



STATE OF MARYLAND
OFFICE OF THE GOVERNOR

WES MOORE
GOVERNOR

March 2, 2023

The Honorable Adrienne A. Jones
Speaker
Maryland House of Delegates
State House
Annapolis, MD 21401

Dear Madam Speaker:

Pursuant to the authority conferred on me by Article III, Section 52, Subsection (5) of the Constitution of Maryland, and in accordance with the consent of the House of Delegates, duly granted, I hereby submit Supplemental Budget No. 1 to House Bill 200/Senate Bill 181 in the form of an amendment to the budget for the Fiscal Year ending June 30, 2024.

Supplemental Budget No. 1 affects the previously estimated funds available for budget operations as shown in the following summary statement.

Sincerely,

Wes Moore
Governor

A handwritten signature in black ink, appearing to read "Wes Moore".

Enclosure:
Supplemental Budget No. 1



STATE OF MARYLAND
OFFICE OF THE GOVERNOR

WES MOORE
GOVERNOR

March 2, 2023

The Honorable Bill Ferguson
President
Senate of Maryland
State House
Annapolis, MD 21401

Dear Mr. President:

Pursuant to the authority conferred on me by Article III, Section 52, Subsection (5) of the Constitution of Maryland, and in accordance with the consent of the House of Delegates, duly granted, I hereby submit Supplemental Budget No. 1 to House Bill 200/Senate Bill 181 in the form of an amendment to the budget for the Fiscal Year ending June 30, 2024.

Supplemental Budget No. 1 affects the previously estimated funds available for budget operations as shown in the following summary statement.

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Wes Moore
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Enclosure:
Supplemental Budget No. 1

SUPPLEMENTAL BUDGET NO. 1 - FISCAL YEAR 2024

March 2, 2023

Mr. President, Madam Speaker,

Ladies and Gentlemen of the General Assembly:

Pursuant to the authority conferred on me by Article III, Section 52, Subsection (5) of the Constitution of Maryland, and in accordance with the consent of the (State Senate) - (House of Delegates), duly granted, I hereby submit a supplement to House Bill 200 and/or Senate Bill 181 in the form of an amendment to the original budget for the Fiscal Year ending June 30, 2024.

Supplemental Budget No. 1 will affect previously estimated funds available for budget operations as shown on the following summary statement.

SUPPLEMENTAL BUDGET SUMMARY

Sources:

Estimated General Fund Unappropriated Balance	819,799,432
July 1, 2024 (per Original Budget)	

Special Funds:

A15301	Calvert County Gaming Tax Fund	1,001,000
F10310	Various State Agencies	2,208,485
F10310	Various State Agencies	340,100
SWF331	The Blueprint for Maryland's Future Fund	1,443
SWF331	The Blueprint for Maryland's Future Fund	42,858
SWF331	The Blueprint for Maryland's Future Fund	-7
SWF331	The Blueprint for Maryland's Future Fund	1,825,695
SWF331	The Blueprint for Maryland's Future Fund	2,858,505
SWF331	The Blueprint for Maryland's Future Fund	-1
SWF331	The Blueprint for Maryland's Future Fund	-2
SWF331	The Blueprint for Maryland's Future Fund	-47,033,306
SWF331	The Blueprint for Maryland's Future Fund	-5
SWF331	The Blueprint for Maryland's Future Fund	-3,092,512
		-41,847,747

Federal Funds:

30.001	Employment Discrimination Title VII of the Civil Rights Act of 1864	16,323
14.401	Fair Housing Assistance Program State and Local	16,324
93.778	Medical Assistance Program	2,412,882
F10501	Various State Agencies	109,062
10.551	Supplemental Nutrition Assistance Program	2,573,935
10.551	Supplemental Nutrition Assistance Program	6,284,112
		11,412,638

Reimbursable Funds:

M00A01	Executive Direction	1,142,000	1,142,000
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Current Restricted Funds:

Baltimore City Community College		0	0
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Current Unrestricted Funds:

Baltimore City Community College		0	0
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Total Available

789,364,323

Uses:

General Funds	30,314
Special Funds	-41,847,747
Federal Funds	11,412,638
Current Restricted Funds	0
Current Unrestricted Funds	-30,404,795

Revised Estimated General Fund Unappropriated

Balance July 1, 2024

819,769,118

PAYMENTS TO CIVIL DIVISIONS OF THE STATE

1. A15O00.01 Disparity Grants

In addition to the appropriation shown on page 1 of the printed bill (first reading file bill), to provide funds to update formula grant calculations based on updated income tax data.

Object .12 Grants, Subsidies and Contributions	53,624,064
General Fund Appropriation	53,624,064

2. A15O00.03 Miscellaneous Grants

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2023 to provide sufficient appropriation for arts and amusement tax distributions as several fiscal year 2022 transactions were accidentally completed during fiscal year 2023.

Object .12 Grants, Subsidies and Contributions	1,001,000
Special Fund Appropriation	1,001,000

MARYLAND COMMISSION ON CIVIL RIGHTS

3. D27L00.01 General Administration

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2023 to support contractual positions and implementing an Annual Salary Review (ASR).

Personnel Detail:	
Reclassifications	108,825
Object .01 Salaries, Wages and Fringe Benefits	108,825
Object .02 Technical and Special Fees	165,315
	<hr/> 274,140

General Fund Appropriation	241,493
Federal Fund Appropriation	32,647

STATE BOARD OF ELECTIONS

4. D38I01.01 General Administration

In addition to the appropriation shown on page 19 of the printed bill (first reading file bill), to provide funds for a document management system.

Object .08 Contractual Services	200,000
General Fund Appropriation	200,000

5. D38I01.02 Election Operations

To reduce the appropriation shown on page 19 of the printed bill (first reading file bill), to realign funds for a document management system.

Object .08 Contractual Services	-200,000
General Fund Appropriation	-200,000

MARYLAND HEALTH BENEFIT EXCHANGE

6. D78Y01.02 Information Technology Operations

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2023 to provide funds for IDIQ development and maintenance costs.

Object .08 Contractual Services	2,412,882
Federal Fund Appropriation	2,412,882

7. D78Y01.02 Information Technology Operations

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2023 to recognize funds provided by the Maryland Department of Health for the No Wrong Door Project.

Object .08 Contractual Services 1,142,000

Funds are appropriated in the agency's budget to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

STATE DEPARTMENT OF ASSESSMENT AND TAXATION

8. E50C00.08 Property Tax Credit Programs

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2023 to provide funds to the Homeowner Protection Fund, per Chapter 382 of 2021.

Object .12 Grants, Subsidies, and Contributions	750,000
General Fund Appropriation	750,000

9. E50C00.08 Property Tax Credit Programs

In addition to the appropriation shown on page 31 of the printed bill (first reading file bill), to provide funding to the Homeowner Protection Fund, per Chapter 382 of 2021.

Object .12 Grants, Subsidies, and Contributions	750,000
General Fund Appropriation	750,000

10 E10A02 08 Statewide Expenses

To become available immediately upon passage of this budget to reduce the appropriation for fiscal year 2023 to reflect excess funds.

Personnel Details

Reclassifications

Reclassifications

-10,692,130

-10,692,130

General Fund Appropriation

-10,692,130

11. F10A02.08 Statewide Expenses

To become available immediately upon passage of this budget to to supplement the appropriation for fiscal year 2023 to provide funding to support costs related to cost-of-living adjustments.

(1) the Maryland Fire and Rescue Institute	227,000
(2) Maryland Department of Transportation	2,090,547
Personnel Detail:	
Reclassifications	2,317,547
Object .01 Salaries, Wages and Fringe Benefits	2,317,547
Special Fund Appropriation	2,208,485
Federal Fund Appropriation	109,062

12. F10A02.08 Statewide Expenses

To revise the appropriation shown on page 34 of the printed bill (first reading file bill), to:

(1) reduce funding to correct the amount provided for cost-of-living and increments adjustments for the General Assembly	-13,297,667
(2) to add funding for cost-of-living adjustments for the Maryland Fire and Rescue Institute	340,100
(3) to add funding for cost-of-living adjustments for contractual employees across the University System of Maryland	9,929,121
Personnel Detail:	
Reclassifications	-3,028,446
Object .01 Salaries, Wages and Fringe Benefits	-3,028,446
General Fund Appropriation	-3,368,546
Special Fund Appropriation	340,100

MARYLAND DEPARTMENT OF HEALTH

13. M00F03.04 Family Health and Chronic Disease Services

In addition to the appropriation shown on page 66 of the printed bill (first reading file bill), to provide mandated funds for Maryland Prenatal and Infant Care Grant Program Fund, per Chapter 495 of 2021.

Object .08 Contractual Services	1,000,000
General Fund Appropriation	1,000,000

DEPARTMENT OF HUMAN SERVICES

14. N00G00.08 Assistance Payments

To become available immediately upon passage of this budget to to supplement the appropriation for fiscal year 2023 to provide replacement assistance benefits to victims of EBT fraud.

Object .12 Grants, Subsidies and Contributions	3,330,933
General Fund Appropriation	756,998
Federal Fund Appropriation	2,573,935

15. N00G00.08 Assistance Payments

In addition to the appropriation shown on page 78 of the printed bill (first reading file bill), to provide replacement assistance benefits to victims of EBT fraud.

Object .12 Grants, Subsidies and Contributions	8,067,168
General Fund Appropriation	1,783,056
Federal Fund Appropriation	6,284,112

STATE DEPARTMENT OF EDUCATION

16. R00A02.01 State Share of Foundation Program

To reduce the appropriation shown on page 97 of the printed bill (first reading file bill), to reflect revised net taxable income data used to calculate education funding formulas and to reflect revised hold harmless funding amounts.

Object .12 Grants, Subsidies, and Contributions	-2,832,606
General Fund Appropriation	-2,834,049
Special Fund Appropriation	1,443

17. R00A02.02 Compensatory Education

In addition to the appropriation shown on page 97 of the printed bill (first reading file bill), to reflect revised net taxable income data used to calculate education funding formulas and to reflect revised numbers of free and reduced-price meal-eligible children for the Compensatory Education formula.

Object .12 Grants, Subsidies, and Contributions	42,858
Special Fund Appropriation	42,858

18. R00A02.06 Prekindergarten

To reduce the appropriation shown on page 97 of the printed bill (first reading file bill), to reflect revised net taxable income data used to calculate education funding formulas.

Object .12 Grants, Subsidies, and Contributions	-7
Special Fund Appropriation	-7

19. R00A02.07 Students With Disabilities

In addition to the appropriation shown on page 97 of the printed bill (first reading file bill), to reflect revised net taxable income data used to calculate education funding formulas.

Object .12 Grants, Subsidies, and Contributions	1,825,695
Special Fund Appropriation	1,825,695

20. R00A02.24 Limited English Proficient

In addition to the appropriation shown on page 98 of the printed bill (first reading file bill), to reflect revised net taxable income data used to calculate education funding formulas.

Object .12 Grants, Subsidies, and Contributions	2,858,505
Special Fund Appropriation	2,858,505

21. R00A02.25 Guaranteed Tax Base

In addition to the appropriation shown on page 98 of the printed bill (first reading file bill), to reflect revised net taxable income data used to calculate education funding formulas.

Object .12 Grants, Subsidies, and Contributions	10,024,522
General Fund Appropriation	10,024,522

22. R00A02.39 Transportation

To reduce the appropriation shown on page 99 of the printed bill (first reading file bill), to reflect revised enrollment data used to calculate education funding formulas.

Object .12 Grants, Subsidies, and Contributions	-5,094
General Fund Appropriation	-5,094

23. R00A02.55 Teacher Development

To reduce the appropriation shown on page 99 of the printed bill (first reading file bill), to reflect revised net taxable income data used to calculate education funding formulas.

Object .12 Grants, Subsidies, and Contributions	-1
Special Fund Appropriation	-1

24. R00A02.60 Blueprint for Maryland's Future Transition Grants

To reduce the appropriation shown on page 99 of the printed bill (first reading file bill), to reflect revised net taxable income data used to calculate education funding formulas.

Object .12 Grants, Subsidies, and Contributions	-2
Special Fund Appropriation	-2

25. R00A02.61 Concentration of Poverty Grant Program

To reduce the appropriation shown on page 99 of the printed bill (first reading file bill), to reflect revised enrollment and net taxable income data used to calculate education funding formulas.

Object .12 Grants, Subsidies, and Contributions	-47,033,306
Special Fund Appropriation	-47,033,306

26. R00A02.62 College and Career Readiness

To reduce the appropriation shown on page 99 of the printed bill (first reading file bill), to reflect revised net taxable income data used to calculate education funding formulas.

Object .12 Grants, Subsidies, and Contributions	-5
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Special Fund Appropriation	-5
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27. R00A02.63 Education Effort Adjustment

To reduce the appropriation shown on page 99 of the printed bill (first reading file bill), to reflect revised enrollment and net taxable income data used to calculate education funding formulas.

Object .12 Grants, Subsidies, and Contributions	-3,092,512
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Special Fund Appropriation	-3,092,512
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STATE RESERVE FUND

28. Y01A02.01 Dedicated Purpose Account

To reduce the appropriation shown on page 138 of the printed bill (first reading file bill), to reflect a technical correction regarding the Local Income Tax Reserve Account Repayment.

Object .12 Grants, Subsidies and Contributions	-10,000,000
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General Fund Appropriation	-10,000,000
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AMENDMENTS TO HOUSE BILL 200 / SENATE BILL 181
(FIRST READING FILE BILL)

Amendment No. 1

On page 97, in line 23, strike "464,147,623" and replace with "465,973,318".

Updates the Special Fund appropriation for the funding formula program for students with disabilities to reflect revised net taxable income data.

Amendment No. 2

On page 138, beginning on line 33 through line 34, strike "Local Income Tax Reserve Account Repayment 10,000,000", and in line 41, strike "543,022,732", and substitute "533,022,732".

Removes Local Income Tax Reserve Account Repayment consistent with item 11 of this Supplemental Budget and updates total.

Amendment No. 3

On page 151, in line 32, strike "162,555,466", and substitute, "120,555,466", and in line 40, strike "249,094,166", and substitute "207,094,166".

Reduces the deficiency appropriation for the cost-of-living adjustments of 4.5% effective November 1, 2022 by \$42,000,000 General Funds and updates total.

Amendment No. 4

On page 171, in line 7, strike "Unrestricted", and substitute, "Restricted".

Revises fund type to correct an error for a Baltimore City Community College deficiency.

Amendment No. 5

On page 199, in line 4, strike "3,239,132,778", and substitute "5,498,706,783", in line 5, strike "62,011,014,351" and substitute "60,819,779,005", in line 6, strike "20,443,335", and substitute "41,580,507", in line 7, strike "100,000" and substitute "1,166,210,368", in line 8, strike "57,152,288,424", and substitute "62,965,873,147", in line 9, strike "4,462,957,397", and substitute "2,415,425,264", in line 10, strike "(33,585,521)", and substitute "(95,535,373)", in line 11, strike "(35,000,000)", and substitute "(75,000,000)", in line 13, strike "61,546,660,300", and substitute "65,210,763,038", in line 15, strike "3,724,030,164", and substitute "2,315,513,625", in line 17, strike "3,724,030,164", and substitute "2,315,513,625", in line 18, strike "55,062,071,133", and substitute "61,071,831,564", in line 19, strike "41,580,507" and substitute "39,283,539", before line 20, insert "Transfer from the Rainy Day Fund 479,000,000", in line 20, strike "58,278,949,619", and substitute "63,242,788,053", in line 21, strike "(35,000,000)" and substitute "(45,000,000)", in line 22, insert "Contingent Reductions (111,958,757)", in line 23, strike "58,243,949,619", and substitute "63,085,829,296", in line 25, strike "583,732,185" and substitute "819,799,432".

Updates the budget summary.

SUMMARY

SUPPLEMENTAL APPROPRIATIONS

	General Funds	Special Funds	Federal Funds	Current Unrestricted Funds	Current Restricted Funds	Total Funds
Appropriation						
2023 Fiscal Year	1,748,491	3,209,485	5,128,526	0	0	10,086,502
2024 Fiscal Year	<u>67,381,642</u>	<u>5,068,601</u>	<u>6,284,112</u>	<u>0</u>	<u>0</u>	<u>78,734,355</u>
Subtotal	<u>69,130,133</u>	<u>8,278,086</u>	<u>11,412,638</u>	<u>0</u>	<u>0</u>	<u>88,820,857</u>
 Reduction in Appropriation						
2023 Fiscal Year	-52,692,130	0	0	0	0	-52,692,130
2024 Fiscal Year	<u>-16,407,689</u>	<u>-50,125,833</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>-66,533,522</u>
Subtotal	<u>-69,099,819</u>	<u>-50,125,833</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>-119,225,652</u>
Net Change in Appropriation	<u>30,314</u>	<u>-41,847,747</u>	<u>11,412,638</u>	<u>0</u>	<u>0</u>	<u>-30,404,795</u>

Sincerely,



Wes Moore
Governor