



# Maryland

DEPARTMENT OF BUDGET  
AND MANAGEMENT

LARRY HOGAN  
*Governor*

BOYD K. RUTHERFORD  
*Lieutenant Governor*

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*Deputy Secretary*

## **SENATE BILL 308 Higher Education - Maryland Community College Promise Scholarship - Revisions (Ellis)**

### **STATEMENT OF INFORMATION**

**DATE: January 27, 2021**

**COMMITTEE: Senate Education, Health & Environmental Affairs**

**SUMMARY OF BILL:** SB 308 mandates an appropriation in FY 2023 of \$3.5 million in addition to the current FY 2023 mandate of \$15 million for the Community College Promise Scholarship Program, and expands Program eligibility.

**EXPLANATION:** The Department of Budget and Management's focus is not on the underlying policy proposal being advanced by the legislation, but rather on the additional \$3.5 million mandated appropriation in FY 2023. It is important to note that \$3.5 million was reduced by the Board of Public Works on July 1, 2020. However, that \$3.5 million is included as a FY 2021 deficiency appropriation, which becomes immediately available upon passage of the FY 2022 Budget. The FY 2022 Budget also fully funds the \$15 million mandate for the Promise Scholarship Program.

DBM has the responsibility of submitting a balanced budget to the General Assembly annually, which requires spending allocations for FY 2022 to be within the official revenues estimates approved by the Board of Revenue Estimates in December 2020.

Economic conditions remain precarious as a result of COVID-19, making revenue predictions for the remainder of FY 2021 and FY 2022 highly volatile. Many individuals and households are unemployed or underemployed, with many industry sectors operating at much less than 100% capacity. Federal stimulus programs are providing much needed relief, but the impact of the COVID-19 pandemic continues to present a significant budgetary vulnerability.

The highest priority of the Administration is to work with the 2021 General Assembly in enacting the Governor's emergency Recovery for the Economy, Livelihoods, Industries, Entrepreneurs, and Families Act (SB 496/HB 612 RELIEF Act). The RELIEF Act provides \$1 billion in direct stimulus and tax relief for Maryland working families, small businesses, and those who have lost their jobs as a result of the COVID-19 pandemic.

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