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# **Mandated Appropriations in the Maryland State Budget**

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**Department of Legislative Services  
Office of Policy Analysis  
Annapolis, Maryland**

**December 2024**



# Mandated Appropriations in the Maryland State Budget

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A constitutional amendment enacted in 1978 allowed the General Assembly to require the Governor to include a minimum level of funding for a program in a future budget. Since the constitutional amendment, the use of funding mandates has grown significantly, as mandated spending gives the legislature a stronger role in priority setting and fiscal policy formulation and increases the ability to protect agency budgets and interests. The definition of a mandated appropriation was further clarified by the Attorney General's opinion of Chapter 851 of 1980, which is that a statutory mandate must clearly prescribe a dollar amount or an objective basis from which a level of funding can easily be computed.

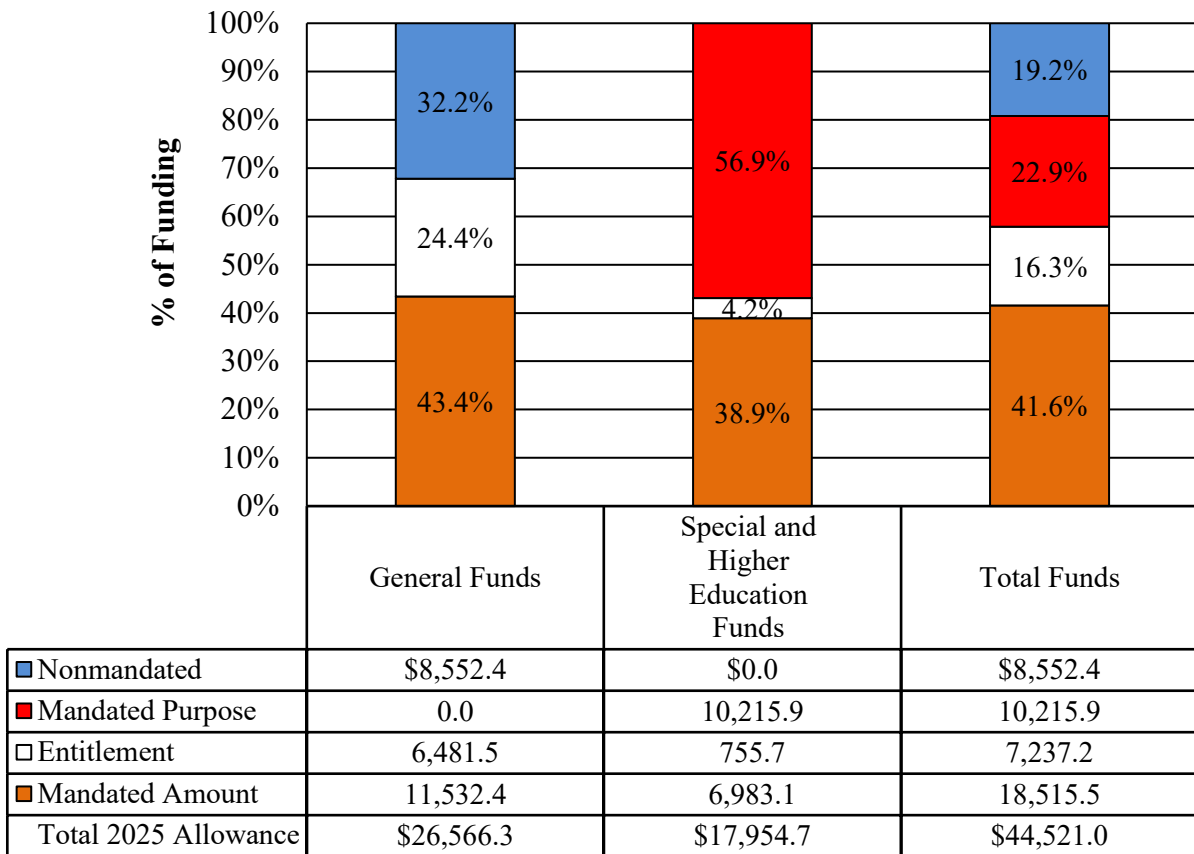
Although federal funds may be used to meet spending mandates and support entitlement programs, the focus of this report is on State-sourced funding (general, special, and higher education funds). For purposes of the report, spending is categorized as:

- ***Mandated Amounts:*** General or special funds that have a statutory or constitutional requirement that designates a specific amount be appropriated or a specific formula be used to calculate an appropriation.
- ***Entitlements:*** General or special funds that have a statutory or constitutional requirement that designates certain benefits to all individuals or groups that meet eligibility criteria. In contrast to mandated amounts, the Governor has some flexibility to adjust funding for entitlements. For example, some Medical Care Program Administration (Medicaid) provider payment rates can be reduced without a law change.
- ***Funds with Mandated Purposes:*** Special and higher education funds that have statutory dedications identifying a broad purpose for the funds but that allow the Governor discretion on how much funding is appropriated and as to how the funds are allocated and used.
- ***Nonmandated Funds:*** General funds that allow the Governor substantial flexibility as to the administration and funding levels of the programs with which they are associated. In many cases, State law requires expenditures for these programs without specifically mandating the amount or purpose. For the purposes of this report, the Reserve Fund appropriation is considered nonmandated spending. Although appropriations to the Reserve Fund are based on a statutory formula, the appropriation amount is reliant on the availability of excess revenues at year-end closeout, which can vary significantly from year to year and represent the appropriation of funds held in an account for future use, as opposed to actual expenditures. Expenditures out of the Reserve Fund supporting mandates or entitlement programs would be captured in those categories of spending.

The State's own-source budget (as included in the allowance) totals \$44.5 billion for fiscal 2025. Altogether, proposed fiscal 2025 appropriations with a mandated amount totaled \$18.5 billion and entitlements totaled an additional \$7.2 billion, for a combined 57.8% of the portion of the budget supported with general, special, and higher education funds.

From fiscal 2015 through 2025, spending on mandates and entitlements ranged from a low of 50% of the State-sourced portion of the budget in fiscal 2015, to a high of 57.8% in fiscal 2025. The main drivers of the large share of spending on mandates and entitlements are education and health-related expenditures. These two categories accounted for a low of 62.3% of the State-sourced mandated and entitlement spending in fiscal 2023, to a high of 73.1% in fiscal 2015, as shown in **Appendix 1**. After the fiscal 2023 low, which occurred largely due to an increase in mandated State transportation spending, the share has increased in the two subsequent years. Despite the increases, the current proportion (64.8% in fiscal 2025) is the third lowest share during this time period. As shown in **Exhibit 1**, 67.8% of the fiscal 2025 general fund allowance and 43.1% of the special and higher education fund allowance are mandates or entitlements. The remaining 56.9% of the special and higher education fund allowance is dedicated for specific purposes defined statutorily.

**Exhibit 1**  
**Maryland State Spending from Own-source Budget as**  
**Included in the Fiscal 2025 Allowance**  
**(\$ in Millions)**

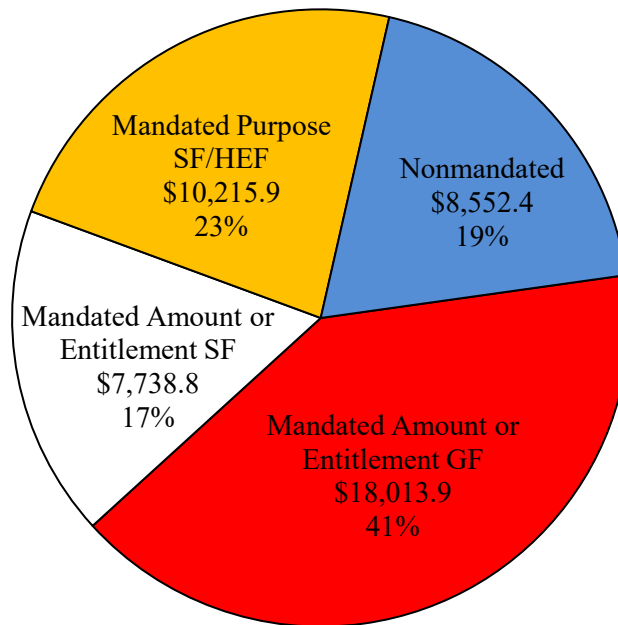


Note: Numbers may not sum to total due to rounding. Fiscal 2025 special and higher education funds exclude the general and special fund portions of current unrestricted funds.

Source: Governor’s Fiscal 2025 Budget Books; Department of Legislative Services

**Exhibit 2** shows the distribution of mandates, entitlements, funds with mandated purposes, and nonmandated funds as a percentage of State-sourced spending. Approximately one-fifth of State-sourced spending in fiscal 2025 is available for discretionary appropriations, a large portion of which includes funding for State employee personnel expenses, operation of the adult correctional system, and other core government functions.

**Exhibit 2**  
**Detailed State Spending from Own-source Budget**  
**Fiscal 2025 Allowance**  
**(\$ in Millions)**



GF: general fund

HEF: higher education funds (tuition and fee revenue, auxiliary enterprises, federal grants and contracts, etc.)

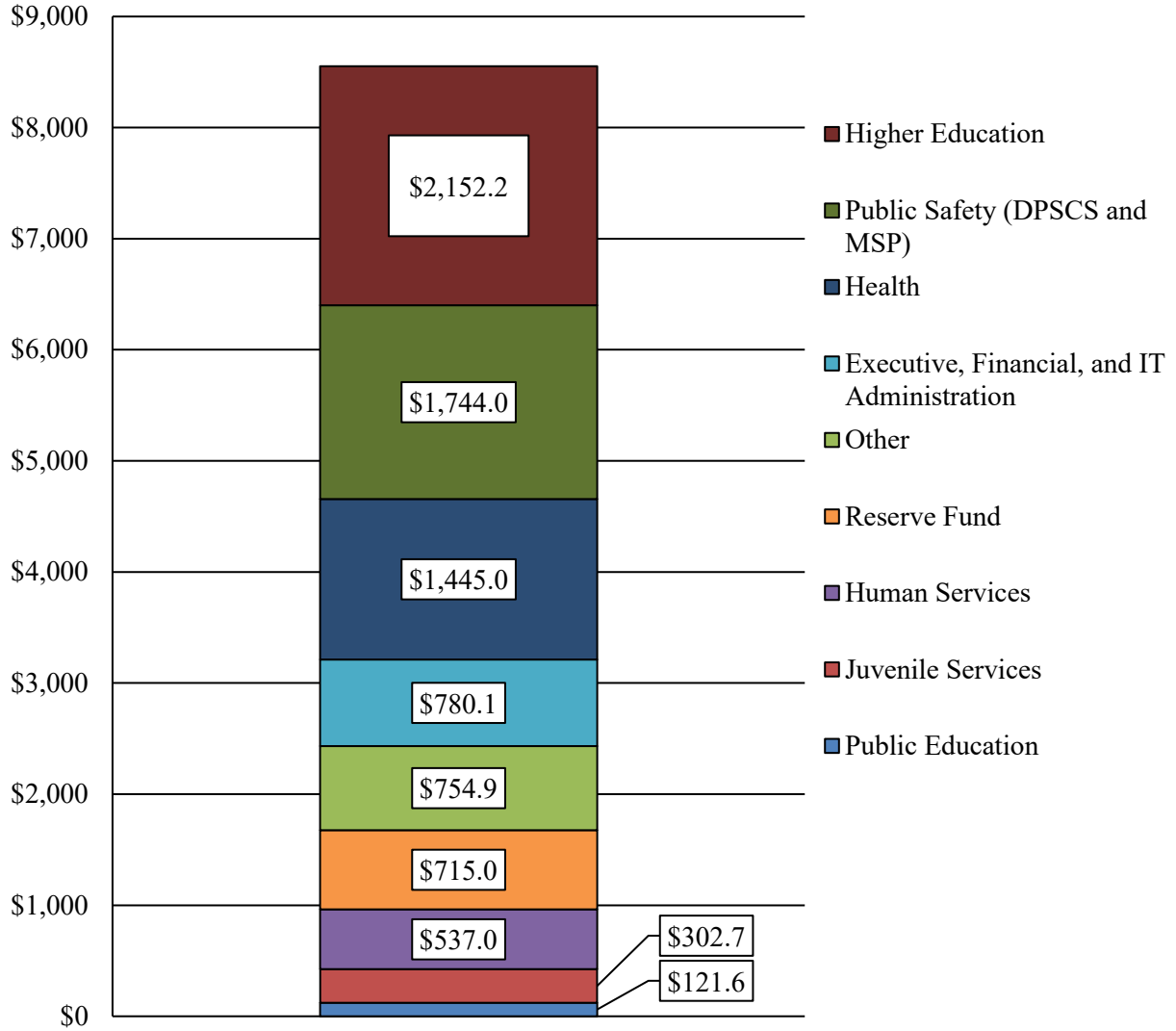
SF: special fund

Note: Numbers may not sum to total due to rounding.

Source: Governor's Fiscal 2025 Budget Books; Department of Legislative Services

**Exhibit 3** shows that allowances for higher education, public safety, and health account for just under 62.5% of the nonmandated general funds. Spending on executive and financial administrative control agencies accounts for an additional 9.1% of fiscal 2025 nonmandated general funds.

**Exhibit 3  
Detailed General Fund Spending  
on Nonmandated Items  
Fiscal 2025 Allowance  
(\$ in Millions)**



DPSCS: Department of Public Safety and Correctional Services  
 IT: information technology  
 MSP: Maryland State Police

Source: Department of Legislative Services

**Exhibit 4** illustrates that PreK-12 education and health programs receive a combined 77.2% of all mandated general fund spending in the allowance. Transportation, education, and debt service for the State's capital program account for 81.7% of all special fund mandates in the allowance.

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**Exhibit 4**  
**Statutorily Mandated Appropriations and Entitlements by Policy Area**  
**Fiscal 2025 Allowance**  
**(\$ in Millions)**

<u>Policy Area</u>	<u>GF</u>	<u>% of GF</u>	<u>SF</u>	<u>% of SF</u>	<u>Total</u>	<u>% of Total</u>
Education, PreK-12	\$7,816.2	43.4%	\$1,954.7	25.3%	\$9,770.9	37.9%
Health	6,096.2	33.8%	812.6	10.5%	6,908.8	26.8%
Transportation	0.0	0.0%	3,246.1	41.9%	3,246.1	12.6%
Capital Program	376.1	2.1%	1,124.7	14.5%	1,500.8	5.8%
Administrative or Legislature	1,026.0	5.7%	288.2	3.7%	1,314.3	5.1%
Education, Post-secondary and Continuing	1,008.0	5.6%	1.3	0.0%	1,009.2	3.9%
Judiciary	696.6	3.9%	98.3	1.3%	794.9	3.1%
Agriculture, Environment, and Natural Resources	37.5	0.2%	159.4	2.1%	196.9	0.8%
Human Services	406.3	2.3%	7.2	0.1%	413.5	1.6%
Non-specific Aid	218.7	1.2%	1.8	0.0%	220.5	0.9%
Economic Development and Housing	143.0	0.8%	44.0	0.6%	187.0	0.7%
Public Safety	189.3	1.1%	0.5	0.0%	189.8	0.7%
<b>Total</b>	<b>\$18,013.9</b>	<b>100.0%</b>	<b>\$7,738.8</b>	<b>100.0%</b>	<b>\$25,752.7</b>	<b>100.0%</b>

GF: general funds

SF: special funds

Note: Numbers may not sum to total due to rounding.

Source: Department of Legislative Services

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The 20 general fund programs that have mandates or entitlements exceeding \$100 million account for 89.9% (nearly \$16.2 billion) of all general fund mandated spending, as shown in **Exhibit 5**. Funding for the 2 largest general fund programs shown, Medicaid and the Foundation Program for education, account for 41.9% of all general fund spending for mandates and entitlements. With respect to special and higher education funds, 17 programs exceeded \$100



million, totaling 89.0% (approximately \$6.9 billion) of all mandated special and higher education fund spending.

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**Exhibit 5**  
**Programs with Statutorily Mandated Appropriations or Entitlements**  
**Exceeding \$100 Million**  
**Fiscal 2025 Allowance**  
**(\$ in Millions)**

	<u>Allowance</u>	<u>% of Funds</u>
<b>General Fund Programs</b>		
Maryland Medical Assistance (Medicaid) Program	\$3,812.8	21.2%
State Share of Foundation Program	3,726.5	20.7%
Compensatory Education	1,295.2	7.2%
Developmental Disabilities Administration Medical Assistance	1,075.0	6.0%
Aid for Local School Employees Fringe Benefits	886.2	4.9%
Community Behavioral Health Services for Medicaid-eligible Recipients	841.5	4.7%
State Retirement Contribution	798.1	4.4%
Judiciary	682.0	3.8%
Senator John A. Cade Memorial Formula for the Distribution of Funds to the Community Colleges in the State	397.5	2.2%
GO Bond Debt Service	376.1	2.1%
Student Transportation – Formula	340.7	1.9%
Limited English Proficiency/English Learner Formula Grant	334.3	1.9%
Child Care Subsidies	328.5	1.8%
Students with Disabilities – Formula	311.1	1.7%
Foster Care Payments	238.8	1.3%
Disparity Grants to Counties	188.5	1.0%
Legislative Branch	158.4	0.9%
Students with Disabilities – Nonpublic Placements	151.6	0.8%
Joseph A. Sellinger Program for Aid to Nonpublic Institutions of Higher Education	133.9	0.7%
Maryland Children’s Health Program	111.1	0.6%
<b>Subtotal</b>	<b>\$16,187.8</b>	<b>89.9%</b>
Other	\$1,826.1	10.1%
<b>Total General Funds</b>	<b>\$18,013.9</b>	<b>100.0%</b>
<b>Special Fund Programs</b>		
GO Bond Debt Service	\$1,124.7	14.5%
MTA Operating Subsidy	1,108.9	14.3%

	<u>Allowance</u>	<u>% of Funds</u>
Maryland Medical Assistance (Medicaid) Program	680.2	8.8%
WMATA Operating Subsidy	489.5	6.3%
MTA Capital Subsidy – State of Good Repair	450.0	5.8%
Transportation Debt Service	432.2	5.6%
Compensatory Education	420.1	5.4%
Local Highway User Capital Grants	396.0	5.1%
Concentration of Poverty Grants	363.3	4.7%
State Retirement Contribution	285.9	3.7%
Students with Disabilities – Formula	220.2	2.8%
Limited English Proficiency/English Learner Formula Grant	185.2	2.4%
WMATA Maryland Metro/Transit Funding Act	167.0	2.2%
Comparable Wage Index (Foundation Program)	155.7	2.0%
WMATA Capital Subsidy	155.0	2.0%
State Grants for Early Education Aid (Publicly Funded Prekindergarten)	142.0	1.8%
Consortium of Coordinated Community Supports	110.0	1.4%
<b>Subtotal</b>	<b>\$6,885.9</b>	<b>89.0%</b>
Other	\$852.9	11.0%
<b>Total Special Funds</b>	<b>\$7,738.8</b>	<b>100.0%</b>

GO: general obligation

MTA: Maryland Transit Administration

WMATA: Washington Metropolitan Area Transit Authority

Note: Numbers may not sum to total due to rounding.

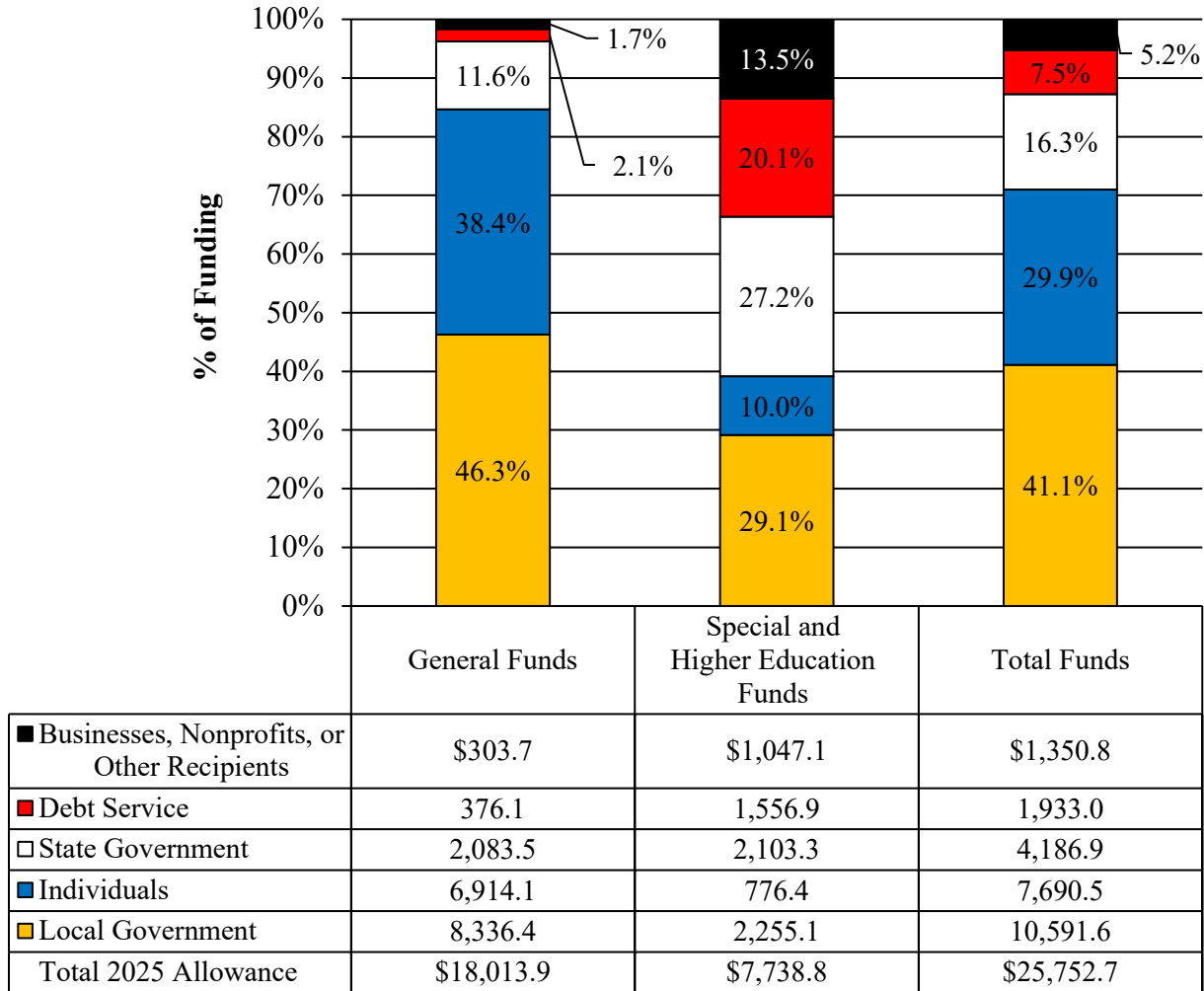
Source: Department of Legislative Services

When considering who benefits from mandated appropriations and entitlement programs, **Exhibit 6** demonstrates that 71.0% (\$18.3 billion) of all general and special fund mandates are received by units of local government or individuals. Local governments receive the largest shares of general and special fund mandated amounts, mainly driven by PreK-12 education aid. Individuals receive the second largest amount of general fund mandated spending, largely due to health services provided through the Medicaid program.

Approximately \$4.2 billion, or 16.3%, of the allowance's general and special fund mandated spending is directed toward State government functions. The largest general fund appropriation for State government functions is the State employee retirement contribution, followed by the Judicial Branch. State government functions account for the second largest portion of mandated special and higher education fund spending in the fiscal 2025 allowance, receiving approximately 27.2% of funding. Spending for mandates and entitlements in the fiscal 2025 allowance by recipient

type is shown in **Appendix 2** for general funds and **Appendix 3** for special and higher education funds.

**Exhibit 6**  
**Mandated Appropriations and Entitlements by Type of Recipient**  
**Fiscal 2025 Allowance**  
**(\$ in Millions)**



Note: Numbers may not sum to total due to rounding. Special and higher education funds exclude the general and special fund portions of current unrestricted funds.

Source: Department of Legislative Services

Although the legislature cannot mandate general obligation (GO) bond authorizations, it has become common practice to mandate general fund pay-as-you-go (PAYGO) capital spending with the stipulation that the Governor can fund the project or program with GO debt. As shown in **Exhibit 7**, \$145.0 million of these PAYGO general fund mandates were funded through GO bond authorizations in the fiscal 2025 capital budget bill. Had the Governor chosen not to use GO debt, the Governor would have been required to fund this amount in the fiscal 2025 allowance, which would have increased the sum of mandated appropriations.

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**Exhibit 7**  
**Statutorily Mandated Appropriations Funded by General Obligation Debt**  
**Fiscal 2025 Capital Budget as Introduced**  
**(\$ in Millions)**

Healthy School Facility Fund	\$90.0
County Library Capital Grant Program	12.0
National Capital Strategic Economic Development Program – Capital	12.0
Seed Community Development Anchor Institution Fund	10.0
Aging School Program	6.1
African American Heritage Preservation Program	5.0
Business Façade Improvement Program	5.0
Shelter and Transitional Housing Facilities Grant Program	3.0
Community College Facilities Renewal Grant Program	1.9
<b>Total</b>	<b>\$145.0</b>

Note: Numbers may not sum to total due to rounding.

Source: Department of Legislative Services

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While mandates require a certain level of spending, the Governor has the authority to allocate more funding for a program than the designated mandate amount. Because of the availability of cash resources and negotiations between the legislature and the Administration to fund specific priorities, 39 programs received a total of \$448.4 million more in fiscal 2025 than required by law, which is shown in **Exhibit 8**. More than half (54.2%) of the additional funding supports operating subsidies for transportation.

Eight programs were underfunded relative to their mandated spending level. The amount of funds below the mandated level for these programs totaled \$29.9 million. The largest of these (GO bond debt service) was fully funded after action by the General Assembly to add funds to the program.

**Exhibit 8**  
**Underfunded and Overfunded Mandates**  
**Fiscal 2025 Allowance**  
**(\$ in Millions)**

<b><u>Underfunded</u></b>	<b><u>Mandate</u></b>	<b><u>Allowance</u></b>	<b><u>Amount Below Mandate</u></b>
General Obligation Bond Debt Service	\$1,526.7	\$1,505.7	-\$21.0
Rural Legacy	5.0	0.0	-5.0
Baltimore Convention Facility Renovation	2.6	0.0	-2.6
Virginia-Maryland Regional College of Veterinary Medicine	6.8	5.8	-1.0
Maryland Health Benefit Exchange	32.0	31.9	-0.1
Agricultural Tree Planting	2.5	2.4	-0.1
State Lakes Protection and Restoration Fund	1.0	0.9	-0.1
Mel Noland Fellowship Program	1.1	1.0	0.0
<b>Total Underfunded</b>	<b>\$1,577.7</b>	<b>\$1,547.8</b>	<b>-\$29.9</b>
<b><u>Overfunded</u></b>	<b><u>Mandate</u></b>	<b><u>Allowance</u></b>	<b><u>Amount Above Mandate</u></b>
Maryland Transit Administration Operating Subsidy	\$944.8	\$1,187.9	\$243.1
State Aid for Police Protection	75.5	126.4	50.9
Core Public Health Services Funding Formula	70.0	115.8	45.8
Temporary Cash Assistance	129.0	156.0	27.0
Maryland Park Service Funding	16.9	36.0	19.2
Temporary Disability Assistance Program	33.8	42.5	8.7
Save4College State Contribution Program	3.0	11.0	8.0
Maryland Tourism Development Board Fund	6.0	13.4	7.4
Tobacco Use Reduction Activities	18.3	24.5	6.2
Soil Conservation Districts	10.0	14.8	4.8
County Library Capital Grant Program	7.5	12.0	4.5
Conroy Memorial Scholarship and Cryor Memorial Scholarship Program	4.0	7.0	3.0
Employment Standards Unit within the Division of Labor and Industry	0.3	3.2	2.9
School-based Health Centers	6.5	9.3	2.8
Historic Revitalization Credit	20.0	22.0	2.0
Statewide Academic Health Centers	13.0	15.0	2.0
Maryland Center for School Safety – Administrative Funding	2.0	3.4	1.4

<b><u>Overfunded</u></b>	<b><u>Mandate</u></b>	<b><u>Allowance</u></b>	<b><u>Amount Above Mandate</u></b>
Accountability and Implementation Board	1.8	3.0	1.2
Maryland Public Broadcasting			
Commission – Funding and Video Streaming	12.3	13.3	1.1
Maryland Corps Program	10.0	10.9	0.9
State Share of Foundation Program	3,778.3	3,779.2	0.9
Infant and Early Childhood Mental Health Support Services Program	3.0	3.8	0.8
Medium Duty and Heavy Duty Zero Emission Vehicle Grant Program	10.0	10.8	0.8
Goodwill Excel Center	0.5	1.0	0.5
Michael Erin Busch Sports Fund	1.0	1.5	0.5
Prevailing Wage Unit within the Division of Labor and Industry	0.4	1.0	0.6
Maryland State Fireman’s Association Widows and Orphans	0.1	0.6	0.6
Adult External High School Education Program	0.3	0.6	0.3
Funding for Maryland Library for the Blind and Physically Handicapped	3.0	3.3	0.3
Maryland State Fireman’s Association	0.2	0.4	0.2
Maryland State Arts Council – Formula	28.8	28.9	0.1
Abortion Care Clinical Training Program	3.5	3.6	0.1
Citizens Committee for the Enhancement of Communities Surrounding BWI Thurgood Marshall Airport	0.2	0.3	0.1
Director of Dementia Services and Brain Health	0.1	0.1	0.0
Financial Consumer Protection – Office of the Commissioner for Financial Regulation	0.3	0.3	0.0
Maryland Commission on African American History and Culture Funding	1.6	1.6	0.0
Senior Citizens Activities Center Operating Fund	0.8	0.8	0.0
Legal Representation for Title IX Proceedings	0.3	0.3	0.0
Constitutional Officer Salaries	1.0	1.0	0.0
<b>Total Overfunded</b>	<b>\$5,217.9</b>	<b>\$5,666.3</b>	<b>\$448.4</b>

BWI Marshall Airport: Baltimore/Washington International Thurgood Marshall Airport

Note: Numbers may not sum to total due to rounding. The overfunded or underfunded amount for several smaller programs may appear as zero due to rounding.

Source: Department of Legislative Services

On July 17, 2024, the Board of Public Works (BPW) took action to reduce State spending in anticipation of the rapidly deteriorating general fund outlook. As shown in **Exhibit 9**, BPW reduced general fund expenditures by \$148.3 million. Of this reduction, \$52.9 million is for mandated appropriations, of which \$20 million is to be backfilled with special funds, and \$1 million is for Medicaid entitlement spending. **Appendix 4** details the reductions to mandates and entitlements by program.

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**Exhibit 9**  
**July 2024 Board of Public Works Reductions**  
**Fiscal 2025**  
**(\$ in Millions)**

	<u>General Funds</u>
Mandated Expenditures*	\$52.9
Entitlement Expenditures	1.0
Other Nonmandated Expenditures	94.5
<b>Total</b>	<b>\$148.3</b>

\*Of this amount, \$20 million will be replaced with special funds for the Educational Excellence Awards from the Need-Based Student Financial Assistance Fund.

Note: A portion of the reductions to nonmandated expenditures are also expected to be shifted to special fund expenditures.

Source: Department of Legislative Services

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**Appendix 5** identifies new or amended mandates and entitlements resulting from legislation enacted during the 2024 session. This list provides the fiscal 2026 mandate amount for new mandates/entitlements and the increase/decrease for existing mandates.

**Appendix 6** provides a comparison of funding for mandates and entitlements in the allowance compared to the legislative appropriation for recent fiscal years. The fiscal 2025 legislative appropriation does not include the July 2024 BPW reductions.

**Appendix 1**  
**Education and Health Spending on Mandates and Entitlements**  
**Fiscal 2015-2025**  
**(\$ in Millions)**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Mandated Amount	\$9,606.1	\$10,488.9	\$10,981.5	\$11,242.1	\$11,681.2	\$12,505.9	\$13,244.2	\$12,883.0	\$16,274.6	\$18,160.0	\$18,515.5
Entitlements	4,844.4	4,674.5	4,724.8	5,063.4	5,243.5	5,392.7	5,725.3	6,322.5	6,641.3	7,010.7	7,237.2
<b>Total</b>	<b>\$14,450.5</b>	<b>\$15,163.4</b>	<b>\$15,706.3</b>	<b>\$16,305.5</b>	<b>\$16,924.7</b>	<b>\$17,898.6</b>	<b>\$18,969.5</b>	<b>\$19,205.4</b>	<b>\$22,915.9</b>	<b>\$25,170.7</b>	<b>\$25,752.7</b>
<b>Total Allowance</b>	<b>\$28,895.7</b>	<b>\$29,062.3</b>	<b>\$30,198.5</b>	<b>\$30,602.5</b>	<b>\$31,793.9</b>	<b>\$33,465.4</b>	<b>\$34,704.5</b>	<b>\$34,689.0</b>	<b>\$40,683.9</b>	<b>\$44,261.2</b>	<b>\$44,521.0</b>
% of State-sourced Portion of the Budget	50.0%	52.2%	52.0%	53.3%	53.2%	53.5%	54.7%	55.4%	56.3%	56.9%	57.8%
Education, PreK-12	\$6,061.4	\$6,065.7	\$6,398.2	\$6,411.4	\$6,556.0	\$7,053.7	\$7,392.2	\$6,995.1	\$8,207.2	\$9,141.4	\$9,770.9
Health	4,502.2	4,463.9	4,553.7	4,871.1	5,117.0	5,199.7	5,557.9	6,109.1	6,061.7	6,762.8	6,908.8
Education, PreK-12 %	41.9%	40.0%	40.7%	39.3%	38.7%	39.4%	39.0%	36.4%	35.8%	36.3%	37.9%
Health %	31.2%	29.4%	29.0%	29.9%	30.2%	29.1%	29.3%	31.8%	26.5%	26.9%	26.8%
<b>Total % Education, PreK-12 &amp; Health on Mandates and Entitlements</b>	<b>73.1%</b>	<b>69.4%</b>	<b>69.7%</b>	<b>69.2%</b>	<b>69.0%</b>	<b>68.5%</b>	<b>68.3%</b>	<b>68.2%</b>	<b>62.3%</b>	<b>63.2%</b>	<b>64.8%</b>

Source: Department of Legislative Services



**Appendix 2**  
**General Fund**  
**Mandated Appropriations and Entitlements by Type of Recipient**  
**Fiscal 2025 Allowance**  
**(\$ in Millions)**

<b><u>General Fund Programs</u></b>	<b><u>Allowance</u></b>	<b><u>% of Total Mandated Approp. and Entitlement</u></b>
<b>Local Government</b>		
State Share of Foundation Program	\$3,726.5	20.7%
Compensatory Education	1,295.2	7.2%
Aid for Local School Employees Fringe Benefits	886.2	4.9%
Senator John A. Cade Memorial Formula for the Distribution of Funds to the Community Colleges in the State	397.5	2.2%
Student Transportation – Formula	340.7	1.9%
Limited English Proficiency/English Learner Formula Grant	334.3	1.9%
Students with Disabilities – Formula	311.1	1.7%
Disparity Grants to Counties	188.5	1.0%
Students with Disabilities – Nonpublic Placements	151.6	0.8%
State Aid for Police Protection	126.4	0.7%
Core Public Health Services Funding Formula	115.8	0.6%
Guaranteed Tax Base Program	74.9	0.4%
Aid to Community Colleges – Retirement Contributions	69.7	0.4%
Public Libraries – Minimum Library Program	49.5	0.3%
Student Transportation – Special Education	28.9	0.2%
Teacher Retirement Supplemental Grants	27.7	0.2%
Prince George’s Private-Public Partnership Fund	27.0	0.1%
Aid for Local Library Employees Fringe Benefits	23.7	0.1%
Public Libraries – State Library Resource Center (Baltimore City)	12.1	0.1%
School Breakfast Pilot Program (Maryland Meals for Achievement)	12.1	0.1%
Aid to Community Colleges – Small Colleges Grants	10.7	0.1%
Infants and Toddlers Program	10.4	0.1%
Public School Safety Grant Program	10.0	0.1%
Revolving Loan Fund	10.0	0.1%
School Resource Officer Grant	10.0	0.1%
Other	119.2	0.7%
<b>Total</b>	<b>\$8,336.4</b>	<b>46.3%</b>

<b><u>General Fund Programs</u></b>	<b><u>Allowance</u></b>	<b><u>% of Total Mandated Approp. and Entitlement</u></b>
<b>Individuals</b>		
Maryland Medical Assistance (Medicaid) Program	\$3,812.8	21.2%
Developmental Disabilities Administration Medical Assistance	1,075.0	6.0%
Community Behavioral Health Services for Medicaid-eligible Recipients	841.5	4.7%
Child Care Scholarships	328.5	1.8%
Foster Care Payments	238.8	1.3%
Maryland Children’s Health Program	111.1	0.6%
Guaranteed Access Grant	98.5	0.5%
Temporary Cash Assistance	49.1	0.3%
Property Tax Credits – Homeowners	48.0	0.3%
Medicaid Adult Dental Coverage	39.9	0.2%
Temporary Disability Assistance Program	38.0	0.2%
Medicaid Coverage for Noncitizen Pregnant Women	35.5	0.2%
Autism Waiver Program	30.8	0.2%
Need-based Awards	28.4	0.2%
Historic Revitalization Credit	22.0	0.1%
Community College Promise Scholarships	15.0	0.1%
9-8-8 Trust Fund	12.0	0.1%
Save4College State Contribution Program	11.0	0.1%
Statewide Rental Assistance Voucher Program	10.0	0.1%
Other	68.2	0.4%
<b>Total</b>	<b>\$6,914.1</b>	<b>38.4%</b>
<b>State Government</b>		
State Retirement Contribution	\$798.1	4.4%
Judiciary	682.0	3.8%
Legislative Branch	158.4	0.9%
Historically Black Colleges and Universities Settlement Funds	62.2	0.3%
Baltimore City Community College	48.0	0.3%
Maryland School for the Deaf	45.7	0.3%
St Mary’s College of Maryland	36.9	0.2%
Victim Services Stabilization	35.0	0.2%
Other Post Employment Benefits Sweeper – DPA	25.0	0.1%
Pension Sweeper – DPA	25.0	0.1%
Circuit Court Law Clerks	13.9	0.1%
Maryland Tourism Development Board Fund	13.4	0.1%
Maryland Public Broadcasting Commission – Funding and Video Streaming	13.3	0.1%
Maryland Corps Program	10.9	0.1%

<b><u>General Fund Programs</u></b>	<b><u>Allowance</u></b>	<b><u>% of Total Mandated Approp. and Entitlement</u></b>
University of Maryland Joint Steering Council	10.0	0.1%
Other	105.8	0.6%
<b>Total</b>	<b>\$2,083.5</b>	<b>11.6%</b>
<b>Debt Service</b>		
General Obligation Bond Debt Service	376.1	2.1%
<b>Total</b>	<b>\$376.1</b>	<b>2.1%</b>
<b>Funds for Other Entities</b>		
Joseph A. Sellinger Program for Aid to Nonpublic Institutions of Higher Education	\$133.9	0.7%
Maryland School for the Blind	28.9	0.2%
Maryland State Arts Council – Formula	28.9	0.2%
Property Tax Credits – Enterprise Zones	27.0	0.1%
Children At Risk – Public Residential Boarding School (SEED School)	13.0	0.1%
Prince George’s Regional Medical Center	10.0	0.1%
Urban Trees Program	10.0	0.1%
Other	52.0	0.3%
<b>Total</b>	<b>\$303.7</b>	<b>1.7%</b>
<b>Total Mandated and Entitlement General Funds</b>	<b>\$18,013.9</b>	<b>100.0%</b>

DPA: Dedicated Purpose Account

SEED: School for Education Evolution and Development

Source: Department of Legislative Services

**Appendix 3**  
**Special and Higher Education Fund**  
**Mandated Appropriations and Entitlements by Type of Recipient**  
**Fiscal 2025 Allowance**  
**(\$ in Millions)**

<b><u>Special Fund and Higher Education Programs</u></b>	<b><u>Allowance</u></b>	<b><u>% of Total Mandated Approp. and Entitlement</u></b>
<b>Local Government</b>		
Compensatory Education	\$420.1	5.4%
Local Highway User Capital Grants	396.0	5.1%
Concentration of Poverty Grants	363.3	4.7%
Students with Disabilities – Formula	220.2	2.8%
Limited English Proficiency/English Learner Formula Grant	185.2	2.4%
Consumer Wage Index (Foundation Program)	155.7	2.0%
State Grants for Early Education Aid (Publicly Funded Prekindergarten)	142.0	1.8%
Education Effort Adjustment	97.0	1.3%
State Share of Foundation Program	52.7	0.7%
Blueprint Transition Grants	49.0	0.6%
Transitional Supplemental Instruction	34.4	0.4%
Outdoor Recreation Land Loan Program which includes POS – Local Share	32.1	0.4%
Montgomery and Prince George’s County Bus Service Operating Subsidies	29.5	0.4%
Baltimore City Public School Construction	20.0	0.3%
Career and College Readiness	11.6	0.1%
Tobacco Use Reduction Activities	11.3	0.1%
School Resource Officer Grant	10.0	0.1%
Other	25.0	0.3%
<b>Total</b>	<b>\$2,255.1</b>	<b>29.1%</b>
<b>Individuals</b>		
Maryland Medical Assistance (Medicaid) Program	\$680.2	8.8%
Medicaid Program – Cigarette Restitution Fund	39.9	0.5%
Community Behavioral Health Services for Medicaid-eligible Recipients	11.1	0.1%
Medium Duty and Heavy Duty Zero Emission Vehicle Grant Program	10.8	0.1%
Other	34.4	0.4%
<b>Total</b>	<b>\$776.4</b>	<b>10.0%</b>

<b><u>Special Fund and Higher Education Programs</u></b>	<b><u>Allowance</u></b>	<b><u>% of Total Mandated Approp. and Entitlement</u></b>
<b>State Government</b>		
MTA Operating Subsidy	\$1,108.9	14.3%
MTA Capital Subsidy – State of Good Repair	450.0	5.8%
State Retirement Contribution	285.9	3.7%
Judiciary	84.3	1.1%
Outdoor Recreation Land Loan Program which includes POS – State Share	78.8	1.0%
Maryland Park Service Funding	36.0	0.5%
Maryland Health Benefit Exchange	31.9	0.4%
Other	27.4	0.4%
<b>Total</b>	<b>\$2,103.3</b>	<b>27.2%</b>
<b>Debt Service</b>		
General Obligation Bond Debt Service	\$1,124.7	14.5%
Transportation Debt Service	432.2	5.6%
<b>Total</b>	<b>\$1,556.9</b>	<b>20.1%</b>
<b>Funds for Other Entities</b>		
WMATA Operating Subsidy	\$489.5	6.3%
WMATA Maryland Metro/Transit Funding Act	167.0	2.2%
WMATA Capital Subsidy	155.0	2.0%
Consortium on Coordinated Community Supports	110.0	1.4%
Prekindergarten Expansion	26.6	0.3%
Racing and Community Development Act	17.0	0.2%
Statewide Academic Health Centers	15.0	0.2%
Access to Counsel in Evictions Special Fund	14.0	0.2%
Other	52.9	0.7%
<b>Total</b>	<b>\$1,047.1</b>	<b>13.5%</b>
<b>Total Mandated and Entitlement Special and Higher Education Funds</b>	<b>\$7,738.8</b>	<b>100.0%</b>

MTA: Maryland Transit Administration

POS: Program Open Space

WMATA: Washington Metropolitan Area Transit Authority

Source: Department of Legislative Services

**Appendix 4**  
**July 2024 BPW Reductions of Mandates and Entitlements**  
**Fiscal 2025**  
**(\$ in Millions)**

	<u>GF</u> <u>Approp.</u>	<u>New</u> <u>Amount</u>	<u>Amount</u> <u>Change</u>	<u>%</u> <u>Change</u>
Educational Excellence Awards – shift to Need-based Student Financial Assistance Fund*	\$114.0	\$94.0	-\$20.0	-100%
Core Public Health Services Funding Formula	123.2	111.2	-12.0	-10%
9-8-8 Trust Fund – Cost Shift to Non-general Funds	12.0	3.0	-9.0	-75%
Urban Trees Program	10.0	7.5	-2.5	-25%
Statewide Rental Assistance Voucher Program	10.0	7.5	-2.5	-25%
Long-term Care and Dementia Care Navigation Programs	2.4	1.2	-1.2	-50%
Maryland Loan Assistance Repayment Program for Police Officers & Probation Officers	5.0	3.9	-1.1	-23%
Maryland Police Officers Scholarship Program	5.0	3.9	-1.1	-23%
Warrants and Absconding	2.0	1.0	-1.0	-50%
Medicaid Assistance in Community Integration Services (Housing Support Waiver)	6.4	5.4	-1.0	-16%
Behavioral Health Care Coordination Value- Based Purchasing Pilot Program	0.6	0.0	-0.6	-100%
Maryland State Arts Council – Formula	28.9	28.4	-0.4	-2%
Pre-seed Builder Fund	1.3	1.0	-0.3	-25%
Maryland Forestry Education Fund	0.3	0.0	-0.3	-100%
Soil Conservation District – Technical Assistance	0.5	0.3	-0.3	-50%
Career Pathways for Healthcare Workers	1.0	0.8	-0.3	-25%
Maryland Native Plants Program	0.1	0.0	-0.1	-100%
Urban Agriculture Grant Programs	0.1	0.0	-0.1	-100%
Construction Education and Innovation Fund	0.6	0.5	-0.1	-15%
<b>Total</b>	<b>\$323.4</b>	<b>\$269.5</b>	<b>-\$53.9</b>	

BPW: Board of Public Works  
GF: general funds

\*Reduction in this funding is intended to be replaced by special funds from the Need-based Student Financial Assistance Fund for no net change in the appropriated funds for the program.

Source: Department of Budget and Management; Department of Legislative Services

**Appendix 5**  
**New and Amended Mandated Appropriations and Entitlements**  
**2024 Legislative Session**

<b><u>Mandate Name</u></b>	<b><u>Legislation</u></b>	<b><u>New Mandate Amount</u></b>	<b><u>Revised Mandate Amount</u></b>
Abandoned or Sunken Vessels and Waterway Improvement Fund Grants	Chapter 560	\$250,000	
Access to Attorneys, Advocates, and Consultants for Special Education Students	Chapters 170 and 171	1,000,000	
Baltimore Innovation Initiative Pilot Program	Chapters 710 and 711	1,500,000	
Baltimore Regional Water Governance Model Workgroup	Chapter 503	500,000	
Blueprint Coordinators	Chapter 336	1,800,000	
Bowie Racecourse Training Center Property and Rosecroft Raceway	Chapter 410	6,200,000	
Cash Campaign of Maryland Grant	Chapters 727 and 804		\$800,000
Clinical Care in Identified Essential Areas	Chapter 181		5,000,000
Continuing the CORE Partnership Fund	Chapter 335	50,000,000	
Medicaid Coverage for Prostheses	Chapters 822 and 823	850,000	
Customer Sited Solar Program Funding	Chapter 595	20% of SEIF revenues sourced from Alternative Compliance Payments	
Cyber Maryland Fund	Chapter 509	99,000	
Line-of-duty Death and Funeral Benefits	Chapter 479		850,000
Driver Education in Public High Schools Grant Program and Fund	Chapter 857	2,000,000	

<b><u>Mandate Name</u></b>	<b><u>Legislation</u></b>	<b><u>New Mandate Amount</u></b>	<b><u>Revised Mandate Amount</u></b>
Engaging Neighborhoods, Organizations, Unions, Governments, and Households Grant Program	Chapter 408	15,000,000	
Expedited Processing and Grants for Major Information Technology Projects	Chapter 497	Funding for two positions	
Financial Consumer Protection – Office of the Attorney General	Chapter 717		350,000
Food Stamp Minimum Benefit	Chapters 374 and 375		Minimum benefit of \$50 per month for eligible seniors
Growing Family Child Care Opportunities Program	Chapters 183 and 184		450,000
Language Assistance Services Pilot Program	Chapter 867	120,000	
Level I Pediatric Trauma Center grants	Chapters 717, 718, and 719	1,800,000	
Locally Operated Transit Systems	Chapter 652	80,533,314	
Maryland Child Care Credential Program	Chapter 165		5,687,000
Miriam Kilty Aging and Senior Social Connection Hub and Spoke Pilot Program	Chapters 340 and 341	80,000	
Montgomery County and Prince George’s County – Rent Court Workforce Solutions Pilot Program	Chapters 294 and 295	200,000	
Open Source Phonics Matching Grant Program	Chapter 270	150,000	
Procurement Transparency Data Dashboard	Chapters 580 and 581	Funding for one position	
Public Libraries – State Library Resource Center (Baltimore City)	Chapter 180	\$2.07 per State resident	
Racetrack Facility Renewal Account - Rosecroft Raceway	Chapter 410	4,500,000	
Senator William H. Amoss Fire, Rescue, and Ambulance Fund	Chapters 717, 718, and 719	16,500,000	



<b><u>Mandate Name</u></b>	<b><u>Legislation</u></b>	<b><u>New Mandate Amount</u></b>	<b><u>Revised Mandate Amount</u></b>
Shock Trauma Center grant	Chapters 717, 718, and 719	41,001,615	
State-aided Institutions Field Trip Fund	Chapter 857	600,000	
Tax Credit Awareness Campaign	Chapter 725 and 726	300,000	
Tri-County Council for Southern Maryland – Southern Maryland Agricultural Development Commission - Funding	Chapter 575 and 576		1,000,000
University of Maryland Institute for Health Computing	Chapter 181	1,500,000	
Whole Watershed Act	Chapters 558 and 559	100,000	

CORE: Creating Opportunities for Renewal and Enterprise  
SEIF: Strategic Energy Investment Fund

Source: Department of Legislative Services

**Appendix 6**  
**Mandate and Entitlement Spending**  
**Allowance versus Appropriation**  
**Fiscal 2011-2025**  
**(\$ in Millions)**

	<u>GF</u>	<u>SF</u>	<u>GO</u> <u>Funds</u>	<u>Total State</u> <u>Funds</u>
<b><u>Fiscal 2025</u></b>				
Allowance	\$18,013.9	\$7,738.8	\$145.0	\$25,897.7
Appropriation	17,855.1	7,815.5	148.0	25,848.5
Fiscal 2025 Net Reductions	<b>-\$128.9</b>	<b>\$76.7</b>	<b>\$3.0</b>	<b>-\$49.2</b>
Net Reduction Percentage of State Mandate/Entitlement Expenditures				<b>-0.2%</b>
<b><u>Fiscal 2024</u></b>				
Allowance	\$16,088.9	\$7,617.0	\$25.7	\$23,731.5
Appropriation	15,970.0	7,586.2	25.7	23,581.8
Fiscal 2024 Net Reductions	<b>-\$118.9</b>	<b>-\$30.8</b>	<b>\$0.0</b>	<b>-\$149.7</b>
Net Reduction Percentage of State Mandate/Entitlement Expenditures				<b>-0.6%</b>
<b><u>Fiscal 2023</u></b>				
Allowance	\$16,760.9	\$6,155.0	\$114.9	\$23,030.8
Appropriation	16,633.0	6,397.8	114.9	23,145.6
Fiscal 2023 Reductions	<b>-\$127.9</b>	<b>\$242.7</b>	<b>\$0.0</b>	<b>\$114.8</b>
Reduction Percentage of State Mandate/Entitlement Expenditures				<b>0.5%</b>
<b><u>Fiscal 2022</u></b>				
Allowance	\$15,162.3	\$4,043.2	\$33.6	\$19,239.0
Appropriation	14,622.9	4,152.6	51.4	18,826.9
Fiscal 2022 Reductions	<b>-\$539.4</b>	<b>\$109.5</b>	<b>\$17.8</b>	<b>-\$412.1</b>
Reduction Percentage of State Mandate/Entitlement Expenditures				<b>-2.2%</b>
<b><u>Fiscal 2021</u></b>				
Allowance	\$14,311.1	\$4,658.4	\$27.4	\$18,996.9
Appropriation	14,052.5	4,643.7	27.4	18,723.7
Fiscal 2021 Reductions	<b>-\$258.6</b>	<b>-\$14.6</b>	<b>\$0.0</b>	<b>-\$273.2</b>
Reduction Percentage of State Mandate/Entitlement Expenditures				<b>-1.5%</b>

	<u>GF</u>	<u>SF</u>	<u>GO Funds</u>	<u>Total State Funds</u>
<b><u>Fiscal 2020</u></b>				
Allowance	\$13,741.1	\$4,157.5	\$30.1	\$17,928.7
Appropriation	13,463.6	4,433.0	29.1	17,925.7
Fiscal 2020 Reductions	<b>-\$277.5</b>	<b>\$275.5</b>	<b>-\$1.0</b>	<b>-\$3.0</b>
Reduction Percentage of State Mandate/Entitlement Expenditures				<b>0.0%</b>
<b><u>Fiscal 2019</u></b>				
Allowance	\$12,862.2	\$4,062.6	\$19.0	\$16,943.8
Appropriation	12,760.1	4,063.3	26.0	16,849.4
Fiscal 2019 Reductions	<b>-\$102.1</b>	<b>\$0.7</b>	<b>\$7.0</b>	<b>-\$94.4</b>
Reduction Percentage of State Mandate/Entitlement Expenditures				<b>-0.6%</b>
<b><u>Fiscal 2018</u></b>				
Allowance	\$12,270.8	\$4,034.7	\$47.7	\$16,353.2
Appropriation	12,321.6	4,037.0	51.7	16,410.3
Fiscal 2018 Reductions	<b>\$50.8</b>	<b>\$2.3</b>	<b>\$4.0</b>	<b>\$57.1</b>
Reduction Percentage of State Mandate/Entitlement Expenditures				<b>0.3%</b>
<b><u>Fiscal 2017</u></b>				
Allowance	\$12,003.3	\$3,703.0	\$16.1	\$15,722.4
Appropriation	11,999.0	3,673.7	10.0	15,682.7
Fiscal 2017 Reductions	<b>-\$4.3</b>	<b>-\$29.3</b>	<b>-\$6.1</b>	<b>-\$39.7</b>
Reduction Percentage of State Mandate/Entitlement Expenditures				<b>-0.3%</b>
<b><u>Fiscal 2016</u></b>				
Allowance	\$11,619.8	\$3,543.6	\$17.1	\$15,180.5
Appropriation	11,577.7	3,525.9	12.1	15,115.7
Fiscal 2016 Reductions	<b>-\$42.1</b>	<b>-\$17.7</b>	<b>-\$5.0</b>	<b>-\$64.8</b>
Reduction Percentage of State Mandate/Entitlement Expenditures				<b>-0.4%</b>
<b><u>Fiscal 2015</u></b>				
Allowance	\$11,102.0	\$3,348.6	\$17.1	\$14,467.7
Appropriation	10,925.8	3,322.1	17.1	14,265.0
Fiscal 2015 Reductions	<b>-\$176.2</b>	<b>-\$26.5</b>	<b>\$0.0</b>	<b>-\$202.7</b>
Reduction Percentage of State Mandate/Entitlement Expenditures				<b>-1.4%</b>

	<u>GF</u>	<u>SF</u>	<u>GO</u> <u>Funds</u>	<u>Total State</u> <u>Funds</u>
<b><u>Fiscal 2014</u></b>				
Allowance	\$10,761.9	\$3,248.5	\$35.9	\$14,046.3
Appropriation	10,625.9	3,176.4	33.6	13,835.9
Fiscal 2014 Reductions	<b>-\$136.0</b>	<b>-\$72.1</b>	<b>-\$2.3</b>	<b>-\$210.4</b>
Reduction Percentage of State Mandate/Entitlement Expenditures				<b>-1.5%</b>
<b><u>Fiscal 2013</u></b>				
Allowance	\$10,724.7	\$3,072.3	\$74.7	\$13,871.7
Appropriation	10,258.5	3,179.8	83.3	13,521.6
Fiscal 2013 Reductions	<b>-\$466.2</b>	<b>\$107.5</b>	<b>\$8.6</b>	<b>-\$350.1</b>
Reduction Percentage of State Mandate/Entitlement Expenditures				<b>-2.6%</b>
<b><u>Fiscal 2012</u></b>				
Allowance	\$10,728.9	\$2,870.8	\$74.7	\$13,674.4
Appropriation	10,601.8	2,802.7	59.8	13,464.3
Fiscal 2012 Reductions	<b>-\$127.1</b>	<b>-\$68.1</b>	<b>-\$14.9</b>	<b>-\$210.1</b>
Reduction Percentage of State Mandate/Entitlement Expenditures				<b>-1.6%</b>
<b><u>Fiscal 2011</u></b>				
Allowance	\$9,181.8	\$2,783.9	\$10.0	\$11,975.7
Appropriation	8,935.2	2,476.4	85.0	11,496.6
Fiscal 2011 Reductions	<b>-\$246.6</b>	<b>-\$307.5</b>	<b>\$75.0</b>	<b>-\$479.1</b>
Reduction Percentage of State Mandate/Entitlement Expenditures				<b>-4.2%</b>

GF: general funds  
SF: special funds  
GO: general obligation

Note: Excludes federal spending. The fiscal 2025 legislative appropriation does not include the July 2024 reductions authorized by the Board of Public Works.

Source: Department of Legislative Services