



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 882 Operating Budget – Education Programs – Mandated Funding (Guzzone)

STATEMENT OF INFORMATION

DATE: March 3, 2021

COMMITTEE: Senate Budget & Taxation

SUMMARY OF BILL: SB 882 mandates an appropriation in FY 2023 for each of the programs within the Funding for Educational Organizations (R00A03) equal to the greater of the funding for the program in FY 2021 or FY 2022, plus an additional \$150,000.

EXPLANATION: HB 1053 mandates a total of \$1.3 million in FY 2023, including increased funding for: Maryland School for the Blind; Blind Industries and Services of Maryland; Other Institutions; Aid to Nonpublic Schools; and Broadening Options and Opportunities for Students Today.

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 General Assembly and Administration have successfully enacted the Governor's emergency Recovery for the Economy, Livelihoods, Industries, Entrepreneurs, and Families Act (SB 496 RELIEF Act), which provides \$1.1 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. It is incumbent upon us to allow the impact of this unprecedented relief package on the State's economy to take effect. Further mandated spending increases need to be reevaluated within the context of an ongoing pandemic.

**For additional information, contact Barbara Wilkins at
(410) 260-6371 or barbara.wilkins1@maryland.gov**