

LARRY HOGAN Governor

BOYD K. RUTHERFORD Lieutenant Governor DAVID R. BRINKLEY Secretary

MARC L. NICOLE Deputy Secretary

SENATE BILL 383 Maryland Association of Environmental and Outdoor Education Grant - Funding and Evaluation (King)

STATEMENT OF INFORMATION DATE: February 8, 2022

COMMITTEE: Senate Budget & Taxation

SUMMARY OF BILL: SB 121 extends an existing mandated appropriation for the Maryland Association of Environmental and Outdoor Education Grant in the Maryland State Department of Education from FY 2026 to FY 2028; and increases the FY 2023 appropriation amount from \$272,100 to \$280,850 in FY 2026 and FY 2027; and decreases the appropriation to \$216,600 in FY 2028. The grant is to increase the number of green schools.

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 cumulative increase of \$561,100 in the mandated appropriation. The FY 2023 Budget contains the \$272,100 mandated appropriation amount.

DBM has the responsibility of submitting a balanced budget to the General Assembly annually, which will require spending allocations for FY 2024 to be within the official revenues estimates approved by the Board of Revenue Estimates in December 2022.

Changes to the Maryland Constitution in 2020 provide the General Assembly with additional budgetary authority, beginning in the 2023 Session, to realign total spending by increasing and adding items to appropriations in the budget submitted by the Governor. The legislature's new budgetary power diminishes, if not negates, the need for mandated appropriation bills.

Fully funding the implementation of the Blueprint for Maryland's Future (Kirwan) will require fiscal discipline in the years ahead, if the State is to maintain the current projected structural budget surpluses. Mandated spending increases need to be reevaluated within the context of this education funding priority and the Governor's tax relief proposals.

Economic conditions remain precarious as a result of COVID-19. High rates of inflation and workforce shortages may be short lived or persist, thereby impacting the Maryland economy. While current budget forecasts project structural surpluses, the impact of the ongoing COVID-19 pandemic continues to present a significant budgetary vulnerability. The Department continues to urge the General Assembly to focus on maintaining the structural budget surplus.

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