



Maryland

DEPARTMENT OF BUDGET
AND MANAGEMENT

LARRY HOGAN
Governor

BOYD K. RUTHERFORD
Lieutenant Governor

DAVID R. BRINKLEY
Secretary

MARC L. NICOLE
Deputy Secretary

SENATE BILL 477 Enoch Pratt Free Library – Operating Hours and Funding (McCray)

STATEMENT OF INFORMATION

DATE: February 3, 2021

COMMITTEE: Senate Budget & Taxation

SUMMARY OF BILL: SB 477 makes permanent the \$3 million annual mandated appropriation to support the additional operating hours for all branches of the Enoch Pratt Free Library.

EXPLANATION: The Department of Budget and Management's (DBM) focus is not on the underlying policy proposal being advanced by the legislation, but rather on the \$3 million ongoing mandated appropriation.

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. Mandated appropriations have a direct impact on constructing a structurally balanced budget. Flexibility in allocating available funds is paramount, particularly when the aggregate of increased spending mandates is unsustainable.

Economic conditions remain precarious as a result of COVID-19, making revenue predictions for the remainder of FY 2021 and FY 2022 highly volatile. The impact of the COVID-19 pandemic is a significant budgetary vulnerability, making the addition of new, permanent funding mandates premature.

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. Senate amendments add \$520 million in additional relief.

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