



Maryland

DEPARTMENT OF BUDGET
AND MANAGEMENT

WES MOORE
Governor

ARUNA MILLER
Lieutenant Governor

HELENE GRADY
Secretary

MARC L. NICOLE
Deputy Secretary

HB1459 – Economic Development – Western Maryland Economic Future Investment Board and Senator George C. Edwards Fund - Alterations

Letter of Information

DATE: March 4th, 2024

COMMITTEE: Ways and Means

SUMMARY OF BILL: Current law mandates \$10 million in annual appropriation to the Western Maryland Economic Future Investment Program through FY 2026. This bill extends the mandate through FY 2031 and modifies the types of projects eligible to receive funding. This includes alterations to evaluation criteria currently used by the investment board to determine eligibility.

EXPLANATION: The total appropriation mandated by this bill would amount to \$50 million over the five-year extension period from FY 2027 through FY 2031. The Department of Budget and Management (DBM) is charged with submitting a balanced budget to the General Assembly annually and will be working with the General Assembly to achieve structural balance over the long term. In light of current projected general fund deficits in fiscal 2027 forward, the Department urges caution in passing legislation to extend significant general fund mandates without commensurate decreases in other areas or additional revenue to fund these ongoing mandated commitments. State government must be intentional, disciplined, and strategic with its allocation of State funding to ensure maximum impact toward priority outcomes.

Given the forecasted out-year deficits for the General Fund as well as significant uncertainty regarding the federal budget and policy changes, it would be challenging for the State to sustain these mandated commitments in the long term.

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