Anne Arundel	12,581	428,884	471,185	42,301	9.9%	416,303	471,185	54,882	13.2%
Baltimore City	37,490	971,498	1,025,723	54,225	5.6%	934,008	1,025,723	91,715	9.8%
Baltimore	25,776	783,460	836,438	52,978	6.8%	757,684	836,438	78,754	10.4%
Calvert	2,437	95,243	102,953	7,709	8.1%	92,806	102,953	10,147	10.9%
Caroline	2,336	66,297	69,032	2,735	4.1%	63,961	69,032	5,071	7.9%
Carroll	3,646	147,447	157,927	10,481	7.1%	143,800	157,927	14,127	9.8%
Cecil	3,809	115,487	119,035	3,549	3.1%	111,677	119,035	7,358	6.6%
Charles	6,446	210,710	222,577	11,867	5.6%	204,264	222,577	18,313	9.0%
Dorchester	1,889	53,231	55,223	1,992	3.7%	51,342	55,223	3,881	7.6%
Frederick	7,719	287,983	328,749	40,766	14.2%	280,264	328,749	48,485	17.3%
Garrett	698	24,841	24,670	-171	-0.7%	24,142	24,670	527	2.2%
Harford	6,856	241,979	263,540	21,561	8.9%	235,123	263,540	28,417	12.1%
Howard	7,797	300,726	331,408	30,681	10.2%	292,929	331,408	38,479	13.1%
Kent	353	11,001	11,263	262	2.4%	10,648	11,263	615	5.8%
Montgomery	24,001	832,101	868,363	36,262	4.4%	808,100	868,363	60,263	7.5%
Prince George's	43,333	1,327,762	1,321,122	-6,640	-0.5%	1,284,429	1,321,122	36,693	2.9%
Queen Anne's	1,044	39,204	41,596	2,393	6.1%	38,159	41,596	3,437	9.0%
St. Mary's	3,646	120,797	127,136	6,339	5.2%	117,151	127,136	9,985	8.5%
Somerset	1,355	38,119	40,692	2,573	6.7%	36,764	40,692	3,928	10.7%
Talbot	724	17,968	18,850	881	4.9%	17,244	18,850	1,606	9.3%
Washington	7,199	205,230	213,812	8,582	4.2%	198,031	213,812	15,781	8.0%
Wicomico	6,433	173,457	179,976	6,519	3.8%	167,024	179,976	12,952	7.8%
Worcester	911	23,535	25,418	1,883	8.0%	22,625	25,418	2,794	12.3%
Unallocated	0	145,195	114,686	-30,509	-21.0%	145,195	114,686	-30,509	-21.0%
Total Aid	\$211,576	\$6,754,200	\$7,068,675	\$314,475	4.7%	\$6,542,624	\$7,068,675	\$526,051	8.0%

Funding of Education Aid Mandates and Discretionary Enhancements
Governor's Allowance – Fiscal 2023

	<u>Not Funded</u> <u>Education Effort</u>	<u>Funding Enhancements</u>		<u>Net Result</u>
	<u>Index</u>	<u>Compensatory</u> <u>Education</u>	<u>Full-Day</u> <u>Prekindergarten¹</u>	
Allegany	\$0	\$0	\$1,893,112	\$1,893,112
Anne Arundel	0	9,158,079	3,704,503	12,862,582
Baltimore City	-99,020,344	0	8,861,096	-90,159,248
Baltimore	0	2,746,806	9,741,353	12,488,159
Calvert	0	0	1,094,417	1,094,417
Caroline	0	0	833,603	833,603
Carroll	0	175,240	1,361,009	1,536,249
Cecil	0	671,884	2,159,844	2,831,728
Charles	0	1,538,663	2,872,381	4,411,044
Dorchester	0	388,626	501,244	889,870
Frederick	0	0	4,378,603	4,378,603
Garrett	0	90,580	119,584	210,164
Harford	0	1,534,728	2,797,008	4,331,736
Howard	0	0	3,414,992	3,414,992
Kent	0	251,541	21,272	272,813
Montgomery	0	18,240,282	6,513,663	24,753,945
Prince George's	-26,525,617	18,580,643	7,969,860	24,886
Queen Anne's	0	625,572	717,711	1,343,283
St. Mary's	0	2,003,721	1,653,403	3,657,124
Somerset	0	344,775	320,549	665,324
Talbot	0	0	363,261	363,261
Washington	0	0	3,507,891	3,507,891
Wicomico	0	916,462	2,721,679	3,638,141
Worcester	0	0	594,940	594,940
	-\$125,545,961	\$57,267,602	\$68,116,978	-\$161,381

¹For full-day prekindergarten, the Governor provides per student funding regardless of family income. This column shows the amount that this exceeds DLS estimates of Blueprint full-day prekindergarten funding for the lowest income families at 300% of the federal poverty level.

K-12 Enrollment Trends

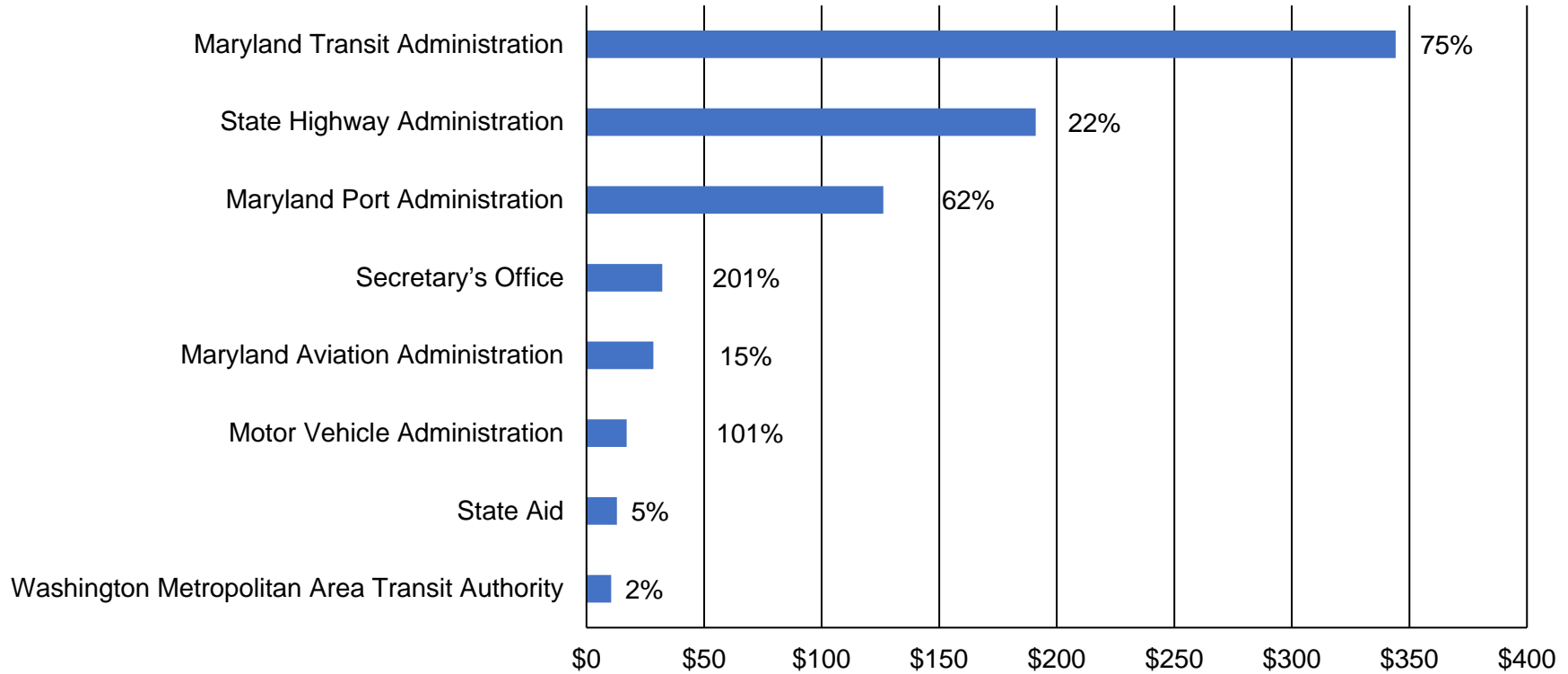
<u>County</u>	<u>Full-Time Equivalent Students</u>					<u>Eligible for Free and Reduced Price Meals</u>				
	<u>FY 21</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 2021 - 2023</u>		<u>FY 21</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 2021 - 2023</u>	
				<u>Change</u>	<u>% Change</u>				<u>Change</u>	<u>% Change</u>
Allegany	7,955	7,716	7,662	-294	-4%	4,227	3,967	3,818	-409	-10%
Anne Arundel	82,486	81,017	80,868	-1,619	-2%	25,900	26,093	22,193	-3,707	-14%
Baltimore City	73,533	73,067	71,358	-2,175	-3%	63,672	63,925	63,056	-616	-1%
Baltimore	110,655	107,733	107,115	-3,540	-3%	49,160	44,151	42,308	-6,852	-14%
Calvert	15,577	14,896	14,949	-628	-4%	2,941	2,791	2,776	-165	-6%
Caroline	5,507	5,303	5,259	-248	-4%	2,793	2,551	2,859	66	2%
Carroll	24,968	24,191	24,608	-360	-1%	4,703	3,723	3,449	-1,254	-27%
Cecil	14,592	14,217	14,160	-433	-3%	6,121	5,433	5,036	-1,085	-18%
Charles	26,579	26,029	25,987	-592	-2%	9,368	10,000	9,321	-47	-1%
Dorchester	4,466	4,487	4,315	-152	-3%	2,973	2,976	2,883	-90	-3%
Frederick	42,253	42,043	43,811	1,558	4%	10,668	10,591	10,665	-3	0%
Garrett	3,627	3,490	3,348	-279	-8%	1,570	1,537	1,459	-111	-7%
Harford	37,407	36,521	36,880	-527	-1%	10,921	10,816	9,783	-1,138	-10%
Howard	57,386	55,755	55,838	-1,548	-3%	12,275	12,500	12,230	-45	0%
Kent	1,800	1,729	1,707	-94	-5%	1,008	875	763	-245	-24%
Montgomery	160,386	156,738	154,410	-5,977	-4%	52,225	46,660	39,056	-13,169	-25%
Prince George's	130,580	127,505	124,362	-6,218	-5%	78,361	67,232	62,116	-16,245	-21%
Queen Anne's	7,505	7,171	7,124	-381	-5%	1,800	1,672	1,409	-391	-22%
St. Mary's	17,138	16,723	16,714	-424	-2%	5,363	4,558	3,856	-1,507	-28%
Somerset	2,685	2,658	2,558	-127	-5%	1,947	1,927	1,857	-90	-5%
Talbot	4,449	4,292	4,233	-216	-5%	2,069	1,888	1,930	-139	-7%
Washington	21,830	21,087	21,100	-730	-3%	10,491	10,043	9,651	-840	-8%
Wicomico	14,482	13,865	13,888	-594	-4%	8,212	8,309	7,853	-359	-4%
Worcester	6,421	6,332	6,402	-19	0%	2,657	2,730	2,702	45	2%
Total	874,268	854,564	848,653	-25,615	-3%	371,425	346,948	323,027	-48,398	-13%

Transportation

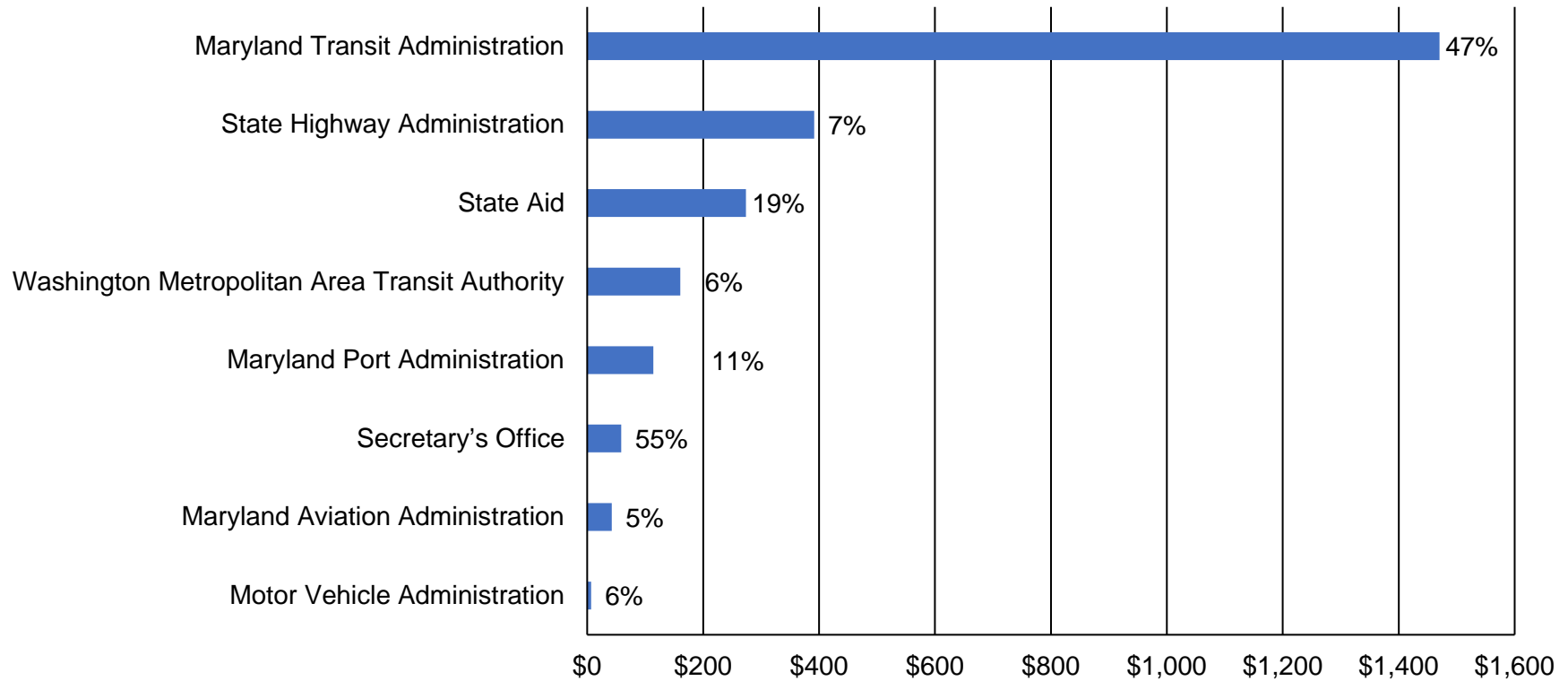
Transportation Trust Fund Six-year Forecasts
January 2021 and January 2022

	<u>Jan. 2021</u>	<u>Change from Jan. 2020</u>	<u>Jan. 2022</u>	<u>Change from Jan. 2020</u>
Revenues				
Taxes and Fees				
Motor Vehicle Fuel Taxes	\$6,864	-\$641	\$7,331	-\$169
Titling Taxes	5,679	-193	6,311	448
Sales Tax – Rental Vehicles	132	-31	180	-42
Corporate Income Tax	1,149	87	1,805	473
Registration Fees	2,528	33	2,527	39
Miscellaneous Motor Vehicle Fees	1,799	-79	1,782	-55
Subtotal – Taxes and Fees	\$18,151	-\$824	\$19,935	\$693
Other Revenues				
Operating Revenues	\$2,729	-\$539	\$2,558	-\$546
Federal Operating Assistance	636	7	663	25
Bond Proceeds/Premiums	1,304	-367	1,715	-552
Federal COVID/Stimulus	144	148	888	888
Other	314	-30	325	-84
Change in Fund Balance	-61	-59	225	81
Subtotal – Other Revenues	\$5,066	-\$840	\$6,374	-\$188
Total Revenues	\$23,217	-\$1,664	\$26,310	\$505
Expenditures				
Debt Service	\$2,655	\$16	\$2,744	\$48
Operating Budget	14,481	-401	14,460	-415
Deductions to Other Agencies	478	2	509	32
Highway User Revenues Capital Grants	1,382	-123	1,441	-99
State Capital Program	4,221	-1,158	7,156	939
Total Expenditures	\$23,217	-\$1,664	\$26,310	\$505

Transportation Capital Program Dollar and Percent Change by Mode
January 2021 vs. January 2022 Plan
Fiscal 2023
(\$ in Millions)



Transportation Capital Program
Six-year Funding Dollar and Percent Change by Mode
January 2021 vs. January 2022 Plan
(\$ in Millions)



Capital Budget

Capital Budget – All Funds
Fiscal 2022 and 2023
(\$ in Millions)

	<u>2022</u>	<u>2023</u>	<u>Variance</u>
<u>Uses</u>			
State Facilities	\$121.3	\$356.1	234.8
Health/Social	60.0	57.7	-2.3
Environment	727.2	850.0	122.8
Public Safety	19.9	46.6	26.7
Education	454.9	537.0	82.1
Higher Education	465.0	601.4	136.4
Housing/Economic Development	272.4	443.5	171.1
Local Projects and Legislative Initiatives	237.4	184.2	-53.2
Transportation (WMATA and Howard Street Tunnel)	146.5	218.5	72.0
Subtotal	\$2,504.6	\$3,295.0	790.4
Transportation CIP	2,967.7	2,400.3	-567.4
Public School Construction (Maryland Stadium Authority)	785.7	480.0	-305.7
Total	\$6,258.0	\$6,175.3	-\$82.7
<u>Funds</u>			
General Obligation (GO)	\$1,105.0	\$1,165.0	\$60.0
Additional GO from Deauthorizations	1.4	39.4	38.0
Revenue Bonds	815.7	510.0	-305.7
Bond Premiums	222.9	210.0	-12.9
General	452.7	922.1	469.4
Special	530.2	600.0	69.8
Federal	162.4	328.5	166.1
Transportation CIP	2,967.7	2,400.3	-567.4
Total	\$6,258.0	\$6,175.3	-\$82.7

CIP: Capital Improvement Program

WMATA: Washington Metropolitan Area Transit Authority

Note: The Built to Learn Act (Chapter 20 of 2020) authorizes the Maryland Stadium Authority (MSA) to issue up to \$2.2 billion of revenue bonds to support public school facilities. The fiscal 2022 figures include \$785.7 million of Built to Learn bonds comprised of \$285.7 million from the first issuance in December 2021 and another \$500 million that MSA intends to issue in March 2022. The Governor's fiscal 2023 budget programs \$480 million of Built To Learn bonds. The fiscal 2023 general fund figures include \$12 million for the Historic Revitalization Tax Credit, which is not part of the Governor's annual *Capital Improvement Program*.

Governor's Allowance Allocates \$465 Million Less than Recommended by SAC for Capital Priorities



DGS: Department of General Services
 SAC: Spending Affordability Committee

Appendices

Appendix 1
State Expenditures – General Funds
Fiscal 2021-2023
(\$ in Millions)

<u>Category</u>	<u>FY 2021</u> <u>Actual</u>	<u>FY 2022</u> <u>Working</u> <u>Appropriation</u>	<u>FY 2023</u> <u>Allowance</u>	<u>\$ Change</u> <u>2022 to 2023</u>	<u>% Change</u> <u>2022 to 2023</u>
Debt Service	\$131.0	\$260.0	\$430.0	\$170.0	65.4%
County/Municipal	\$311.0	\$311.5	\$363.4	\$51.9	16.7%
Community Colleges	330.2	371.5	429.7	58.2	15.7%
Education/Libraries	6,620.9	6,601.2	6,959.4	358.2	5.4%
Health	35.0	60.4	74.9	14.5	24.0%
Aid to Local Governments	\$7,297.1	\$7,344.6	\$7,827.4	\$482.8	6.6%
Foster Care Payments	\$206.2	\$215.2	\$233.4	\$18.2	8.5%
Assistance Payments	116.1	104.4	98.9	-5.6	-5.3%
Medical Assistance	3,102.9	4,109.3	4,574.7	465.4	11.3%
Property Tax Credits	82.2	102.9	96.1	-6.9	-6.7%
Entitlements	\$3,507.4	\$4,531.9	\$5,003.1	\$471.1	10.4%
Health	\$1,984.1	\$1,742.8	\$1,911.8	\$169.1	9.7%
Human Services	384.7	395.2	400.1	4.9	1.2%
Juvenile Services	244.1	254.9	279.4	24.5	9.6%
Public Safety/Police	1,417.7	1,239.9	1,675.2	435.3	35.1%
Higher Education	1,596.7	1,544.0	1,750.4	206.5	13.4%
Other Education	481.3	599.5	635.9	36.4	6.1%
Agriculture/Natural Res./Environment	129.1	171.8	169.9	-1.9	-1.1%
Other Executive Agencies	791.6	1,152.2	1,534.7	382.4	33.2%
Judiciary	555.3	586.5	624.7	38.2	6.5%
Legislative	104.8	106.2	109.7	3.5	3.3%
State Agencies	\$7,689.3	\$7,793.1	\$9,092.0	\$1,298.9	16.7%
Total Operating	\$18,624.9	\$19,929.7	\$22,352.5	\$2,422.8	12.2%
Capital ⁽¹⁾	\$56.7	\$451.4	\$922.1	\$470.7	104.3%
Subtotal	\$18,681.5	\$20,381.1	\$23,274.6	\$2,893.5	14.2%
Reserve Funds	\$114.0	\$779.6	\$2,506.3	\$1,726.6	221.5%
Appropriations	\$18,795.5	\$21,160.7	\$25,780.9	\$4,620.1	21.8%
Reversions	\$0.0	-\$35.0	-\$35.0	\$0.0	0.0%
Grand Total	\$18,795.5	\$21,125.7	\$25,745.9	\$4,620.1	21.9%

⁽¹⁾ Includes the Historic Revitalization Tax Credit Reserve Fund. Fiscal 2023 includes \$430.3 million budgeted in the Dedicated Purpose Account.

Note: The fiscal 2022 working appropriation reflects \$612.7 million in deficiencies, \$350 million in contingent reductions, and \$33.6 million in targeted reversions.

Appendix 2

State Expenditures – Special and Higher Education Funds*
Fiscal 2021-2023
(\$ in Millions)

<u>Category</u>	<u>FY 2021 Actual</u>	<u>FY 2022 Working Appropriation</u>	<u>FY 2023 Allowance</u>	<u>\$ Change 2022 to 2023</u>	<u>% Change</u>
Debt Service	\$1,549.8	\$1,574.3	\$1,480.5	-\$93.9	-6.0%
County/Municipal	\$434.2	\$460.2	\$477.5	\$17.3	3.8%
Community Colleges	0.0	0.0	0.0	0.0	n/a
Education/Libraries	674.8	805.3	875.9	70.6	8.8%
Health	0.0	0.0	0.0	0.0	n/a
Aid to Local Governments	\$1,108.9	\$1,265.5	\$1,353.4	\$87.9	6.9%
Foster Care Payments	\$2.8	\$2.8	\$2.9	\$0.1	5.0%
Assistance Payments	12.6	14.4	13.7	-0.7	-4.7%
Medical Assistance	1,025.7	724.6	840.4	115.9	16.0%
Property Tax Credits	0.0	9.9	0.0	-9.9	-100.0%
Entitlements	\$1,041.1	\$751.6	\$857.0	\$105.4	14.0%
Health	\$1,185.3	\$466.3	\$572.2	\$105.9	22.7%
Human Services	75.4	95.0	147.0	52.0	54.8%
Juvenile Services	1.5	3.4	2.3	-1.1	-32.1%
Public Safety/Police	238.4	141.9	142.8	0.9	0.6%
Higher Education	4,643.0	5,215.8	4,924.8	-291.0	-5.6%
Other Education	69.3	81.9	109.3	27.4	33.4%
Transportation	1,672.8	2,011.6	1,879.5	-132.1	-6.6%
Agriculture/Natural Res./Environment	268.0	287.6	337.3	49.8	17.3%
Other Executive Agencies	950.9	1,083.6	1,110.8	27.2	2.5%
Judiciary	49.7	67.6	64.5	-3.1	-4.6%
State Agencies	\$9,154.2	\$9,454.6	\$9,290.5	-\$164.1	-1.7%
Total Operating	\$12,854.0	\$13,046.0	\$12,981.5	-\$64.6	-0.5%
Capital	\$1,752.9	\$2,093.2	\$1,725.7	-\$367.4	-17.6%
Transportation	1,307.5	1,557.2	1,090.4	-466.7	-30.0%
Environment	216.4	259.8	217.4	-42.4	-16.3%
Other	229.0	276.2	417.9	141.7	51.3%
Subtotal	\$14,606.9	\$15,139.2	\$14,707.2	-\$431.99	-2.9%
Reserve Funds	\$0.0	\$0.0	\$0.0	\$0.0	n/a
Grand Total	\$14,606.9	\$15,139.2	\$14,707.2	-\$432.0	-2.9%

* Includes higher education fund (current unrestricted and current restricted) net of general and special funds.

Note: The fiscal 2022 working appropriation includes \$102.3 million in deficiencies. Fiscal 2021 excludes \$5.6 million, fiscal 2022 excludes \$20.7 million, and fiscal 2023 exclude \$195.9 million that double counts other spending.

Appendix 3
State Expenditures – Federal Funds
Fiscal 2021-2023
(\$ in Millions)

<u>Category</u>	<u>FY 2021</u> <u>Actual</u>	<u>FY 2022</u> <u>Working</u> <u>Appropriation</u>	<u>FY 2023</u> <u>Allowance</u>	<u>\$ Change</u> <u>2022 to 2023</u>	<u>% Change</u>
Debt Service	\$9.3	\$11.0	\$9.0	-\$2.0	-18.2%
County/Municipal	\$88.2	\$74.7	\$74.8	\$0.1	0.1%
Community Colleges	8.8	0.0	0.0	0.0	n/a
Education/Libraries	1,770.6	2,574.4	995.7	-1,578.7	-61.3%
Health	3.7	13.5	0.0	-13.5	-100.0%
Aid to Local Governments	\$1,871.2	\$2,662.6	\$1,070.5	-\$1,592.1	-59.8%
Foster Care Payments	\$83.9	\$90.8	\$90.5	-\$0.3	-0.3%
Assistance Payments	2,504.2	4,296.3	2,072.7	-2,223.5	-51.8%
Medical Assistance	8,145.3	9,160.2	8,330.9	-829.2	-9.1%
Property Tax Credits	0.0	0.0	0.0	0.0	n/a
Entitlements	\$10,733.4	\$13,547.2	\$10,494.2	-\$3,053.1	-22.5%
Health	\$2,508.3	\$2,616.5	\$2,000.6	-\$615.9	-23.5%
Human Services	662.1	710.8	597.1	-113.7	-16.0%
Juvenile Services	7.8	5.5	6.9	1.4	24.6%
Public Safety/Police	86.7	390.3	38.5	-351.7	-90.1%
Higher Education	1.2	0.0	0.0	0.0	n/a
Other Education	318.7	907.0	330.0	-577.0	-63.6%
Transportation	495.7	227.5	419.7	192.2	84.5%
Agriculture/Natural Res./Environment	75.7	74.9	78.1	3.1	4.2%
Other Executive Agencies	2,694.3	2,575.8	977.2	-1,598.6	-62.1%
Judiciary	3.3	6.6	0.8	-5.8	-87.8%
State Agencies	\$6,853.8	\$7,514.8	\$4,448.8	-\$3,066.1	-40.8%
Total Operating	\$19,467.6	\$23,735.7	\$16,022.5	-\$7,713.2	-32.5%
Capital	\$938.9	\$1,517.3	\$1,401.3	-\$115.9	-7.6%
Transportation	827.8	1,314.4	1,244.0	-70.4	-5.4%
Environment	53.1	53.2	58.8	5.6	10.5%
Other	58.0	149.7	98.6	-51.1	-34.1%
Subtotal	\$0.0	\$25,253.0	\$17,423.8	-\$7,829.2	-31.0%
Reserve Funds	\$0.0	\$108.1	\$171.2	\$63.1	58.4%
Grand Total	\$20,406.6	\$25,361.1	\$17,595.0	-\$7,766.0	-30.6%

Note: The fiscal 2022 working appropriation includes \$3.8 billion in deficiencies.

Appendix 4
State Expenditures – State Funds
Fiscal 2021-2023
(\$ in Millions)

Category	FY 2021 Actual	FY 2022 Working Appropriation	FY 2023 Allowance	\$ Change 2022 to 2023	% Change
Debt Service	\$1,680.8	\$1,834.3	\$1,910.5	\$76.1	4.2%
County/Municipal	\$745.2	\$771.7	\$840.9	\$69.2	9.0%
Community Colleges	330.2	371.5	429.7	58.2	15.7%
Education/Libraries	7,295.7	7,406.5	7,835.3	428.8	5.8%
Health	35.0	60.4	74.9	14.5	24.0%
Aid to Local Governments	\$8,406.0	\$8,610.1	\$9,180.8	\$570.7	6.6%
Foster Care Payments	\$209.0	\$218.0	\$236.4	\$18.4	8.4%
Assistance Payments	128.7	118.8	112.6	-6.2	-5.2%
Medical Assistance	4,128.6	4,833.9	5,415.1	581.2	12.0%
Property Tax Credits	82.2	112.8	96.1	-16.8	-14.9%
Entitlements	\$4,548.5	\$5,283.6	\$5,860.1	\$576.6	10.9%
Health	\$3,169.4	\$2,209.1	\$2,484.1	\$275.0	12.4%
Human Services	460.1	490.2	547.2	57.0	11.6%
Juvenile Services	245.5	258.3	281.7	23.5	9.1%
Public Safety/Police	1,656.1	1,381.8	1,818.0	436.2	31.6%
Higher Education	6,239.7	6,759.7	6,675.2	-84.5	-1.2%
Other Education	550.6	681.5	745.2	63.7	9.4%
Transportation	1,672.8	2,011.6	1,879.5	-132.1	-6.6%
Agriculture/Natural Res./Environment	397.1	459.4	507.2	47.9	10.4%
Other Executive Agencies	1,742.5	2,235.8	2,645.5	409.7	18.3%
Judiciary	605.0	654.1	689.2	35.1	5.4%
Legislative	104.8	106.2	109.7	3.5	3.3%
State Agencies	\$16,843.6	\$17,247.7	\$18,382.6	\$1,134.9	6.6%
Total Operating	\$31,478.9	\$32,975.7	\$35,333.9	\$2,358.2	7.2%
Capital ⁽¹⁾	\$1,809.5	\$2,544.6	\$2,647.8	\$103.3	4.1%
Transportation	1,307.5	1,557.2	1,090.4	-466.7	-30.0%
Environment	216.6	260.5	217.4	-43.1	-16.5%
Other	285.4	726.9	1,340.0	613.1	84.4%
Subtotal	\$33,288.4	\$35,520.3	\$37,981.8	\$2,461.5	6.9%
Reserve Funds	\$114.0	\$779.6	\$2,506.3	\$1,726.6	221.5%
Appropriations	\$33,402.4	\$36,299.9	\$40,488.1	\$4,188.1	11.5%
Reversions	\$0.0	-\$35.0	-\$35.0	\$0.0	0.0%
Grand Total	\$33,402.4	\$36,264.9	\$40,453.1	\$4,188.1	11.5%

⁽¹⁾ Includes the Historic Revitalization Tax Credit Reserve Fund. Fiscal 2023 includes \$430.3 million budgeted in the Dedicated Purpose Account.

Note: The fiscal 2022 working appropriation includes \$365.0 million in deficiencies and \$33.6 million in targeted reversions. Fiscal 2021 excludes \$5.6 million, fiscal 2022 excludes \$20.7 million, and fiscal 2023 excludes \$195.9 million of special funds that double counts other spending.

Appendix 5
State Expenditures – All Funds
Fiscal 2021-2023
(\$ in Millions)

Category	FY 2021 Actual	FY 2022		FY 2023 Allowance	\$ Change 2022 to 2023	% Change
		Working Appropriation				
Debt Service	\$1,690.1	\$1,845.3		\$1,919.5	\$74.1	4.0%
County/Municipal	\$833.3	\$846.4		\$915.7	\$69.2	8.2%
Community Colleges	339.0	371.5		429.7	58.2	15.7%
Education/Libraries	9,066.2	9,980.9		8,831.0	-1,149.9	-11.5%
Health	38.7	73.9		74.9	1.0	1.4%
Aid to Local Governments	\$10,277.2	\$11,272.8		\$10,251.3	-\$1,021.4	-9.1%
Foster Care Payments	\$292.9	\$308.8		\$326.9	\$18.0	5.8%
Assistance Payments	2,632.9	4,415.1		2,185.3	-2,229.8	-50.5%
Medical Assistance	12,273.9	13,994.0		13,746.1	-248.0	-1.8%
Property Tax Credits	82.2	112.8		96.1	-16.8	-14.9%
Entitlements	\$15,281.8	\$18,830.8		\$16,354.3	-\$2,476.5	-13.2%
Health	\$5,677.7	\$4,825.6		\$4,484.7	-\$341.0	-7.1%
Human Services	1,122.3	1,201.0		1,144.2	-56.7	-4.7%
Juvenile Services	253.3	263.8		288.6	24.8	9.4%
Public Safety/Police	1,742.8	1,772.1		1,856.5	84.4	4.8%
Higher Education	6,240.9	6,759.7		6,675.2	-84.5	-1.2%
Other Education	869.3	1,588.4		1,075.2	-513.3	-32.3%
Transportation	2,168.4	2,239.1		2,299.2	60.2	2.7%
Agriculture/Natural Res./Environment	472.8	534.3		585.3	51.0	9.5%
Other Executive Agencies	4,436.7	4,811.6		3,622.7	-1,189.0	-24.7%
Judiciary	608.3	660.7		690.0	29.3	4.4%
Legislative	104.8	106.2		109.7	3.5	3.3%
State Agencies	\$23,697.3	\$24,762.5		\$22,831.3	-\$1,931.2	-7.8%
Total Operating	\$50,946.5	\$56,711.4		\$51,356.4	-\$5,355.0	-9.4%
Capital ⁽¹⁾	\$2,748.5	\$4,061.8		\$4,049.2	-\$12.7	-0.3%
Transportation	2,135.3	2,901.8		2,334.4	-567.4	-19.6%
Environment	269.7	313.7		288.7	-25.0	-8.0%
Other	343.4	846.3		1,426.0	579.7	68.5%
Subtotal	\$53,694.9	\$60,773.2		\$55,405.6	-\$5,367.7	-8.8%
Reserve Funds	\$114.0	\$887.7		\$2,677.5	\$1,789.8	201.6%
Appropriations	\$53,808.9	\$61,661.0		\$58,083.1	-\$3,577.9	-5.8%
Reversions	\$0.0	-\$35.0		-\$35.0	\$0.0	0.0%
Grand Total	\$53,808.9	\$61,626.0		\$58,048.1	-\$3,577.9	-5.8%

⁽¹⁾ Includes the Historic Revitalization Tax Credit Reserve Fund. Fiscal 2023 includes \$430.3 million budgeted in the Dedicated Purpose Account.

Note: The fiscal 2022 working appropriation includes \$4.2 billion in deficiencies and \$33.6 million in targeted reversions. Fiscal 2021 excludes \$5.6 million, fiscal 2022 excludes \$20.7 million, and fiscal 2023 excludes \$195.9 million of special funds that double counts other spending.

Appendix 6
General Fund – Proposed Fiscal 2023 Changes Over Adjusted Fiscal 2021 Spending
(\$ in Millions)

Aid to Local Governments	\$482.8
Education and Library Aid	358.2
State Aid for Police Protection	47.9
Community Colleges	58.2
Health (includes backfilling stimulus funds for personnel)	14.5
Other aid	4.0
Entitlements	\$471.1
Medicaid primarily due to backfilling EFMAP partially offset by fiscal 2021 behavioral health costs paid in fiscal 2022	465.4
Foster care payments including provider rate increase, caseload and payment changes	18.2
Property Tax Credits largely due to repayments related to the recalculated Homeowner's Tax Credit due to Chapter 717 of 2021	-6.9
Assistance Payments primarily due to caseload declines in TCA, partially offset by annualization of TDAP benefit increases and fiscal 2023 benefit increases and program enhancements for supplemental SNAP benefit programs	-5.6
Major Personnel Costs	\$421.2
Fiscal 2023 cost-of-living adjustments and Increments	259.2
Other personnel changes including overtime, employee and retiree health insurance, employee retirement, and other salary adjustments	114.3
Annualization of fiscal 2022 cost-of-living adjustments and increment	90.5
Turnover relief	38.4
Correctional officer bonuses	9.8
One time fiscal 2022 bonuses	-91.0
State Agency Operations	\$877.7
USM and MSU: Enhancements include backfilling fiscal 2021 BPW reduction in USM (\$93.8 million); new or increased mandates within USM (\$22.9 million); fund the Center for Equitable A.I. and the Urban Interdisciplinary Center for Youth Crime Reduction at MSU (\$5.1 million); operation and equipping of new facilities (\$4.7 million); one-time funding for endowment for Miller Center for Democracy (\$2.5 million); safety enhancements at MSU (\$2 million); financial aid at MSU (\$1 million); and contractual conversions at MSU (\$1 million)	180.0
MDH: Major changes include DDA due to provider rate increase (\$57.4 million) and new placements and expansion of waiver services (\$30.2 million); Tobacco Prevention and Cessation Programs (\$9.6 million); Behavioral Health Provider rates (\$9.4 million); CRISP (\$5.3 million); PPE Storage and other COVID expenses in the Office of Preparedness and Response (\$2.8 million); Behavioral Health Services matching grant (Ch. 785 of 2021 (\$2.5 million); and fund swaps (\$1.9 million); partially offset by decreases including one-time support for Maryland Trauma Physicians Fund (-\$4 million)	144.7
Sellinger formula	29.8
MHEC: Attorney's fees mandated under Chapters 41 and 42 of 2021 (\$22 million); Police Officer Scholarship and Loan Assistance Program (\$10 million); Educational Excellence Awards (\$14.9 million); Teaching Fellows for Maryland (\$6 million); 2+2 Transfer Program (\$2 million); Loan Assistance Repayment Program for Nurses and Nursing Assistants (\$2 million)	56.9
DoIT: Major IT fund and software and consulting contracts	43.1
Commerce: More Jobs for Marylanders (\$20.5 million) Nonprofit Assistance (\$5 million); Maryland Pre-Seed Investment Fund (Ch. 415 of 2021) (\$4 million); Innovation Incentive Tax Credit (\$2 million); Tourism Development Board (\$2 million); Stem Cell Research Fund (\$1.8 million); State Arts Council (\$1.4 million); Baltimore Symphony Orchestra (\$1.3 million) Biotechnology Tax Credit (\$1.1 million); Business Telework Assistance (Ch. 699 of 2021) (\$1 million); partially offset by final payment to Marriott from the Sunny Day Fund (-\$3.3 million)	40.4
HBCU: Settlement funding as mandated in Chapters 41 and 42 of 2021 less available Cigarette Restitution Funds	21.5
DPSCS: Major changes include Security Equipment (\$10.2 million); Dietary and Food (\$3.2 million); land and structures (\$2.1 million); Management studies (\$1.2 million)	16.5

GOCPYVS: Performance Incentive Grant (\$3.4 million); Violence Intervention Prevention Program (\$3 million); Children's Cabinet Interagency Fund (\$3 million); Protecting Against Hate Crimes (\$2million); Crime Victim Assistance (\$1.8 million); Sexual Assault Rape Crisis (\$1.3 million)	14.4
DVA: Grounds and maintenance at cemeteries	7.9
MDOA: Information and Assistance (\$3 million); Senior Care (\$1.7 million); Senior Assisted Living Group Home Subsidy and Congregate Housing Services (\$1.3 million)	6.0
DJS: Placement cost increases including provider rates (\$2.5 million) and Mandated funding in Ch. 596 of 2021 (\$2 million)	4.5
MDEM: New statewide atmospheric monitoring system	4.0
SBE: Mandated funding for Fair Campaign Financing Fund	4.0
BCCC: Formula growth	3.9
SMCM: Formula growth	1.2
DGS: One-time funding for a fuel conversion project at the Eastern Correctional Institution cogeneration plant	-7.3
DHCD: One-time deficiency appropriations for Main Street Public Safety Programs (\$10 million) and Housing Counseling Fund (\$2.8 million); partially offset by increased funding for the Homelessness Solutions Grant (\$5 million) and New Futures Bridge Subsidy Program (\$2 million)	-5.8
DNR: One-time deficiency appropriations due to revenue shortfalls	-10.7
Labor: One time funds budgeted for Unemployment Insurance Trust Fund interest and unrecoverable federal funds	-19.8
MSDE: Child Care Scholarship Program (\$10 million); 100 additional Autism Waiver Slots (\$2.8 million);new Nonpublic schools nursing program (\$2.5 million); Maryland School for the Blind (\$1.7 million); Funding for Other Educational Institutions return to fiscal 2020 funding levels (\$1.6 million); more than offset by one-time deficiency appropriation for legal services (-\$1.1 million); one-time deficiency for funds reverted in error (\$3.9 million); one-time Child Care Stabilization Fund support (-\$50 million)	-32.9
Fiscal 2022 stimulus fund swaps in DPSCS	350.0
Other changes	25.5
Reserve Fund	\$1,726.6
Rainy Day Fund Appropriation	1,890.0
One-time deposit into Catastrophic Events Account	-10.0
Dedicated Purpose Account: food banks (\$10 million), partially offset by reduction in POS repayment (\$13.4 million) and elimination of one-time funding for State Center relocation (\$50 million) and cybersecurity initiatives (\$100 million)	-153.4
Capital	\$470.7
Public School Construction Program and School Construction Revolving Loan Fund partially offset by Nonpublic school security improvements moved to operating grants	256.3
Dedicated Purpose Account: WMATA funding	167.0
DHCD PAYGO for Neighborhood Revitalization, Special Loans Program, Rental Housing, Partnership Rental Housing, Homeownership	159.3
Facilities renewal	100.0
Other PAYGO changes	-77.2
Facilities Renewal for USM, MSU, and SMCM in the Dedicated Purpose Account (\$100 million) more than offset by fiscal 2022 funding for various projects in USM and SMCM (-\$234.7 million)	-134.7
Debt Service	170.0
Total	\$4,620.1
BPW: Board of Public Works	
BCCC: Baltimore City Community College	
DDA: Developmental Disabilities Administration	
DGS: Department of General Services	
DHCD: Department of Housing and Community Development	
DNR: Department of Natural Resources	
DoIT: Department of Information Technology	
DPSCS: Department of Public Safety and Correctional Services	

DVA: Department of Veteran's Affairs
EFMAP: Enhancement Federal Medical Assistance Percentage
GOCPYVS: Governor's Office of Crime Prevention, Youth, and Victim Services
IT: Information Technology
HBCU: Historically Black Colleges and Universities
MDEM: Maryland Department of Emergency Management
MDH: Maryland Department of Health
MDOA: Maryland Department of Aging
MDOT: Maryland Department of Transportation
MHEC: Maryland Higher Education Commission
MSDE: Maryland State Department of Education
MSU: Morgan State University
PAYGO: pay-as-you-go
POS: Program Open Space
SBE: State Board of Elections
SMCM: St. Mary's College of Maryland
SNAP: Supplemental Nutrition Assistance Program
TCA: Temporary Cash Assistance
TDAP: Temporary Disability Assistance Program
USM: University System of Maryland
WMATA: Washington Metropolitan Area Transit Administration

Appendix 7

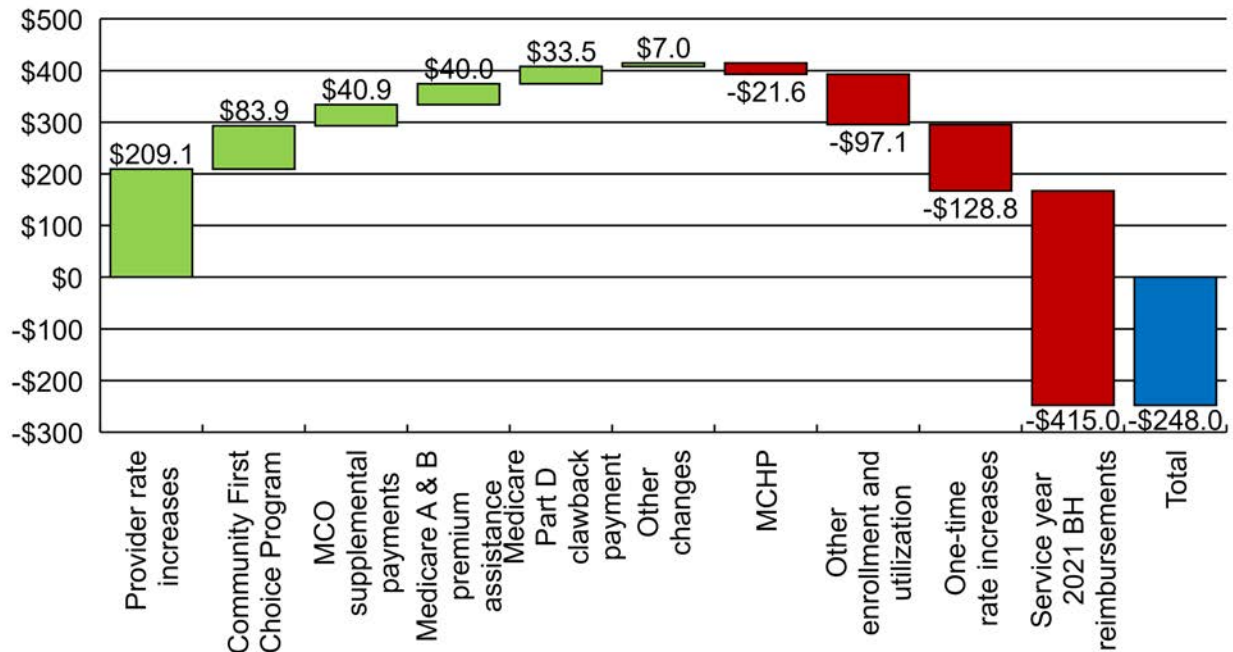
Overall Decline in Medicaid Budget is Driven by Prior Year Payments General Fund Spending Grows Significantly, Reflecting Reduced COVID-19-related Federal Support in Fiscal 2023

	<u>2021</u>	<u>Working 2022</u>	<u>Allowance 2023</u>	<u>\$ Change 2022-2023</u>	<u>% Change 2022-2023</u>
General Funds	\$3,102.9	\$4,109.3	\$4,574.7	\$465.4	11.3%
Special Funds	1,025.7	724.6	840.4	115.9	16.0%
Federal Funds	8,145.2	9,160.2	8,330.9	-829.2	-9.1%
Total	\$12,273.8	\$13,994.0	\$13,746.1	-\$248.0	-1.8%

Note: Includes behavioral health Medicaid payments. Fiscal 2022 is adjusted for deficiencies and targeted reversions.

Medicaid spending decreases by \$248.0 million in the fiscal 2023 allowance largely due to a deficiency appropriation supporting \$415.0 million in service year 2021 behavioral health payments. In addition, the end of rate increases of 2% for nursing homes (\$26 million) and 5.2% to 5.4% for home- and community-based providers (\$102.8 million) fully supported with federal aid account for the second largest decrease. Several increases partially offset the decreases the largest of which is \$209.1 million for provider rate increases.

**Medicaid Growth in Total Funds
(\$ in Millions)**

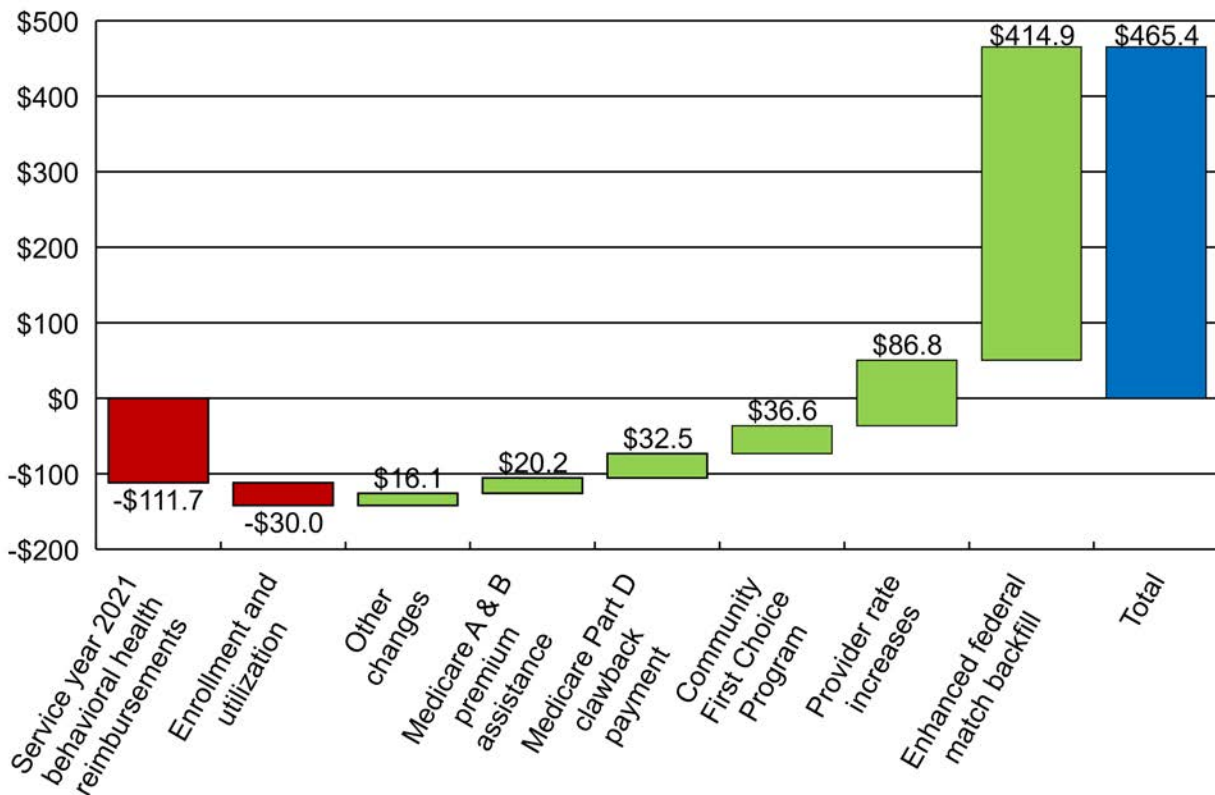


BH: behavioral health
MCO: Managed Care Organization
MCHP: Maryland Children's Health program

Maryland has received 6.2% enhanced federal matching funds on qualifying Medicaid expenses, while a national COVID-19 public health emergency (PHE) has been in effect. States were required to suspend eligibility redeterminations and could not terminate coverage for anyone enrolled when the PHE took effect as a condition of receiving the enhanced match. Net enrollment and utilization are expected to fall in fiscal 2023 (\$97.1 million) as the national COVID-19 PHE is set to terminate in fiscal 2022 and Medicaid resumes eligibility redetermination.

Although total Medicaid expenditures decrease in fiscal 2023, general fund spending grows significantly with an increase of \$465.4 million, or 11.3%. During the first three quarters of fiscal 2022, Medicaid is expected to receive \$414.9 million from the 6.2% enhanced federal matching funds that would be backfilled with general funds in fiscal 2023. On January 14, 2022, the national PHE was extended by 90 days to mid-April 2022, thereby extending the 6.2% enhanced federal match through the end of fiscal 2022 and causing federal support budgeted in fiscal 2022 to be understated.

**Medicaid Growth in General Funds
(\$ in Millions)**



Appendix 8
State Reserve Fund Activity
Fiscal 2020-2023 Allowance
(\$ in Millions)

	<u>Rainy Day Fund</u>	<u>Dedicated Purpose Acct.</u>	<u>Catastrophic Event Acct.</u>
Estimated Balances June 30, 2020	\$1,177.2	\$43.9	\$3.9
Fiscal 2021 Appropriations	\$7.0	\$145.0	\$0.0
Transfer to General Fund	0.0	0.0	0.0
Governor's Economic Recovery Initiative	-556.0	0.0	0.0
July 2020 BPW Reductions ¹	0.0	-38.0	0.0
Fiscal 2020 POS Transfer to General Fund	0.0	-43.9	0.0
Grant to WMATA	0.0	-97.0	0.0
Cybersecurity Assessments	0.0	0.0	0.0
Interest Earnings	2.9	0.0	0.0
Estimated Balances June 30, 2021	\$631.2	\$10.0	\$3.9
Fiscal 2022 Appropriations	\$525.8	\$561.7	\$10.0
Legislative Priorities Funded with ARPA	0.0	-317.8	0.0
OPEB Liability/Pension Sweepers	0.0	-50.0	0.0
State Center Relocation	0.0	-50.0	0.0
Transfer to POS	0.0	-43.9	0.0
Cybersecurity Assessments	0.0	-110.0	0.0
Tropical Storm Ida Recovery Assistance ²	0.0	0.0	-3.8
Interest Earnings	3.2	0.0	0.0
Estimated Balances June 30, 2022	\$1,160.2	\$0.0	\$10.1
Fiscal 2023 Appropriations	\$2,415.8	\$692.0	\$0.0
Local Govt Infrastructure Fund – Broadband	0.0	-171.2	0.0
Food Banks (GF)	0.0	-10.0	0.0
OPEB Liability/Pension Sweepers	0.0	-50.0	0.0
Facilities Renewal	0.0	-200.0	0.0
Transfer to Program Open Space	0.0	-30.5	0.0
New Veterans Home PAYGO (GF)	0.0	-63.3	0.0
Grant to WMATA	0.0	-167.0	0.0
Interest Earnings	11.8	0.0	0.0
Estimated Balances June 30, 2023	\$3,587.8	\$0.0	\$10.1
Percent of Revenues in Reserve	15.7%		

¹ Cost containment actions adopted at the July 1, 2020 Board of Public Works meeting deleted \$10 million in funding for cybersecurity assessment and reduced the State's contribution to the WMATA capital grant by \$28 million.

ARPA: American Rescue Plan Act

WMATA: Washington Metropolitan Area Transit Authority

DHCD: Department of Housing and Community Development

OPEB: Other Post Employment Benefits

POS: Program Open Space

Appendix 9

State Aid to Local Governments – Comparison by Per Capita Aid and Annual Change

Fiscal 2022-2023

(\$ in Millions)									
County	Population Census 2020	Fiscal 2022	Fiscal 2023	Difference	Percent Difference	<u>Per Capita State Aid</u>		<u>Annual Change in State Aid</u>	
Allegany	68,106	\$128.9	\$135.4	\$6.5	5.1%	1. Caroline	\$2,527	1. Frederick	12.4%
Anne Arundel	588,261	595.8	644.9	49.1	8.2%	2. Baltimore City	2,397	2. Harford	8.4%
Baltimore City	585,708	1,349.6	1,403.8	54.2	4.0%	3. Somerset	2,239	3. Calvert	8.3%
Baltimore	854,535	981.5	1,044.9	63.4	6.5%	4. Dorchester	2,160	4. Howard	8.3%
Calvert	92,783	120.5	130.6	10.1	8.3%	5. Wicomico	2,153	5. Anne Arundel	8.2%
Caroline	33,293	82.3	84.1	1.9	2.3%	6. Allegany	1,989	6. Carroll	6.9%
Carroll	172,891	190.9	204.0	13.1	6.9%	7. Washington	1,695	7. St. Mary's	6.7%
Cecil	103,725	151.6	154.7	3.1	2.1%	8. Prince George's	1,681	8. Baltimore	6.5%
Charles	166,617	254.3	263.6	9.3	3.6%	9. Charles	1,582	9. Worcester	6.0%
Dorchester	32,531	67.7	70.3	2.6	3.8%	10. Cecil	1,492	10. Queen Anne's	5.1%
Frederick	271,717	355.7	399.8	44.2	12.4%	11. Frederick	1,472	11. Allegany	5.1%
Garrett	28,806	41.2	41.9	0.7	1.6%	12. Garrett	1,453	12. Talbot	4.8%
Harford	260,924	302.7	328.2	25.5	8.4%	13. Calvert	1,407	13. Montgomery	4.4%
Howard	332,317	404.4	438.1	33.7	8.3%	14. St. Mary's	1,353	14. Baltimore City	4.0%
Kent	19,198	16.3	16.6	0.3	1.9%	15. Howard	1,318	15. Dorchester	3.8%
Montgomery	1,062,061	1,106.4	1,154.8	48.4	4.4%	16. Harford	1,258	16. Charles	3.6%
Prince George's	967,201	1,623.1	1,626.3	3.3	0.2%	17. Baltimore	1,223	17. Somerset	3.3%
Queen Anne's	49,874	51.8	54.4	2.7	5.1%	18. Carroll	1,180	18. Wicomico	3.1%
St. Mary's	113,777	144.3	153.9	9.6	6.7%	19. Anne Arundel	1,096	19. Washington	2.5%
Somerset	24,620	53.4	55.1	1.8	3.3%	20. Queen Anne's	1,092	20. Caroline	2.3%
Talbot	37,526	28.1	29.5	1.3	4.8%	21. Montgomery	1,087	21. Cecil	2.1%
Washington	154,705	255.9	262.2	6.4	2.5%	22. Worcester	900	22. Kent	1.9%
Wicomico	103,588	216.4	223.1	6.6	3.1%	23. Kent	866	23. Garrett	1.6%
Worcester	52,460	44.5	47.2	2.7	6.0%	24. Talbot	785	24. Prince George's	0.2%
Unallocated		276.3	259.2	-17.1	-6.2%				
Total	6,177,224	\$8,843.5	\$9,226.8	\$383.3	4.3%	Statewide Average	\$1,494	Statewide Average	4.3%

Appendix 10
State Aid to Local Governments
Fiscal 2023 Allowance
(\$ in Thousands)

County	Direct State Aid						Retirement	Total	Change	
	County - Municipal	Community Colleges	Public Schools	Libraries	Health	Subtotal			Over FY 2022	Percent Change
Allegany	\$17,440	\$9,132	\$97,301	\$850	\$2,662	\$127,385	\$8,057	\$135,442	\$6,541	5.1%
Anne Arundel	52,618	42,972	471,185	2,668	5,850	575,291	69,616	644,907	49,102	8.2%
Baltimore City	296,851	0	1,025,723	9,500	10,237	1,342,311	61,532	1,403,843	54,220	4.0%
Baltimore	33,295	64,965	836,438	7,189	6,718	948,606	96,333	1,044,939	63,442	6.5%
Calvert	7,067	5,084	102,953	565	1,147	116,815	13,770	130,585	10,060	8.3%
Caroline	6,579	2,143	69,032	353	1,304	79,411	4,712	84,124	1,861	2.3%
Carroll	8,381	12,832	157,927	1,194	2,998	183,331	20,664	203,995	13,090	6.9%
Cecil	10,370	8,827	119,035	904	2,108	141,245	13,465	154,710	3,146	2.1%
Charles	6,094	9,361	222,577	1,298	2,541	241,871	21,680	263,551	9,269	3.6%
Dorchester	7,891	1,626	55,223	336	1,318	66,393	3,875	70,268	2,573	3.8%
Frederick	13,390	17,380	328,749	1,778	3,428	364,725	35,121	399,846	44,166	12.4%
Garrett	6,941	5,392	24,670	178	1,357	38,537	3,328	41,865	650	1.6%
Harford	10,668	17,677	263,540	1,983	3,857	297,726	30,470	328,195	25,515	8.4%
Howard	12,326	31,305	331,408	1,137	2,992	379,168	58,978	438,146	33,729	8.3%
Kent	1,599	645	11,263	116	1,335	14,959	1,672	16,631	310	1.9%
Montgomery	40,974	70,708	868,363	3,632	4,946	988,623	166,207	1,154,830	48,428	4.4%
Prince George's	131,938	39,767	1,321,122	8,530	7,986	1,509,343	116,986	1,626,329	3,258	0.2%
Queen Anne's	2,775	2,809	41,596	196	1,096	48,473	5,974	54,447	2,665	5.1%
St. Mary's	4,359	6,263	127,136	861	1,689	140,306	13,627	153,934	9,609	6.7%
Somerset	8,678	1,431	40,692	316	1,199	52,316	2,797	55,113	1,756	3.3%
Talbot	3,352	2,413	18,850	128	893	25,636	3,822	29,458	1,340	4.8%
Washington	11,543	14,540	213,812	1,568	3,243	244,706	17,502	262,208	6,355	2.5%
Wicomico	18,675	7,756	179,976	1,204	2,427	210,039	13,015	223,054	6,634	3.1%
Worcester	9,606	3,250	25,418	179	1,563	40,017	7,190	47,207	2,673	6.0%
Unallocated	117,481	6,460	114,686	20,543	0	259,170	0	259,170	-17,082	-6.2%
Total	\$840,889	\$384,738	\$7,068,675	\$67,205	\$74,896	\$8,436,402	\$790,395	\$9,226,798	\$383,312	4.3%

Note: County/Municipal includes the municipal share of police aid, highway user revenue, and fire aid.

Appendix 11
State Aid to Local Governments
Fiscal 2022 Working Appropriation
(\$ in Thousands)

County	<i>Direct State Aid</i>						Retirement	Total
	County - Municipal	Community Colleges	Public Schools	Libraries	Health	Subtotal		
Allegany	\$16,843	\$7,900	\$92,045	\$868	\$2,649	\$120,304	\$8,597	\$128,901
Anne Arundel	48,136	36,183	428,884	2,552	5,765	521,520	74,285	595,805
Baltimore City	293,430	0	971,498	9,525	10,132	1,284,585	65,038	1,349,623
Baltimore	27,072	52,231	783,460	6,646	6,670	876,079	105,418	981,497
Calvert	5,933	3,026	95,243	568	1,123	105,893	14,631	120,524
Caroline	7,016	2,017	66,297	351	1,287	76,968	5,295	82,263
Carroll	7,012	10,282	147,447	1,126	2,931	168,798	22,107	190,905
Cecil	10,905	7,446	115,487	897	2,069	136,803	14,761	151,564
Charles	4,852	10,599	210,710	1,268	2,529	229,958	24,324	254,281
Dorchester	7,412	1,318	53,231	322	1,281	63,565	4,130	67,695
Frederick	10,918	14,348	287,983	1,661	3,388	318,298	37,382	355,680
Garrett	6,688	4,518	24,841	179	1,314	37,539	3,675	41,215
Harford	8,596	14,763	241,979	1,884	3,814	271,035	31,645	302,680
Howard	8,938	25,759	300,726	1,103	2,922	339,449	64,968	404,417
Kent	1,433	592	11,001	117	1,309	14,451	1,869	16,320
Montgomery	33,519	57,255	832,101	3,509	4,893	931,278	175,124	1,106,402
Prince George's	115,794	40,449	1,327,762	7,722	7,930	1,499,657	123,415	1,623,072
Queen Anne's	2,379	2,409	39,204	207	1,088	45,286	6,496	51,782
St. Mary's	3,513	3,195	120,797	867	1,568	129,940	14,385	144,325
Somerset	9,274	1,234	38,119	327	1,266	50,219	3,138	53,357
Talbot	3,013	2,127	17,968	124	869	24,101	4,017	28,118
Washington	14,860	11,971	205,230	1,489	3,221	236,772	19,080	255,852
Wicomico	18,911	6,554	173,457	1,188	2,364	202,476	13,945	216,421
Worcester	8,944	2,693	23,535	175	1,514	36,861	7,674	44,534
Unallocated	104,591	6,698	145,195	19,768	0	276,251	0	276,251
Total	\$779,981	\$325,569	\$6,754,200	\$64,442	\$73,896	\$7,998,088	\$845,398	\$8,843,486

Note: County/Municipal includes the municipal share of police aid, highway user revenue, and fire aid.

Appendix 12
State Aid to Local Governments
Dollar Difference Between Fiscal 2023 Allowance and Fiscal 2022 Working Appropriation
(\$ in Thousands)

County	County - Municipal	Community Colleges	<i>Direct State Aid</i>				Subtotal	Retirement	Total
			Public Schools	Libraries	Health				
Allegany	\$597	\$1,232	\$5,256	-\$18	\$14	\$7,081	-\$540	\$6,541	
Anne Arundel	4,482	6,788	42,301	116	85	53,772	-4,670	49,102	
Baltimore City	3,421	0	54,225	-25	104	57,726	-3,507	54,220	
Baltimore	6,223	12,735	52,978	543	49	72,527	-9,085	63,442	
Calvert	1,133	2,058	7,709	-3	24	10,921	-861	10,060	
Caroline	-437	125	2,735	2	18	2,443	-582	1,861	
Carroll	1,369	2,550	10,481	68	67	14,534	-1,444	13,090	
Cecil	-534	1,381	3,549	7	40	4,442	-1,296	3,146	
Charles	1,242	-1,239	11,867	30	12	11,913	-2,644	9,269	
Dorchester	478	307	1,992	14	36	2,828	-255	2,573	
Frederick	2,471	3,031	40,766	118	40	46,426	-2,260	44,166	
Garrett	253	874	-171	-1	43	998	-348	650	
Harford	2,072	2,914	21,561	100	43	26,691	-1,175	25,515	
Howard	3,388	5,546	30,681	34	70	39,719	-5,990	33,729	
Kent	166	53	262	-1	27	507	-197	310	
Montgomery	7,455	13,453	36,262	123	53	57,345	-8,917	48,428	
Prince George's	16,144	-682	-6,640	808	57	9,686	-6,429	3,258	
Queen Anne's	396	400	2,393	-11	8	3,186	-521	2,665	
St. Mary's	846	3,067	6,339	-6	120	10,366	-757	9,609	
Somerset	-596	198	2,573	-10	-67	2,097	-341	1,756	
Talbot	339	286	881	4	24	1,535	-194	1,340	
Washington	-3,318	2,569	8,582	78	22	7,934	-1,578	6,355	
Wicomico	-236	1,201	6,519	16	63	7,563	-930	6,634	
Worcester	662	557	1,883	5	49	3,156	-484	2,673	
Unallocated	12,890	-237	-30,509	775	0	-17,082	0	-17,082	
Total	\$60,907	\$59,169	\$314,475	\$2,763	\$1,000	\$438,315	-\$55,003	\$383,312	

Note: County/Municipal includes the municipal share of police aid, highway user revenue, and fire aid.

Appendix 13
State Aid to Local Governments
Percent Change: Fiscal 2023 Allowance over Fiscal 2022 Working Appropriation

County	County - Municipal	Community Colleges	Direct State Aid				Subtotal	Retirement	Total
			Public Schools	Libraries	Health				
Allegany	3.5%	15.6%	5.7%	-2.1%	0.5%	5.9%	-6.3%	5.1%	
Anne Arundel	9.3%	18.8%	9.9%	4.5%	1.5%	10.3%	-6.3%	8.2%	
Baltimore City	1.2%	n/a	5.6%	-0.3%	1.0%	4.5%	-5.4%	4.0%	
Baltimore	23.0%	24.4%	6.8%	8.2%	0.7%	8.3%	-8.6%	6.5%	
Calvert	19.1%	68.0%	8.1%	-0.5%	2.1%	10.3%	-5.9%	8.3%	
Caroline	-6.2%	6.2%	4.1%	0.4%	1.4%	3.2%	-11.0%	2.3%	
Carroll	19.5%	24.8%	7.1%	6.0%	2.3%	8.6%	-6.5%	6.9%	
Cecil	-4.9%	18.6%	3.1%	0.7%	1.9%	3.2%	-8.8%	2.1%	
Charles	25.6%	-11.7%	5.6%	2.3%	0.5%	5.2%	-10.9%	3.6%	
Dorchester	6.5%	23.3%	3.7%	4.3%	2.8%	4.4%	-6.2%	3.8%	
Frederick	22.6%	21.1%	14.2%	7.1%	1.2%	14.6%	-6.0%	12.4%	
Garrett	3.8%	19.3%	-0.7%	-0.7%	3.3%	2.7%	-9.5%	1.6%	
Harford	24.1%	19.7%	8.9%	5.3%	1.1%	9.8%	-3.7%	8.4%	
Howard	37.9%	21.5%	10.2%	3.1%	2.4%	11.7%	-9.2%	8.3%	
Kent	11.6%	9.0%	2.4%	-0.9%	2.0%	3.5%	-10.5%	1.9%	
Montgomery	22.2%	23.5%	4.4%	3.5%	1.1%	6.2%	-5.1%	4.4%	
Prince George's	13.9%	-1.7%	-0.5%	10.5%	0.7%	0.6%	-5.2%	0.2%	
Queen Anne's	16.7%	16.6%	6.1%	-5.3%	0.8%	7.0%	-8.0%	5.1%	
St. Mary's	24.1%	96.0%	5.2%	-0.7%	7.7%	8.0%	-5.3%	6.7%	
Somerset	-6.4%	16.0%	6.7%	-3.2%	-5.3%	4.2%	-10.9%	3.3%	
Talbot	11.3%	13.5%	4.9%	3.3%	2.7%	6.4%	-4.8%	4.8%	
Washington	-22.3%	21.5%	4.2%	5.2%	0.7%	3.4%	-8.3%	2.5%	
Wicomico	-1.2%	18.3%	3.8%	1.3%	2.7%	3.7%	-6.7%	3.1%	
Worcester	7.4%	20.7%	8.0%	2.8%	3.3%	8.6%	-6.3%	6.0%	
Unallocated	12.3%	-3.5%	-21.0%	3.9%	n/a	-6.2%	n/a	-6.2%	
Total	7.8%	18.2%	4.7%	4.3%	1.4%	5.5%	-6.5%	4.3%	

Note: County/Municipal includes the municipal share of police aid, highway user revenue, and fire aid.

Appendix 14
Gaming Program
Revenues and Impact on the Education Trust Fund
Fiscal 2021-2023
(\$ in Millions)

	Fiscal 2021	Fiscal 2022 Estimate			Fiscal 2023 Estimate		
	<u>Actual</u>	<u>September</u>	<u>December</u>	<u>Difference</u>	<u>September</u>	<u>December</u>	<u>Difference</u>
Video Lottery Terminals							
Education Trust Fund	\$443.6	\$470.2	\$496.5	\$26.3	\$477.4	\$504.1	\$26.7
Casino Operators	546.5	579.3	611.0	31.7	588.1	620.3	32.2
Local Impact Grants	62.9	66.7	70.4	3.7	67.7	71.5	3.8
SMWOBA	17.0	18.0	19.1	1.0	18.3	19.3	1.0
Purse Dedication	67.8	71.9	75.9	4.0	73.0	77.1	4.1
RTFRA	11.1	11.8	12.4	0.7	11.9	12.6	0.7
State Lottery Agency	11.6	12.3	13.0	0.7	12.5	13.2	0.7
Gross Revenues	\$1,160.4	\$1,230.2	\$1,298.2	\$68.0	\$1,248.9	\$1,318.1	\$69.2
Table Games							
Education Trust Fund	\$87.8	\$90.6	\$91.3	\$0.7	\$93.4	\$94.1	\$0.7
Casino Operators	468.3	483.4	487.0	3.6	498.0	501.7	3.7
Local Impact Grants	29.3	30.2	30.4	0.2	31.1	31.4	0.2
Gross Revenues	\$585.3	\$604.3	\$608.7	\$4.5	\$622.5	\$627.1	\$4.6
Total Gross Revenues	\$1,745.7	\$1,834.5	\$1,907.0	\$72.5	\$1,871.4	\$1,945.2	\$73.8
Total Education Trust Fund	\$531.4	\$560.8	\$587.8	\$26.9	\$570.7	\$598.2	\$27.4

SMWOBA: Small, Minority, and Women-Owned Businesses Account

RFRA: Racetracks Facility Renewal Account

Appendix 15 K-12 Enrollment Trends

<u>County</u>	<u>Special Education</u>					<u>English Language Learners</u>				
	<u>FY 21</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 2021 - 2023</u>		<u>FY 21</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 2021 - 2023</u>	
				<u>Change</u>	<u>% Change</u>				<u>Change</u>	<u>% Change</u>
Allegany	1,357	1,249	1,173	-184	-14%	20	20	28	8	40%
Anne Arundel	9,590	9,492	9,569	-21	0%	6,637	6,586	7,548	911	14%
Baltimore City	12,545	12,211	11,665	-880	-7%	6,964	7,114	8,127	1,163	17%
Baltimore	16,293	15,800	15,152	-1,141	-7%	8,961	8,807	10,268	1,307	15%
Calvert	1,695	1,647	1,695	0	0%	158	160	206	48	30%
Caroline	620	579	547	-73	-12%	476	437	464	-12	-3%
Carroll	3,140	3,005	3,115	-25	-1%	343	329	396	53	15%
Cecil	2,497	2,459	2,413	-84	-3%	324	297	324	0	0%
Charles	3,112	2,911	2,916	-196	-6%	895	912	1,036	141	16%
Dorchester	482	451	442	-40	-8%	191	179	202	11	6%
Frederick	5,090	4,891	5,177	87	2%	2,921	2,872	3,206	285	10%
Garrett	353	339	320	-33	-9%	10	11	10	0	0%
Harford	5,143	5,034	5,381	238	5%	791	778	858	67	8%
Howard	5,903	6,019	5,977	74	1%	3,450	3,367	3,977	527	15%
Kent	298	279	268	-30	-10%	78	75	83	5	6%
Montgomery	20,512	20,596	20,427	-85	0%	28,231	26,370	28,482	251	1%
Prince George's	15,444	15,174	14,161	-1,283	-8%	29,625	27,478	29,919	294	1%
Queen Anne's	857	828	826	-31	-4%	325	310	357	32	10%
St. Mary's	1,973	1,900	1,887	-86	-4%	314	277	320	6	2%
Somerset	442	419	421	-21	-5%	110	111	114	4	4%
Talbot	505	493	509	4	1%	509	478	567	58	11%
Washington	2,508	2,462	2,520	12	0%	612	586	614	2	0%
Wicomico	1,721	1,609	1,541	-180	-10%	1,156	1,143	1,332	176	15%
Worcester	775	764	758	-17	-2%	148	141	135	-13	-9%
Total	112,855	110,611	108,860	-3,995	-4%	93,249	88,838	98,573	5,324	6%

Appendix 16
Fiscal 2022 and 2023 Statewide Personnel Actions

<u>Actions</u>	<u>2022</u>	<u>2023</u>
Jan. 2022 1% COLA	\$25.4	\$50.6
Jan. 2022 Increment	81.0	161.6
Jan. 2022 2% AFSCME COLA	11.2	22.4
Jan. 2022 AFSCME \$2,500 Bonus	11.0	
\$1,000 Bonus (All Except SLEOLA)	80.8	
\$500 Bonus (All Except SLEOLA and AFSCME)	31.1	
July 2022 3% COLA		182.0
July 2022 Increment		120.0
July 2022 7% SLEOLA COLA		7.8
July 2022 SLEOLA Increment		22.7
Correctional Officer Bonuses	1.9	11.7
Annual Salary Review		11.3
Total All Funds	\$242.4	\$590.1

Appendix 17

Uses of American Rescue Plan Act, State and Local Fiscal Recovery Funds, and Capital Funds (\$ in Millions)

	<u>End of Session</u>	<u>Now</u>	<u>Difference</u>
<u>Available</u>			
State and Local Fiscal Recovery Fund (SFRF)	\$3,726	\$3,717	-\$9
Capital Funding	169	169	0
	\$3,895	\$3,886	-\$9
 <u>Spending</u>			
<u>Programmatic Initiatives</u>			
Unemployment Trust Fund	\$1,100	\$900	-\$200
Transportation	500	500	0
Broadband	300	400	100
Response Pay for Essential Workers	138	112	-26
School HVAC/Ventilation	80	80	0
Employment Training/Apprenticeships	75	75	0
Employee and Retiree Health Insurance Claims		75	75
COVID-19 Health Response (Testing, Nursing Homes, Medical Day Care)		65	65
Place Holder for COVID-19 Support		50	50
Project Restore		50	50
Continue \$100 Per Month Increase in Cash Assistance Grants through December 31, 2021	46	46	0
Blueprint Fiscal 2023 Learning Loss Planned Spending	46	46	0
Temporary Nursing Home Rate Increase	26	26	0
Fund Costs of HB 606 – Utility Bill Assistance	20	20	0
Victims of Crime Assistance		20	20
Expand Telework for State Employees and Private Sector Telework Assistance	15	15	0
Administrative Support		15	15
Homeownership Works		10	10

	<u>End of Session</u>	<u>Now</u>	<u>Difference</u>	
<u>Available</u>				
Other Legislative Priorities	8	8	0	
Offset Revenue Losses at Charlotte Hall		7	7	
Home Monitoring for Early Release	5	5	0	
Project Bounce Back		5	5	
Vaccine Incentives		1	1	
Student Support Network		1	1	
<u>Fiscal Responsibility</u>				
General Fund Relief (RELIEF Act and Miscellaneous Fund Swaps)	\$802	\$599	-\$203	(1)
Blueprint Fund Relief	431	372	-59	(2)
Temporary Assistance for Needy Families Relief	140	140	0	
Strategic Energy Investment Fund Relief	30	30	0	
Reserved for Potential Penalty for Reducing Taxes (After March 3, 2021)	133	0	-133	
Unallocated		213	213	
	\$3,895	\$3,886	-\$9	

HVAC: heating, ventilation, and air conditioning

(1) \$177.8 million of stimulus payments authorized by RELIEF Act do not qualify for American Rescue Plan Act (ARPA) funds. State will fund with Coronavirus Relief Fund. \$250 million of Governor's Economic Relief Initiative spending also does not qualify, and the Department of Budget and Management will offset impact by using the SFRF to support other general fund expenses. Other differences reflect lower than expected RELIEF Act and other spending.

(2) Education Trust Fund (ETF) shortfall from prior years is not eligible for direct reimbursement as spending occurred prior to enactment of the ARPA. However, the State backfilled ETF revenue losses with \$116 million of federal funds.

Appendix 18

Top Funded Programs and Projects – All Funds Fiscal Year 2023 as Introduced

<u>Project Title</u>	<u>GO Bond</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	<u>Total Funds</u>
MSDE: Built to Learn Fund	\$0.0	\$480.0	\$0.0	\$0.0	\$0.0	\$480.0
MSDE: Public School Construction Program	67.2	0.0	217.8	0.0	0.0	285.0
DHCD: Local Government Infrastructure Fund – Statewide Broadband	0.0	0.0	0.0	0.0	171.2	171.2
DOT: WMATA Grants	0.0	0.0	167.0	0.0	0.0	167.0
MDE: Maryland Water Quality Revolving Loan Fund	0.0	0.0	7.7	106.9	38.4	153.0
MISC: Governor Local Initiatives	123.5	0.0	0.0	0.0	0.0	123.5
BPW: Facilities Renewal Fund	35.0	0.0	75.0	0.0	0.0	110.0
DNR: Program Open Space – State	0.0	0.0	0.0	92.6	3.0	95.6
MSDE: Supplemental Capital Grant Program	95.4	0.0	0.0	0.0	0.0	95.4
USMO: Capital Facilities Renewal	0.0	25.3	65.0	0.0	0.0	90.3
MSDE: Healthy School Facility Fund	50.0	0.0	0.0	0.0	40.0	90.0
TSU: New College of Health Professions Building	88.7	0.0	0.0	0.0	0.0	88.7
DNR: Local Parks and Playgrounds Infrastructure	85.0	0.0	0.0	0.0	0.0	85.0
DNR: Program Open Space – Local	0.0	0.0	0.0	82.0	0.0	82.0
MDE: Bay Restoration Fund	0.0	0.0	0.0	78.1	0.0	78.1
BSU: Communication Arts and Humanities Building	73.2	0.0	0.0	0.0	0.0	73.2
MDA: Maryland Agricultural Land Preservation Program	0.0	0.0	0.0	72.2	0.0	72.2
DHCD: Rental Housing Programs	0.0	0.0	42.0	16.5	9.0	67.5
MHEC: Community College Construction Grant Program	67.0	0.0	0.0	0.0	0.0	67.0
MSU: New Health and Human Services Building Phase II	66.0	0.0	0.0	0.0	0.0	66.0
MDV: New Veterans Home	0.0	0.0	63.3	0.0	0.0	63.3
UMCP: Chemistry Building Wing 1 Replacement	57.8	0.0	0.0	0.0	0.0	57.8
DOT: Howard Street Tunnel	51.5	0.0	0.0	0.0	0.0	51.5
DHCD: Homeownership Programs	0.0	0.0	27.0	15.0	0.0	42.0
MDE: Maryland Drinking Water Revolving Loan Fund	0.0	0.0	4.1	17.5	20.3	41.9
MSDE: School Construction Revolving Loan Fund	0.0	0.0	40.0	0.0	0.0	40.0
DNR: Critical Maintenance Program	0.0	0.0	25.0	12.6	0.0	37.6
DNR: Natural Resources Development Fund	0.0	0.0	0.0	28.1	1.9	30.0
DHCD: Strategic Demolition Fund	0.0	0.0	30.0	0.0	0.0	30.0

<u>Project Title</u>	<u>GO Bond</u>	<u>Revenue</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	<u>Total Funds</u>
BPW: Renovation to 2100 Guilford Avenue	28.9	0.0	0.0	0.0	0.0	28.9
DNR: Rural Legacy Program	0.0	0.0	0.0	26.4	0.0	26.4
BPW: State House Exterior and Grounds Restoration	26.1	0.0	0.0	0.0	0.0	26.1
BPW: Shillman Building Conversion	25.8	0.0	0.0	0.0	0.0	25.8
Local Senate Initiatives	25.0	0.0	0.0	0.0	0.0	25.0
Local House Initiatives	25.0	0.0	0.0	0.0	0.0	25.0
MDE: Conowingo Dam Watershed	25.0	0.0	0.0	0.0	0.0	25.0
MDEM: Resilient Maryland Revolving Loan Fund	0.0	0.0	25.0	0.0	0.0	25.0
UMMS: Comprehensive Cancer and Organ Transplant Treatment Center	25.0	0.0	0.0	0.0	0.0	25.0
DHCD: Neighborhood Business Development Program	0.0	0.0	22.8	2.2	0.0	25.0
<i>Subtotal: Top Funded Programs</i>	\$1,041.2	\$505.3	\$811.6	\$550.1	\$283.9	\$3,192.1
<i>Subtotal: Other Funded Programs</i>	\$373.2	\$4.7	\$110.5	\$49.9	\$44.7	\$582.9
Total Fiscal 2023 Capital Program	\$1,414.4	\$510.0	\$922.1	\$600.0	\$328.6	\$3,775.0

Appendix 19
Status of Capital Budget Mandates
Fiscal 2023
(\$ in Millions)

	<u>Mandated</u> <u>Amount</u>	<u>Budgeted</u> <u>Amount</u>
Supplemental School Construction	\$40.0	\$95.4
Healthy Schools Facility Fund	40.0	90.0
Program Open Space Repayment	0.0	28.0
Baltimore Regional Neighborhood Initiative	12.0	12.0
Historic Tax Credit	12.0	12.0
Seed Anchor Institution Funds	10.0	10.0
Fund	7.0	7.0
Aging Schools	6.1	6.1
Local Libraries	7.5	7.5
Aid to Community Colleges – Facilities Renewal	3.4	18.4
Shelter and Transitional Housing	3.0	3.0
Comprehensive Flood Management Program	3.0	7.3
African American Heritage	1.0	1.0
Total	\$145.0	\$297.6

Appendix 20
Significant Legislative Preauthorizations Included
in 2021 Session Capital Bill for Fiscal 2023

<u>Agency</u>	<u>Project Title</u>	<u>Fiscal 2023 Preauthorization</u>	<u>Fiscal 2023 Budget</u>	<u>Difference</u>
MSA	Department of Legislative Services Building	\$12.00	\$12.00	\$0.00
BPW	New Courts of Appeal Building	30.00	0.83	-29.17
MHEC	Prince George's County Community College Student Center	6.50	0.00	-6.50
UMB	School of Social Work Addition and Renovation I	2.50	2.50	0.00
UMCP	Interdisciplinary Engineering Building	7.00	7.00	0.00
CSU	New Dormitory and Student Union	9.00	0.86	-8.14
UMBC	University of Maryland, Baltimore County Sherman Hall Renovation	40.00	1.89	-38.11
MISC	Rash Field	0.50	0.50	0.00
MISC	Johns Hopkins Medicine New Medical Research Building	7.50	7.50	0.00
MISC	Bay Sox Stadium	0.50	0.50	0.00
MISC	Family Crisis Center	0.50	0.50	0.00
MISC	Morning Star Family Life Center	1.40	1.40	0.00
MISC	Pikesville Armory Foundation – Pikesville Armory Renovation	2.50	2.50	0.00
MISC	Hippodrome Foundation	3.00	4.00	1.00
MISC	Burtonsville Crossing Shopping Center	3.50	3.50	0.00
MISC	Old Town Bowie – Historic Properties	0.50	0.50	0.00
MISC	New Cultural Center	1.00	1.00	0.00
MISC	Warrior Canine Connection	0.50	0.50	0.00
MISC	Howard County Asian American Cultural Center	0.25	0.25	0.00
MISC	Asian American Center of Frederick	0.70	0.70	0.00
MISC	Overlea High School Electronic Sign	0.15	0.15	0.00
MISC	Marley Neck School Center	0.10	0.10	0.00
MISC	Fort Washington Medical Center	1.54	1.54	0.00
MISC	Studio 541 Museum	0.19	0.19	0.00
MISC	Prologue Outreach Center	0.15	0.15	0.00
MISC	Baltimore Unity Hall	0.10	0.10	0.00
MISC	Capitol Heights – Seat Pleasant Boys and Girls Club	0.10	0.10	0.00
	Total	\$131.69	\$50.77	-\$80.92

Appendix 21
Capital Budget – Significant Adjustments (GO Bonds, General Funds, and Bond Premiums)
Planned Compared to Proposed
(\$ in Millions)

<u>Project / Program</u>	<u>Planned</u>	<u>Proposed</u>	<u>Notes</u>
DGS Facility Renewal	\$32.3	\$110.0	Includes \$75 million in the Dedicated Purpose Account
DNR Facility Renewal Program	0.0	25.0	Budget includes another \$12.6 million special funds through POS
Higher Education Facility Renewal	5.5	135.0	Includes USM Facility Renewal Program; several stand alone facility renewal projects at four-year institutions, and facility renewal at community colleges and MICUA universities (figures do not reflect \$28 million of Academic Revenue bonds that support facility renewal projects)
Public School Construction	279.6	480.0	Includes enhancements above the levels programmed in the 2021 session CIP for the Public School Construction Program, Supplemental Capital Grant Program, Healthy School Facility Fund, and new funding for the School Construction Revolving Loan Fund
DHCD Capital Grant and Loan Programs	101.2	177.8	Enhancements to numerous program initiatives including Rental Housing, Home Ownership Programs, Partnership Rental Housing, Neighborhood Business Development, and Strategic Demolition and Smart Growth Fund.

<u>Project / Program</u>	<u>Planned</u>	<u>Proposed</u>	<u>Notes</u>
Local Parks and Playgrounds Infrastructure Program (DNR)	0.0	85.0	Legislature added \$85 million in Fiscal 2022 for this initiative which was not part of the State's CIP.
Community Parks and Playgrounds (DNR)	2.5	5.0	CIP programs \$5 million annually
Governor Miscellaneous Grants	0.0	123.5	\$24.7 of which fund projects preauthorized by the General Assembly
Conowingo Dam Watershed	0.0	31.0	Includes \$25 million in MDE and \$6 million in MES
Resiliency Maryland Revolving Loan Fund (MDEM)	0.0	25.0	\$25 million of GF replaces \$25 million of GO bonds authorized in the 2021 session which are proposed to be deauthorized by amendment in the 2022 session capital bill
Comprehensive Flood Management Program (MDE)	3.0	7.3	Fiscal 2023 enhancement
Clifton T. Perkins North Wing Renovation (MDH)	6.7	1.0	Project construction start moved to fiscal 2024.
Public Safety Communication System (DoIT)	5.0	13.1	Additional ethernet and tower costs
Cheltenham Youth Detention Center - Addition for Females (DJS)	23.4	1.6	Project scope revised – construction start moved if Fiscal 2024
Carter-Grant Wilson Building Renovation (MSU)	0.0	1.2	Project accelerated in CIP

<u>Project / Program</u>	<u>Planned</u>	<u>Proposed</u>	<u>Notes</u>
Lake Clifton High School Demolition	8.9	0.0	Legislature advanced \$5 million in Fiscal 2022 which is sufficient to start and complete design and begin construction in Fiscal 2023 – additional funds are programmed in the CIP for Fiscal 2024 and 2025
Natural Resources Police – Replacement Helicopter	0.0	6.3	Replace aging fixed wing aircraft to support NRP mission
MD Archeological Conservation Laboratory (MDP)	8.0	3.5	Schedule delays move a portion of the construction funds to Fiscal 2024
Department of Public Safety and Correctional Services Projects	43.7	122.6	Changes in scope and cost to numerous DPSCS projects
State House Exterior and Grounds Restoration	0.0	26.1	Project scope and cost increase – accelerate project schedule
Renovations to 2100 Guilford Avenue	3.4	28.9	Project scope and cost increase – accelerate project schedule – associated with relocation of State agencies from State Center
Construction Contingency Fund (BPW)	0.0	5.0	Increase level of funding in CRF to address project costs increases resulting from high construction inflation
District Courts (BPW)	25.7	41.8	Includes Shillman Building conversion, land acquisition for Harford County District Court, and Washington County District Court renovation
New Department of Legislative Services Building (MSA)	0.0	12.0	The legislature included a preauthorization of \$12 million for Fiscal 2023 to continue the funding plan

<u>Project / Program</u>	<u>Planned</u>	<u>Proposed</u>	<u>Notes</u>
Tactical Services Facility (MSP)	9.3	3.9	Schedule moves bulk of construction funding to Fiscal 2024
New School of Social Work Building (UMB)	0.0	2.5	Legislature preauthorized \$2.5 million for Fiscal 2023 to accelerate the project schedule
Chemistry Building Wing I Replacement (UMCP)	51.3	57.8	Based on schedule and revised project costs
Interdisciplinary Engineering Building	0.0	7.0	Legislature preauthorized \$7.0 million for Fiscal 2023 to accelerate the project schedule
Martin Luther King, Jr. Communications Arts and Humanities Building	44.7	73.2	Based on schedule and revised project costs
New College of Health Professions Building (TSU)	75.5	88.7	Based on schedule and revised project costs
School of Pharmacy and Health Professions (UMES)	0.0	8.2	Revised capital equipment list

BPW: Board of Public Works

CIP: Capital Improvement Program

CRF: Cardiovascular Research Foundation

DGS: Department of General Services

DHCD: Department of Housing and Community Development

DJS: Department of Juvenile Services

DoIT: Department of Information Technology

DPSCS: Department of Public Safety and Correctional Services

DNR: Department of Natural Resources

GO: General Obligation

MDE: Maryland Department of the Environment

MDEM: Maryland Emergency management Agency

MDP: Maryland Department of Planning

MSA: Maryland Stadium Authority

MSP: Managed Service Provider

MSU: Morgan State University

POS: Program Open Space

TSU: Towson University

UMB: Univeristy of Maryland

UMCP: University of Maryland College Park Campus

USM: University of Maryland System

UMES: University of Maryland Environmental Service

Appendix 22

Blueprint Fund Closing Balance with and without Digital Advertising Revenues Assuming Level of General Fund Support in the Governor's Forecast for K-12 Education Results in More Rapid Use of Blueprint Fund than Previously Projected Fiscal 2021-2027

(\$ in Millions)

