

Part A

Budget and State Aid

Operating Budget

Overview

Unlike the last four years which were characterized by cost containment following the 2001 recession, the fiscal 2007 budget reflects revenue growth based on strong underlying economic activity. The budget combines the State's continuing commitment to enhancing public schools with enhancements for higher education, health, economic development, public safety, and other areas. It reflects the full restoration of statutory allocations of transfer tax revenue to land preservation and recreation programs and highway user revenues, and also appropriates nearly \$800 million to the State Reserve Fund to address future funding needs.

Much of the Administration's budget was enacted as submitted; however, the legislature did reduce spending to conform to the 9.6 percent rate of growth recommended by the Spending Affordability Committee (SAC). Additional legislative action modified the allocation of the employee cost-of-living adjustment to direct resources to lower paid State workers, adopted actions to improve oversight of group homes, provided tuition relief for undergraduates for one year, and set aside funds for retirement enhancements.

The fiscal 2007 budget is balanced on a cash basis, and the State has set aside nearly \$1.7 billion in cash in either the general fund balance or the State Reserve Fund. However, a structural imbalance between ongoing revenues and spending persists and is projected to exceed the billion dollar level in the out-year forecast.

Budget in Brief

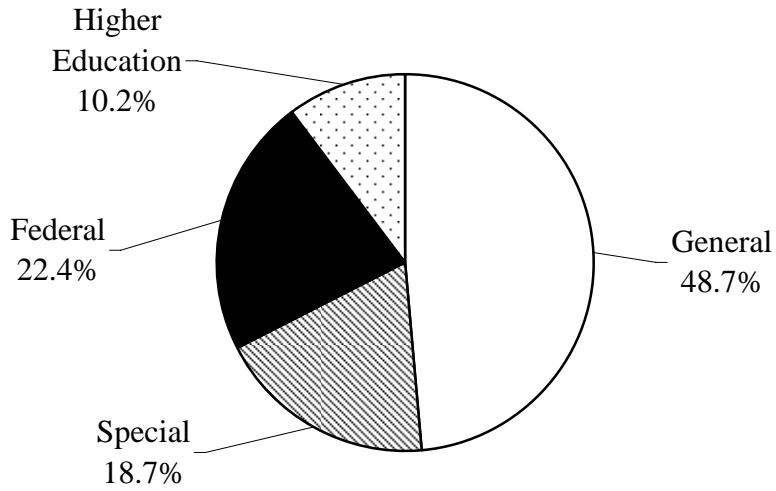
The Fiscal Year 2007 Budget Bill *Senate Bill 110 (enacted)* provides \$29.0 billion in appropriations for fiscal 2007; an increase of \$2.4 billion (9.2 percent) over fiscal 2006. **Exhibit A-1.1** illustrates funding by type of revenue. Slightly less than one-half of the budget is supported by general funds, with lesser proportions supported by dedicated special funds, federal aid, and higher education dollars. State agency operations constitute the largest area of spending, representing 44.9 percent of the total budget. Aid to local governments accounts for 22.8 percent of the budget, and 19.0 percent supports entitlement programs. Remaining appropriations provide funding for PAYGO capital spending, pay debt service on State general obligation bonds, and set aside funds in accounts of the State's Reserve Fund.

General fund spending grows \$1.8 billion, or 14.3 percent above fiscal 2006. Ongoing spending rises 9.5 percent, when appropriations to the State Reserve Fund and for PAYGO capital are excluded. General fund budget growth is driven largely by spending on aid to local jurisdictions, which grows \$486.0 million, or 10.7 percent, as education enhancements continue to be phased in through fiscal 2008. General fund appropriations to the State Reserve Fund total \$756.0 million, an increase of \$474.3 million, set aside for future needs including monies set aside to address funding shortfalls in fiscal 2008, a contribution toward the State's retiree health insurance unfunded liability, funding for early voting, and energy assistance for low income households. Agency spending growth rebounds after several years of cost containment, with growth of \$496.8 million, or 9.8 percent. Just under 24 percent of this increase is provided for higher education. Other enhancements include funding for additional correctional officers and salary enhancements, drug court, health/biotechnology research, developmental disabilities, and foster care.

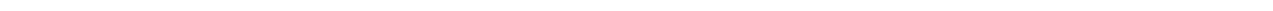
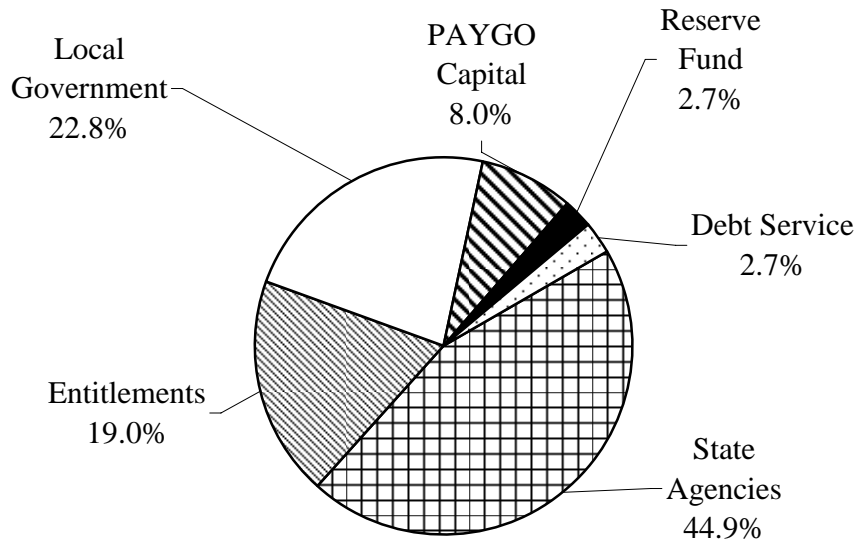
Special funds increase by \$444.9 million, or 9.0 percent. Highway user revenue distributions to local jurisdictions (\$80 million), land preservation and open space programs (\$257 million), the Bay Restoration Fund (\$40 million), and payments from the Maryland Health Provider Rate Stabilization Fund to increase Medicaid reimbursement rates and defray malpractice insurance costs (\$36 million) account for most of the growth.

Federal funds rise by \$85.3 million, or 1.3 percent, mostly in the areas of Medicaid (\$137.5 million), food stamps (\$29.7 million), child support enforcement (\$10.0 million), and foster care (\$8.7 million). These increases are offset by reductions of about \$117.4 million in PAYGO capital spending for transportation and \$10.1 million in capital spending for a clean water revolving loan program.

Exhibit A-1.1
Maryland's \$29.0 Billion Budget
Where It Comes From: Budget by Fund Source



Where It Goes: Budget by Purpose



The budgets for public higher education institutions increase by \$246.4 million, or 6.6 percent, in fiscal 2007. Most of this additional spending reflects non-tuition revenue growth, in addition to \$130 million of additional State general fund support.

With respect to State personnel, a general salary increase provides \$900 for employees earning \$45,000 or less and the lesser of 2 percent or \$1,400 for employees earning more than \$45,000. In addition, there are targeted salary enhancements for correctional officers and related positions, nurses, law enforcement personnel, and educators. Employee increments and the State match for deferred compensation plans are also fully funded, and over budgeted health insurance funds are restricted to be placed in reserve to address future retirement costs. A position cap was again adopted for Executive Branch agencies for fiscal 2007, exclusive of higher education and other agency positions. The cap was set at 52,432 regular authorized positions. For a more detailed discussion of personnel issues see the subpart "Personnel" within this Part.

Framing the Session: 2006 Interim Activity

Strong Economic Growth Results in Improved Revenues

Better than expected economic growth, bolstered by low unemployment and continued housing demand, has fueled strong general fund revenue attainment. General fund revenue in fiscal 2005 was \$422.5 million higher than expected, and in December 2005, the Board of Revenue Estimates (BRE) revised its fiscal 2006 general fund estimate upward by \$766.5 million, an increase of 6.7 percent over its prior estimate. This increased the estimated fiscal 2006 closing balance to \$1.2 billion. In March 2006, BRE further revised its estimates for both fiscal 2006 (\$114.1 million) and 2007 (\$85.6 million) reflecting strong revenue attainment in the months since December.

SAC Recommendations

SAC prepared its final report to the Governor in December 2005 which included a number of recommendations pertaining to the operating budget. Selected recommendations include:

Spending Limit: Consistent with projected growth in the economy, the committee recommended limiting growth on a spending affordability basis to 8.9 percent over spending approved at the 2005 session. As discussed under the "Legislative Consideration of the Budget" subpart of this Part, the limit was later increased to 9.6 percent based on stronger revenue growth.

Personnel: The committee recommended continuation of a ceiling on regular positions in the Executive Branch, exclusive of higher education.

State Reserve Fund: Based in part on the importance that the bond rating agencies place on having 5 percent of general fund revenues in reserve, the committee recommended that the minimum balance be increased to 7.5 percent. It was intended that the higher balance be adopted on the basis that the additional 2.5 percent would provide financial flexibility to address future funding shortfalls.

Governor's Spending Plan as Introduced

Governor Robert Ehrlich's fiscal 2007 spending plan submitted during the 2006 session included the budget bill and separate legislation pertaining to a variety of tax credits and other tax changes. The original fiscal 2007 budget totaled \$29.7 billion, exclusive of reversions and \$2.5 million in contingent reductions dependent on legislation. Based on these assumptions, the closing fiscal 2007 general fund balance was estimated at \$32.5 million. As introduced, the budget package exceeded the revised growth rate recommended by SAC by \$100.5 million. It also exceeded the recommended limit on personnel by 291 positions.

Additional Revenue and Contingent Revenue Assumptions

As part of the Administration's fiscal plan, legislation was introduced which was estimated to reduce general fund revenue by \$28.7 million in fiscal 2007 if enacted (note: subsequent analysis of the Governor's revenue proposals estimated a total revenue loss of \$59.1 million). The full package would also impact out-year revenues, as implementation in some instances was phased over multiple years. The specific legislation included:

- **Estate Tax:** The Administration proposed partially recoupling the Maryland estate tax to the federal estate tax by repealing the \$1.0 million limit on the exemption amount used in calculating the Maryland estate tax;
- **Military Retirement Income Subtraction Modification:** This bill would exempt 100 percent of military retirement income under certain conditions;
- **Long-term Care Subtraction Modification:** A modification to the State's income tax would be provided for individuals who provide long-term care;
- **Heating Upgrade Tax Credit:** Under this proposal, an income tax credit for the cost of purchasing and installing energy efficient residential heating systems would be created; and
- **Sales Tax Exemption for Veterans Organizations:** This final bill proposed to allow a State sales tax exemption for nationally organized veterans' organizations.

General Fund Revenue Assumptions: The Governor assumed an additional \$19.0 million in general fund revenue relative to the estimate by BRE. This included:

- \$11.7 million in AIDS drug rebates that had previously been off-budget;
- \$5.0 million due to a new delinquent business tax collection system;
- \$1.2 million in additional fees to be assessed by the Office of Health Care Quality in the Department of Health and Mental Hygiene (DHMH); and
- \$1.1 million from additional rental income from DHMH's Carter Center (\$537,000) and federal reimbursement for the Garrison Forest Veteran's Cemetery expansion (\$530,000).

Contingent Appropriations, Reductions, and Reversion Assumptions

Contingent Reductions: Reductions of \$2.5 million were assumed in the fiscal 2007 budget contingent upon enactment of legislation. This included \$1.2 million from the collection of indirect costs from the Health Services Cost Review Commission and the Maryland Health Care Commission within DHMH, and another \$1.3 million to authorize DHMH to require Kidney Disease Program recipients to apply for eligibility in the Medicare Part D prescription drug program.

Contingent Appropriations: The budget included one contingent appropriation for the State Department of Assessments and Taxation of \$12.6 million contingent on legislation to modify the Homeowners' Property Tax Credit Program (note: an additional \$4.1 million was later added via Supplemental Budget No. 1 for this purpose, based in part on the fiscal note estimate of proposed changes).

Reversions: The Governor assumed \$20.0 million in unspecified fiscal 2007 reversions, and also adjusted fiscal 2006 reversions upward by \$2.2 million (to \$22.2 million). Additional fiscal 2006 reversions consist of \$20.0 million in unspecified reversions; \$2,000,200 based on Chapter 590, Acts of 2005 which changes the revenue and spending for regulating mortgage originators and mortgage lenders from general funds to special funds; and \$200,000 in unneeded funds associated with a service contract between DHMH and Maximus.

Structural Balance: In comparing ongoing revenues to ongoing spending, the budget reflected a revenue shortfall of \$403 million. The Governor did make provision for addressing funding needs in fiscal 2008 by proposing to appropriate \$670 million to the Dedicated Purpose Account for this purpose.

Legislative Consideration of the Budget

Several fiscal themes emerged during the 2006 session during legislative consideration of the budget. Concerned about significant increases in higher education tuition in recent years the legislature considered several options for moderating tuition growth. The legislative review of the Governor's budget determined that employee health insurance was over funded, which led to interest in setting a portion of the funds aside for retirement enhancements and other initiatives. Cognizant of a sizable structural imbalance between revenues and expenditures in subsequent

years there was considerable focus on how much the State should set aside in reserves and into which account those funds should be placed. Finally, there was interest in modifying the cost-of-living adjustment to benefit lower paid State employees.

Revenue and Spending Changes

BRE Revenue Revisions: In March 2006 BRE revised its estimate of general fund revenue for fiscal 2006 upward by \$114.1 million and \$86.6 million for fiscal 2007. This was due largely to lower unemployment, resulting in higher income tax attainment, better than expected estate tax revenue, and other miscellaneous sources.

Supplemental Budget Nos. 1 & 2: In Supplemental Budget No. 1, the Governor increased spending by a total of \$429.2 million, based on the BRE revenue estimate, anticipated legislative reductions, and a variety of special and federal funds. General fund spending of \$277.3 million included \$206.0 million appropriated to the State Reserve Fund to set aside funds for 2008 operations (\$170.0 million), energy assistance (\$25.1 million) and funds for new voting machines. Another \$31.3 million was appropriated for PAYGO capital in the Board of Public Works. Special fund appropriations totaled \$114.2 million, with the largest components funding enrollment increases in the Maryland Health Insurance Program (\$42.0 million), and funds for the Water Quality Revolving Loan Fund (\$35.0 million). Another \$37.6 million in federal funds was allocated to various programs. A second supplemental budget was submitted in late March to allocate another \$59.6 million for voting machine costs, one-time transportation grants, and aid to the Prince George's Hospital Center. Approximately \$27.7 million came from unallocated general fund balance, with the remainder from special funds. In total, the two supplemental budgets increased appropriations on a spending affordability basis by \$67.2 million.

Reductions: The legislature pared the Governor's fiscal 2006 deficiency budget by \$11.9 million in general funds mostly to delay correctional officer salary enhancements until April 12, 2006. A \$2.1 million special fund deficiency was cut for energy assistance based on expected need. Reductions to the fiscal 2007 allowance totaled \$971.8 million in all funds; however, \$840.0 million in general funds represented reductions to the Dedicated Purpose Account in order to retain funds in either the Rainy Day Fund or general fund balance. Of the remaining \$131.8 million in reductions, the largest reductions included \$20.1 million in higher education funds to freeze undergraduate tuition at current year levels, Medicaid reductions of \$19.4 million related largely to lower State costs associated with the new federal prescription drug benefit and to changes in federal law, \$11.0 million in drug court spending and other reductions in the Judiciary, \$10.8 million in Transportation, \$10.0 million in proposed enhancements for horse racing purses, and \$5.0 million in stem cell research funds.

Reductions contingent upon the enactment or failure of legislation totaling \$45.7 million were effected, including:

- *Senate Bill 713/House Bill 244 (both failed)* reduce a total of \$41.8 million (\$21.1 million in general funds and \$20.7 million in special funds) from the Dedicated Purpose Account of the State Reserve Fund for enhancements to the State voting system;
- *House Bill 697 (passed)* effects cuts of \$1.3 million in general funds in DHMH for kidney disease program recipients based on Medicare Part D eligibility;
- *House Bill 1604 (passed)* permits DHMH to collect \$1.2 million in indirect costs from the Health Services Cost Review Commission and Maryland Health Care Commission and thus results in a corresponding general fund decrease;
- *House Bill 880 (failed)* reduces five positions and \$271,000 in general funds in the Department of Juvenile Services related to failure to expand the Juvenile Justice Monitoring Unit in the Office of the Attorney General;
- *Senate Bill 1058 /House Bill 1557 (both failed)* reduces \$459,273 in general funds in the Judiciary budget related to failure to create two new circuit court judges (one in Montgomery County and one in Baltimore City) and related staff and expenses; and
- *Senate Bill 237 /House Bill 304 (both failed)* reduces \$750,000 in general funds in the Department of Public Safety and Correctional Services for a pilot program to assess monitoring sexual offenders via global positioning technology

Contingent Appropriation: *House Bill 5 (passed)* modifies both the Homeowners' and Renters' Property Tax Credit Programs. As a result, \$16.7 million in contingent appropriations in the fiscal 2007 budget will be available for expenditure. The bill increases the maximum eligible assessment, alters the percentages of income used to calculate the credit, and makes other changes for Homeowners' tax credits. It also increases the maximum tax credit allowed under the Renters' Property Tax Relief Program from \$600 to \$750.

Revenue Legislation

Several bills were passed, some of which began as administration sponsored measures, which negatively impact general fund revenue in fiscal 2007. They include:

- *House Bill 1701 (passed)* requires DHMH to distribute any rebates received from the Maryland AIDS Drug Assistance Program to a special fund for the Maryland AIDS Drug Assistance Program. If enacted, this bill will eliminate the \$11.7 million general fund revenue estimate assumed by the administration in its initial fiscal 2007 fiscal plan;

- **Senate Bill 227/House Bill 308 (both passed)** will decrease general fund revenue in fiscal 2007 through 2009 as a result of the exemption from the sales tax being provided to sales made to qualified veterans' organizations. For fiscal 2007 this is estimated at \$0.3 million;
- **Senate Bill 2/House Bill 1219 (both passed)** modify the estate tax and are projected to reduce general fund revenue by \$7.4 million; and
- **Senate Bill 22 (passed)** relates to the exemption of military retirement income, resulting in a projected loss of \$14.3 million in general funds.

Final Actions Related to SAC

Limiting Spending Growth: The December 2005 recommendation to limit spending growth to 8.9 percent was increased during the session to 9.6 percent on the basis of better than expected revenue growth. As shown in **Exhibit A-1.2**, final action by the legislature reduced the budget to a 9.57 percent rate of growth as measured on a spending affordability basis. This is \$5.7 million below the 9.6 percent rate recommended by the committee.

Exhibit A-1.2 Operating Budget Affordability Limit (\$ in Millions)

| <u>Funds</u> | <u>2005</u> <u>Session</u> | <u>2006</u> <u>Session</u> | <u>\$</u> <u>Change</u> | <u>%</u> <u>Change</u> |
|--------------------------------|-------------------------------|-------------------------------|----------------------------|---------------------------|
| General | \$11,863.0 | \$13,238.2 | \$1,375.2 | 11.59% |
| Special | 3,107.1 | 3,270.8 | 163.6 | 5.27% |
| Higher Education | 1,745.5 | 1,805.7 | 60.1 | 3.44% |
| Estimated Budget Growth | \$16,715.6 | \$18,314.6 | \$1,599.0 | 9.57% |
| SAC Limit | \$16,715.6 | \$18,320.3 | \$1,604.7 | 9.60% |
| Variance | | | -\$5.7 | -0.03% |

Personnel: As discussed in the “Personnel” subpart of this Part, the legislature deleted 67.5 positions and imposed a position ceiling of 52,432. The ceiling applies to Executive Branch agencies, excluding higher education, the Maryland Port Administration (MPA) and the Maryland Aviation Administration (MAA).

State Reserve Fund Balance: The committee had recommended that the Rainy Day Fund balance be increased to 7.5 percent to provide added flexibility in addressing future years spending requirements. As discussed under the “State Reserve Fund” subpart within this Part, legislation was enacted to increase the minimum balance, in compliance with this recommendation.

Final Disposition of the 2006 Fiscal Objectives

Higher Education Tuition Freeze: In recognition of savings from overstated employee health insurance costs, the General Assembly deleted tuition revenues associated with planned resident undergraduate tuition rate increases of 4.3 percent on average at University System of Maryland (USM) institutions (\$18.9 million) and 5 percent at Morgan State University (MSU) (\$0.8 million) and directed USM and MSU to freeze resident undergraduate tuition rates. Tuition revenues at St. Mary’s College of Maryland were reduced by \$377,418 and the college was directed to cap the increase in resident undergraduate tuition rates at 4.8 percent instead of the planned 7.8 percent increase.

State Employee Retirement Enhancement: Interest in enhancing teachers and State employee retirement led to consideration of several pieces of legislation. As pertains to the budget, \$51.5 million in over budgeted State employee health insurance funding was restricted for the purpose of placing it in reserve to partially mitigate the costs attendant to any retirement enhancements. The funds will be available to partially offset the costs of bills that enhanced the State employee and teacher pension plan.

Cash Position: Final action by the legislature left the State with a total of \$1.5 billion in total cash available, between the Rainy Day fund and general fund balance. As discussed in the “Outlook for Future Budgets” subpart of this Part, much of this cash may be needed to be applied to balance the fiscal 2008 budget.

State Employee Cost-of-living Adjustment: Legislative action modified the across-the-board 2 percent cost-of-living adjustment to direct funds to lower paid employees. All employees will receive at least \$900, which is more than 2 percent for those making under \$45,000. State workers making more than \$45,000 will receive the lesser of 2 percent, or \$1,400. Salary scales will also be adjusted so that no full-time State employee receives a yearly salary of less than \$20,000.

Summary of Fiscal 2007 Legislative Activity

Exhibit A-1.3 summarizes final legislative activity on the fiscal 2007 budget relative to the plan proposed at the beginning of session by the administration. As illustrated in the exhibit, actions were adopted to retain funds in the Rainy Day Fund in lieu of the Dedicated Purpose Account, revenue losses associated with proposed legislation are lower, and a higher fund balance is projected at the close of fiscal 2007.

Outlook for Future Budgets

As shown in **Exhibit A-1.4**, a potential cash shortfall of about \$200 million between revenues and current services spending is projected for fiscal 2008. The shortfall is expected to widen to around \$1.3 billion in fiscal 2009 due to reliance on cash balances in fiscal 2008 and steadily increasing Medicaid spending. By fiscal 2011, the shortfall is projected to reach \$1.5 billion. The forecast assumes that in fiscal 2008 the State will spend the \$120 million balance in the general fund as well as the \$879 million Rainy Day Fund balance in excess of 5 percent of general fund revenues. As shown in the exhibit, another \$678 million of contingency resources would remain in the Rainy Day Fund available to mitigate the outstanding problem. However, if revenues out perform current estimates or spending is constrained from current services levels, the need to draw on contingency resources is diminished.

Legislation

Projected revenues are expected to decrease by about \$30 million per year over the forecast period due to the passage of legislation. *Senate Bill 22 (passed)*, which exempts certain military retirement income from taxation, will reduce general fund revenues by \$14 million in fiscal 2007 and slightly smaller amounts in subsequent years. *House Bill 1701 (passed)* requires the allocation of drug rebates earned by the AIDS Administration to a special fund rather than the general fund. The fiscal 2007 budget assumed \$11.7 million of general fund revenues from the drug rebates. *Senate Bill 2 /House Bill 1219 (both passed)*, which will reduce general fund revenues from the estate tax, also contribute to the revenue decline.

Legislation passed at the 2006 session will increase State spending in future years. *Senate Bill 1019/House Bill 1737 (both passed)* enhance retirement benefits for teachers and State employees at a cost of \$106.3 million in fiscal 2008 escalating to \$120 million by fiscal 2011. The forecast assumes that \$37.6 million reserved in the fiscal 2007 budget to cover future retirement expenses will offset anticipated fiscal 2008 expenses.

Exhibit A-1.3
General Fund Budget Summary
Fiscal 2007
(\$ in Millions)

| | <u>Admin.</u> | <u>Final</u> |
|--|-------------------|-------------------|
| Starting Balance | \$1,288.5 | \$1,288.5 |
| Reductions to Fiscal 2006 Deficiency Request | 0.0 | 22.1 |
| Adjusted Starting Balance | \$1,288.5 | \$1,310.5 |
| Revenues – Board of Revenue Estimates | 12,929.8 | 12,929.8 |
| Other Revenues | 28.7 | 16.4 |
| Transfer from Rainy Day Fund | 770.0 | 0.0 |
| Total Revenues and Balance | \$15,016.9 | \$14,256.8 |
| Expenditures – Governor's Allowance | \$13,520.7 | \$13,520.7 |
| Earmarked Reserve Fund Appropriations | 0.0 | 15.7 |
| Appropriation to Rainy Day Fund | 593.3 | 577.6 |
| Dedicated Purpose Account for Fiscal 2008* | 940.0 | 137.6 |
| Expenditure Reductions** | -142.5 | -136.4 |
| Total Expenditures | \$14,911.6 | \$14,115.2 |
| Revenues Less Expenditures | 105.4 | 141.6 |
| General Fund Revenue Reductions | -59.1 | -22.0 |
| Ending Balance | \$46.3 | \$119.6 |

*Under the Administration's budget plan, \$840 million would have been transferred to the Dedicated Purpose Account for fiscal 2008 expenditure requirements, and \$100 million would have been transferred for future costs of retirees' health benefits. The budget adopted by the General Assembly transfers \$100 million for retirees' health benefits and \$37.6 million in general funds for future retirement costs.

**For the Administration, the reductions reflect the amount assumed by the Administration in Supplemental Budget No. 1. The totals also reflect reductions resulting from either the passage or failure of legislation.

Exhibit A-1.4
General Fund Budget Outlook
Fiscal 2006 – 2011
(\$ in Millions)

| | <u>FY 2006</u> | <u>FY 2007</u> | <u>FY 2008</u> | <u>FY 2009</u> | <u>FY 2010</u> | <u>FY 2011</u> |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Revenues | | | | | | |
| Fund Balance/Transfers | \$1,313 | \$2,081 | \$999 | \$49 | \$50 | \$51 |
| | \$1,313 | \$2,081 | \$999 | \$49 | \$50 | \$51 |
| Ongoing Revenues | 12,340 | 12,958 | 13,564 | 14,217 | 14,850 | 15,484 |
| Short-term Revenues | 9 | 0 | 0 | 0 | 0 | 0 |
| Revenue Adjustments – Legislation | 0 | -34 | -24 | -27 | -29 | -31 |
| | \$12,348 | \$12,924 | \$13,539 | \$14,190 | \$14,821 | \$15,452 |
| Total Revenues | \$13,661 | \$15,005 | \$14,539 | \$14,239 | \$14,871 | \$15,503 |
| Spending | | | | | | |
| Operating Spending | \$11,970 | \$13,177 | \$14,280 | \$14,997 | \$15,730 | \$16,496 |
| Operating Spending – Legislation | -10 | -15 | 110 | 178 | 209 | 239 |
| | \$11,960 | \$13,162 | \$14,390 | \$15,175 | \$15,939 | \$16,735 |
| PAYGO Capital | 19 | 171 | 84 | 53 | 51 | 53 |
| PAYGO Capital – Legislation | | | 4 | 4 | | |
| Appropriation to Reserve Fund | 323 | 1,399 | 110 | 50 | 50 | 50 |
| Transportation Trust Fund/Retiree Health Liability | 50 | 153 | 153 | 253 | 306 | 200 |
| | \$391 | \$1,723 | \$350 | \$360 | \$407 | \$303 |
| Ending Balance | \$1,311 | \$120 | -\$202 | -\$1,296 | -\$1,476 | -\$1,535 |
| Revenue Stabilization Fund | | | | | | |
| Rainy Day Fund Balance | \$747 | \$1,390 | \$678 | \$710 | \$742 | \$774 |
| Balance over 5% of GF Revenues | 181 | 747 | 1 | 0 | 1 | 1 |
| Structural Balance | \$330 | -\$391 | -\$1,003 | -\$1,238 | -\$1,425 | -\$1,483 |

Senate Bill 447 (passed) calls for annual inflationary adjustments to the payment rates for community-based mental health and developmental disabilities service providers. The amount of additional spending on these services will rise from \$15 million in fiscal 2008 to \$63 million in fiscal 2011. *Senate Bill 356/House Bill 586 (both passed)* enhance funding for community colleges. The amount of additional community college aid will escalate from \$4 million in fiscal 2008 to \$29 million in fiscal 2011.

The forecast also accounts for *Senate Bill 542/House Bill 1331 (Ch. 51 and 52)* which require the State to appropriate a minimum of \$50 million annually to the Rainy Day Fund when the balance in the fund is greater than 5 percent but less than 7.5 percent of projected general fund revenues. The requisite \$50 million appropriation is assumed for fiscal 2009 through 2011 as the forecast anticipates the State will close fiscal 2008 and each subsequent year with a Rainy Day Fund balance equivalent to 5 percent of general fund revenues.

Selected Budgetary Initiatives and Enhancements

K-12 Funding Increases

Displaying continued commitment to the Bridge to Excellence in Public Schools Act of 2002, the fiscal 2007 State budget provides a record increase in State primary and secondary education aid for a third consecutive year. Fiscal 2007 education aid will increase by \$466 million over fiscal 2006 to nearly \$4.5 billion, an increase of 11.6 percent. This increase follows increases of approximately \$380 million in fiscal 2006 and \$323 million in fiscal 2005. In total, education aid will increase by \$1.6 billion from fiscal 2002 to 2007, reflecting an average annual growth rate of 9.2 percent from the year before the Bridge to Excellence legislation to the upcoming fiscal year. An increase of approximately \$500 million is projected for fiscal 2008, the final year of the Bridge to Excellence phase-in. After fiscal 2008, increases in State education aid will be driven by inflation and changes in enrollment and are expected to be more modest. A more detailed discussion of education funding can be found in Part L – Education.

Higher Education Funding

State Support: Every segment of higher education receives a general fund increase in the fiscal 2007 budget. New general funds total \$130 million with the largest share of funding allocated to USM (\$99 million). Public higher education institutions will receive an additional \$21.5 million of general funds from the Department of Budget and Management (DBM) in fiscal 2007 to defray expenses associated with a cost-of-living increase for State employees.

Scholarships: The fiscal 2007 budget includes \$110.1 million for scholarship programs administered by the Maryland Higher Education Commission (MHEC), which is a \$14.7 million, or 15.4 percent increase over fiscal 2006. The largest increase, \$16.5 million, or 24.8 percent, is in need-based aid, which includes the Educational Excellence Awards program (the main source of State undergraduate need-based aid), the Graduate and Professional Scholarship, and the Part-time Grant program. The HOPE scholarship programs decrease 56 percent as they continue

to phase out; only renewals are being funded in fiscal 2007. Overall, MHEC expects to award aid to 57,692 recipients in fiscal 2007. The average award for all scholarships is projected to increase from \$1,691 in fiscal 2006 to \$1,899 in fiscal 2007. All eligible applicants for need-based aid are expected to be served in fiscal 2007.

Early Voting

The 2006 session was an eventful one in terms of the budget provided for elections-related activities. The Governor's initial budget for fiscal 2007 provided the State Board of Elections (SBE) with just over \$25.5 million. By the end of session, the fiscal 2007 budget contained more than \$40 million for election related costs. Based on actions in the two supplemental budgets, SBE's base budget shrank to \$18.5 million while \$63.8 million was added to the Dedicated Purpose Account for two separate activities: \$13.4 million to implement early voting requirements (Chapter 5, Acts of 2006), primarily to cover the cost of e-poll books; and \$50.4 million for the replacement of the current touch-screen voting system. However, \$41.8 million of the \$50.4 million included for the replacement of voting machines was contingent on and limited to the implementation of *Senate Bill 713/House Bill 244 (both failed)* or other legislation requiring the replacement of the existing touch-screen voting system to allow for accessible voter-verified paper audit trails or a modification to the State's existing touch-screen voting system. With the failure of those bills, the remaining \$8.6 million is available to back-fill the reduction to SBE's base budget made in Supplemental Budget No. 2 (to reflect expenditures that would continue to be required on the existing touch-screen voting machines).

Correctional Officers Salaries/New Positions

The budget includes \$32.2 million for correctional officer salary increases and approximately \$5.4 million for 160 new correctional officer positions. The budget also includes a \$9 million deficiency appropriation to make the correctional officer salary increases effective April 12, 2006. The increase would raise the starting salary for correctional officers to \$33,413 and would provide, on average, a 9.8 percent salary increase for all correctional officers. The 160 new correctional officers will be distributed across the custody facilities, and were requested and approved based on a newly calculated relief factor. The relief factor determines how many actual positions are required to properly staff a post, and includes considerations for shifts, weekends, holidays, leave, and training.

Drug Court Expansion

A drug court is a specialized docket responsible for handling drug and dependency related cases through judicial intervention, intensive monitoring, and continuous substance abuse treatment. The fiscal 2007 budget includes approximately \$10.3 million, a \$5.7 million increase from the prior year. However, approximately \$3.3 million of this increase reflected the need to backfill for federal dollars that were no longer available, many local drug courts having been established using one-time federal grants made directly to local jurisdictions. The remaining

\$2.4 million represents a 30 percent increase in the total funding available for drug courts. These new funds will be used for additional services and to expand the total number of drug courts.

Drug court funding is allocated among various agencies as follows:

- ***Drug Court Operations:*** The Judiciary's budget includes \$4.9 million for drug court coordinators, drug testing and substance abuse treatment, aid to local State's Attorneys' offices, and drug court evaluations; an increase of \$700,000 over fiscal 2006;
- ***Alcohol and Drug Abuse Administration:*** The budget includes \$1 million in new funding for substance abuse treatment services to individuals under drug court supervision. The administration intends to work with local jurisdictions to determine how to allocate funding amongst existing drug courts as well as for new drug courts;
- ***Public Safety and Correctional Services:*** The budget includes \$531,345 to provide parole and probation services to adults under drug court supervision. This is in addition to the approximately \$1.4 million included in the base budget for drug court supervision; and
- ***Juvenile Services:*** There is an additional \$195,172 to provide services for juveniles under the supervision of drug courts. This is on top of the almost \$2.2 million included in the base budget.

The budget committees have requested that the Judiciary undertake an evaluation of these programs to determine if the significant level of investment provided in the budget is justified.

Low Income Energy Assistance

The budget includes \$100.6 million to help low-income households pay their energy bills. There is \$64.7 million to provide assistance to a little over 100,000 households through the federally funded Maryland Energy Assistance Program and the Electric Universal Services Program funded from monthly charges on electric bills. In addition, this year's budget includes \$35.9 million to augment these two energy assistance programs. A portion (\$10.9 million) is a deficiency appropriation for fiscal 2006 to help cover higher than anticipated energy costs this past winter. The remaining \$25 million in new State funds will allow the State to increase the eligibility for the energy assistance programs from 150 percent to 200 percent of the federal poverty level and meet increased demand for assistance when the new electricity rates go into effect this summer.

Development Disabilities Administration Funding

The Developmental Disabilities Administration (DDA) provides services to individuals with mental or physical impairments that result in substantial functional limitations and are likely to continue indefinitely. Services are provided in the four State residential centers and through a coordinated service delivery system that supports the integration of these individuals into the community.

The developmental disabilities budget grows \$52.9 million in fiscal 2007; a result of several enhancements intended to increase access to and quality of community services. Of the increase, \$16.2 million is dedicated to the fifth and final year of the initiative to increase wages for community direct service workers. Concern that direct care workers employed by community providers were not being compensated at the rate of employees in State residential centers led to legislation, enacted in 2001, to eliminate the wage disparity over a five-year period.

The budget also includes funds for expansion of community services. The current waiting list for community services includes nearly 15,500 individuals. Approximately 10,283 individuals are not receiving any services; the remaining individuals are receiving some services but have requested additional services. The budget includes \$10 million to reduce the size of the waiting list by providing approximately 3,945 services to 1,225 individuals. Additionally 40 individuals on the waiting list who have the oldest care givers will be extended services at a cost of \$1.2 million.

Other community service enhancements include \$7.7 million to support 497 additional students in the Transitioning Youth program. This program provides supported employment and day services for students graduating from the school system. Residential services will also be expanded to an estimated 84 individuals on an emergency basis at a cost of \$2.7 million in fiscal 2007. The remainder of the increase provides funds for the annualization of fiscal 2006 community placements, inflation in community service costs, provider transportation reimbursement and the development of a written plan of habilitation for each individual residing in a DDA state residential center.

Medicaid

The budget increases funding for Medicaid and the Maryland Children's Health Program by \$221.9 million (\$113.9 million of general funds) or 5.0 percent bringing total funding for the programs to \$4.6 billion (\$2.2 billion of general funds). The relatively modest growth in costs reflects the inclusion of \$124 million in the fiscal 2006 budget to pay for services delivered during fiscal 2005.

Funds are provided in the budget to maintain 241 additional nursing home eligible individuals in the community (\$4 million), extend coverage of primary care services to an additional 20,000 people (\$18 million), and expand the Medicaid buy-in program for the working disabled (\$11 million). About 1,550 people are expected to participate in the buy-in program during fiscal 2007, an increase of 1,080. The budget includes rate enhancements for many provider groups including physicians (\$30 million), private duty nurses (\$9 million), and personal care providers (\$2 million). The physician rate increase represents the second year of a multi-year initiative to raise Medicaid rates to 100 percent of the Medicare rates.

The General Assembly sought to mitigate the impact of selected cost containment actions by restricting \$10 million to allow for a 5 percent rather than a 4 percent rate increase for nursing

homes and \$0.8 million to provide a 3 percent rather than a 2 percent rate increase for medical day care providers.

Child Welfare

Foster Care/Subsidized Adoptions Rate Increases: The budget provides funding to increase the foster care monthly payment by \$100. The lowest foster care rate (for infants through age 11) will increase from \$535 per month to \$635. The first \$25 increase became effective January 1, 2006. The remaining \$75 increase becomes effective on July 1, 2006. The last time rates were increased was in 1991. The cost of the rate increases is approximately \$6 million comprising \$4 million in general funds and \$2 million in federal Title IV-E Foster Care funds. Just over \$5 million provides \$50 increases to the monthly subsidies for subsidized adoptions. Similar to the foster care rate increases, the first \$25 became effective January 1, 2006, and the remaining \$25 becomes effective July 1, 2006.

Subsidized Guardianship Rate Increase: The budget includes \$3.1 million to provide for an increase to the monthly subsidy rate for subsidized guardianships. Guardianship is a permanent out-of-home placement for a child wherein the court appoints a relative caregiver as the permanent legal guardian of the child and the local department of social services is then no longer involved in the care, custody, or supervision of the child. The new funding will allow a \$275 increase in the monthly subsidy for the 200 children remaining in subsidized guardianship arrangements started under a federal waiver and will also provide for between 340 and 400 new subsidized guardianship cases at the new rate of \$575 per month.

Child Welfare Staffing Ratios: The General Assembly has been concerned for many years about the high caseloads being carried by child welfare caseworkers and added language to the budget bills the past two years restricting funds unless the Department of Human Resources (DHR) had a certain number of filled child welfare positions. The General Assembly added language to the budget restricting funds until DHR develops a methodology for calculating the number of filled child welfare caseworker and supervisor positions needed to meet the staffing ratio recommendations of the Child Welfare League of America (CWLA) and develops a procedure for applying the methodology that is verifiable. The language also restricts funds unless DHR, at two points during the year, has the lessor of 1,941 filled worker and supervisor positions or the number of filled positions required to meet the ratios recommended by the CWLA.

Group Home Oversight: Continuing interest in improving the oversight of the operation of group homes led to the addition of budget bill language. Much of the language addresses issues that were raised during various legislative hearings during the 2005 interim on group home operations. Language was added to the budget to require:

- child-serving agencies to report on the level of earnings retained by providers;
- that independent audits from each provider be submitted to the Interagency Rates Committee and a review of the audits to be incorporated into the rate setting process;

- a report on the level of direct care spending;
 - a report outlining how performance-based incentives can be incorporated into the rate setting process;
 - a report on the number of incidents reported by providers;
 - status reports on the implementation of previously enacted legislation;
 - a report on the appropriate number of licensing and monitoring staff; and
- a report on how information sharing among child-serving agencies can be improved.

Temporary Cash Assistance

For the first time in several years, the budget includes sufficient funding to allow the Temporary Cash Assistance grant level to be set at a rate high enough, when combined with food stamps, to equal the 61 percent of Maryland’s Minimum Living Level required by statute. An additional \$7.7 million is included in fiscal 2007 to allow the average monthly grant to increase from \$149 to \$154.5.

Support for Health/Biotechnology Research

Research and development related to stem cells, biotechnology, and nano-biotechnology receive major funding in the fiscal operating 2007 budget. The Maryland Technology Development Corporation budget includes \$15 million for stem cell research, contingent upon enactment of *Senate Bill 144 (Ch. 19)*. The funds will support stem cell research and development at Maryland research institutions or private companies.

The State budget includes \$6 million for a biotechnology investment tax credit that was established by Chapter 99, Acts of 2005. The credit is equal to 50 percent of an eligible investment made in a qualified biotechnology company, up to \$50,000 a year for individuals and up to \$250,000 a year for corporations and venture capital firms. Nano-biotechnology receives \$2.5 million in the budget to be allocated to USM institutions. Nanotechnology involves manufacturing products made of components the size of atoms and molecules. Medical applications are expected in areas such as drug delivery and gene therapy.

Cigarette Restitution Fund

The Governor included \$166.1 million from the Cigarette Restitution Fund (CRF) in the fiscal 2007 allowance, an increase of \$43.3 million over the fiscal 2006 working appropriation. Although settlement revenues are roughly equal to fiscal 2006, unexpended fund balance from fiscal 2006 remains available and the State completed its last payment to the Law Offices of Peter Angelos in fiscal 2006, allowing for increased appropriations from the fund in fiscal 2007.

The largest single appropriation from the CRF is \$89.7 million for the Medicaid program, an increase of \$22.9 million. Funding for the CRF tobacco and cancer programs increases \$9.4 million and \$8.1 million, respectively. The additional funds for tobacco and cancer are required by statute which mandates that the State spend a minimum of \$21 million of CRF/general funds in fiscal 2007 on tobacco use and prevention programs and at least \$15.4 million in the cancer program for the statewide academic health centers – University of Maryland Medical Group and the Johns Hopkins Institutions. **Exhibit A-1.5** details the distribution of funds in fiscal 2007 and preceding years.

Chapter 444, Acts of 2005 (the Budget Reconciliation and Financing Act of 2005) authorized additional CRF funds of \$6.7 million in fiscal 2006 to provide the statewide academic health centers with a level of funding close to the fiscal 2005 appropriation of \$15.3 million. The Governor did not use this authorization, but instead provided a \$3.8 million fiscal 2006 general fund deficiency appropriation in the 2007 Community and Family Health Administration budget. Including the deficiency appropriation, the 2006 budget for the centers totals \$11.5 million, \$2.9 million below the authorized level.

Recent legal actions by manufacturers participating in the Master Settlement Agreement (MSA) threaten to reduce the amount of CRF revenue available to the states. These manufacturers contend that manufacturers not participating in the MSA have exploited legal loop holes to reduce their payments to the states, giving those manufacturers a competitive advantage in the pricing of their products. The MSA authorizes participating manufactures that lose a certain share of the market to withhold three times the amount of their losses. This withholding is known as a non-participating manufacturer (NPM) adjustment. An action of this sort has the potential to reduce the fiscal 2006 payment under the MSA by approximately \$1.1 billion. Maryland's share is approximately 18 percent, or \$26 million.

On March 27, 2006, an arbitrator ruled that the MSA was a significant factor in the participating manufacturer's loss of market share thus allowing the NPM adjustment. The MSA provides that the NPM adjustment will apply to all states unless a state has enacted and is diligently enforcing its Qualifying Statute. The Qualifying Statute requires NPM's to either join the MSA or make refundable deposits into an escrow account based on the number of cigarettes they sell in the State. Diligent enforcement of the qualifying statute will be determined on a state-by-state basis through a court proceeding. If Maryland is found to have diligently enforced its qualifying statute, there will be no NPM adjustment, and Maryland's 2006 MSA payment will not be affected; however, if it is determined that Maryland has not diligently enforced its qualifying statute, the State will be allocated a portion of the entire NPM adjustment. The fiscal 2007 budget restricts \$26 million in the Medicaid appropriation pending resolution of this dispute.

Exhibit A-1.5
Cigarette Restitution Fund
Fiscal 2005 – 2007
(\$ in Millions)

| | <u>FY 05</u> <u>Actual</u> | <u>FY 06</u> <u>Working</u> <u>Approp.</u> | <u>FY 07</u> <u>Legislative</u> <u>Approp.</u> | <u>\$</u> <u>Change</u> |
|--------------------------------|-------------------------------|--|--|----------------------------|
| Beginning Balance | \$10.5 | \$15.4 | \$16.3 | \$.90 |
| Settlement Payments | 152.0 | 153.5 | 152.3 | -1.2 |
| Available Revenue | \$162.5 | \$168.9 | \$168.6 | -\$0.3 |
| Payment to Law Offices | -\$30.0 | -\$29.9 | - | \$29.9 |
| Prior Year Recoveries | 1.5 | - | - | - |
| Total Available Revenue | \$134.0 | \$139.0 | \$168.6 | \$29.6 |
| Health | | | | |
| Management | \$0.4 | \$0.3 | \$0.6 | \$0.3 |
| Tobacco | 9.9 | 9.3 | 18.7 | 9.4 |
| Cancer | 30.9 | 20.1 | 28.1 | 8.1 |
| Substance Abuse | 17.1 | 17.1 | 17.1 | 0.0 |
| Medicaid | 51.5 | 66.8 | 89.7 | 22.9 |
| Subtotal | \$109.8 | \$113.6 | \$154.3 | \$40.7 |
| Education | | | | |
| Aid to Nonpublic Schools | 3.0 | 3.0 | 4.0 | 1.0 |
| Subtotal | \$3.0 | \$3.0 | \$4.0 | \$1.0 |
| Crop Conversion | \$5.7 | \$6.0 | \$7.6 | \$1.6 |
| Attorney General | \$0.2 | \$0.2 | \$0.2 | \$0.0 |
| Total Expenses | \$118.6 | \$122.8 | \$166.1 | \$43.3 |
| Ending Balance | \$15.4 | \$16.3 | \$2.5 | |

Numbers may not sum due to rounding.

Source: Department of Budget and Management

Transportation

Transportation Trust Fund

Net revenue to the Transportation Trust Fund is expected to total \$2.1 billion in fiscal 2007, including \$235 million in estimated Consolidated Transportation Bonds (CTBs). Operating expenses for all modes totals \$1.3 billion – an increase of \$67.9 million, or 5.4 percent. The transportation capital program is funded at \$1.7 billion – a decrease of \$179.7 million, or -9.7 percent.

Operating Budget Enhancements

The bulk of the increase in the operating budget is in the Maryland Transit Administration (MTA) for the renewal of service contracts for paratransit and MARC services. MTA also added 15 contractual positions and was authorized to reclassify 30 vacant positions to bus operators to backfill positions transferred to enhance paratransit services. The State Highway Administration added 10 new positions to create an Office of Procurement and Contracts to consolidate procurement and contract functions. The Secretary's Office operating grants-in-aid, which largely support metropolitan planning organizations, increase by \$2.4 million due to additional federal aid.

Capital Program

The fiscal 2007 *Consolidated Transportation Program* decreases largely due to cash flow changes and a number of major projects ending in fiscal 2006. The capital program includes 12 new projects totaling \$270 million being added to the construction program and 17 projects totaling \$35.2 million added to the Development and Evaluation Program.

Transportation Debt Limits

The budget establishes a ceiling for maximum debt outstanding for CTBs as of June 30, 2007, at \$1.25 billion. A ceiling on non-traditional debt issued is set at \$762.2 million for all debt that are not CTBs or Grant Anticipation Revenue Vehicle bonds. The limit on non-traditional debt may be increased upon notification to the budget committees. Budget language also directs the agency to reduce its total CTB debt outstanding through proceeds from bond sale premiums by either reducing the size of the issuance or applying the proceeds toward debt service, and prohibits the agency from issuing bonds through the Maryland Economic Development Corporation.

Highway User Revenues/One-time Capital Grant

The fiscal 2007 budget funds highway user revenues at the statutorily required level totaling \$584.9 million – a \$79.9 million, or 15.8 percent increase over fiscal 2006. A lingering issue from fiscal 2006 involved the provision of \$25.8 million to the local jurisdictions to offset reductions made during the 2005 session. An agreement was reached to provide the funding via

a \$15 million deficiency appropriation in Supplemental Budget No. 2 and a budget amendment for \$10.8 million. In addition, the Governor may process a budget amendment for \$1.5 million in fiscal 2006 or 2007 for the Rockville Town Center in Montgomery County.

State Reserve Fund

Altogether, the Revenue Stabilization Account (Rainy Day Fund), Dedicated Purpose Account (DPA), Catastrophic Event Account, and The Joseph Fund Account have a \$1.5 billion fund balance projected at the end of fiscal 2007. Actions taken by the General Assembly in fiscal 2006 and 2007 are listed in **Exhibit A-1.6** and detailed below:

Fiscal 2006 Actions

- \$22 million appropriated into the DPA to support early voting (\$13.4 million), and to restore lease payments on existing voting machines (\$8.6 million); and
- \$10.9 million appropriated into the DPA to support energy subsidies for low-income residents.

Fiscal 2007 Actions

- **Rainy Day Fund**
 - \$593.3 million is appropriated into the Rainy Day Fund. Section 7-311 of the State Finance and Procurement Article requires that in the budget for the second subsequent fiscal year the Governor appropriate an amount equal to the unappropriated general fund balance at closeout exceeding \$10 million into the Rainy Day Fund. At the end of fiscal 2005, the unappropriated general fund balance totaled \$603.3 million, of which \$10 million remains in the general fund and an amount equivalent to the remainder is appropriated into the Rainy Day Fund in fiscal 2007;
 - \$10.7 million of the Rainy Day Fund appropriation is restricted to support PAYGO projects and operating grants. The budget bill restricted a total of \$7.7 million for three PAYGO projects contingent on General Obligation (GO) bonds not being authorized for the projects. For one of the projects, Prince George's County Courthouse, \$1 million in GO debt was authorized. Consequently, the amount supporting PAYGO projects was reduced to \$6.7 million. The remaining \$4.0 million is restricted for operating and capital spending to address gang-related activities; and
 - \$5 million is authorized to be transferred from the Rainy Day Fund for the Prince George's Hospital Center in *Senate Bill 1065 (passed)*.

Exhibit A-1.6
State Reserve Fund Activity
Fiscal 2006 and 2007
(\$ in Millions)

| | <u>Rainy Day Fund</u> | <u>Dedicated Purpose Acct.</u> | <u>Catastrophic Event Acct.</u> | <u>Joseph Fund Acct.</u> |
|--|---------------------------|------------------------------------|-------------------------------------|------------------------------|
| Estimated Balances 6/30/05 | \$521.0 | \$0.0 | \$7.1 | \$0.0 |
| Fiscal 2006 Appropriations | 249.7 | 74.0 | 2.0 | 0.0 |
| Fiscal 2006 Deficiency Appropriations | | 32.9 | | |
| Expenditures | | | | |
| Reimburse Transportation Trust Fund | | -50.0 | | |
| Medicaid Deficiencies | | -20.0 | | |
| DJS Consent Decree | | -2.0 | | |
| Hurricane Isabel Reconstruction | | | -0.8 | |
| Energy Subsidies for Low-income Residents | | -10.9 | | |
| Early Voting/Other | | -22.0 | | |
| Fund Projects and Programs | -45.2 | | | |
| Transfers to General Fund | | | | |
| Estimated Interest | 21.2 | | | 0.0 |
| Estimated Balances 6/30/06 | \$746.8 | \$2.0 | \$8.3 | \$0.0 |
| Fiscal 2007 Appropriations | 593.3 | 229.6 | 0.0 | 0.0 |
| Expenditures | | | | |
| Fund Projects and Programs | -15.7 | | | |
| Reimburse Transportation and Support ICC | | -53.0 | | |
| Defray Pension Enhancements | | -51.5 | | |
| Energy Subsidies for Low-income Residents | | -25.1 | | |
| Substance Abuse Case Mgmt. Compact | | -1.0 | | |
| Transfers to General Fund | 0.0 | | | |
| Estimated Interest | 65.3 | | | 0.0 |
| | | | | |
| Estimated Balances 6/30/07 | \$1,389.6 | \$101.0 | \$8.3 | \$0.0 |
| Balance in Excess of 5% GF Revenues | \$747.5 | | | |
| Balance in Excess of 7.5% GF Revenues | \$426.4 | | | |

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

ICC = InterCounty Connector

DJS = Department of Juvenile Services

Source: Department of Budget and Management

Revenue Stabilization Account – Use and Minimum Appropriation

- ***Senate Bill 542/House Bill 1331 (Ch. 51 and 52)*** increase the minimum account balance of the Revenue Stabilization Account (“Rainy Day” Fund) of the State Reserve Fund from 5 to 7.5 percent of estimated general fund revenues. The bills permit the Governor to use the additional 2.5 percent of reserve to address spending needs based on the fluctuations in State revenues, however all funds used would need to be repaid at least \$50 million per year. Under times of economic duress, withdrawals of the base 5 percent could only occur upon enactment of separate legislation.
- ***Dedicated Purpose Account***
 - \$100 million is appropriated in the DPA to support the State’s unfunded retiree health insurance liability in subsequent years. The Government Accounting Standards Board requires that governmental employers account for liabilities associated with commitments to Other Post Employment Benefits (such are retiree health insurance) in fiscal 2008, creating an unfunded liability on the State’s balance sheet;
 - \$53 million is appropriated into the DPA to pay back the transportation funds previously transferred into the general fund, to be applied to the InterCounty Connector project under the jurisdiction of the Maryland Transportation Authority. The State has now reimbursed the transportation program \$103 million of the \$314.9 million. The remaining funds will be reimbursed in fiscal 2008 through 2010;
 - \$51.5 million is transferred into the DPA to support proposed pension enhancements considered by the General Assembly. The funds are available because the allowance overbudgeted health insurance costs; and
 - \$25.1 million appropriated into the DPA to support energy subsidies for low-income residents.

Rainy Day Fund’s Out-year Forecast

The end-of-year fiscal 2007 Rainy Day Fund balance is projected to be \$1.4 billion. State law provides that the fund balance be at least 7.5 percent of general fund revenues projected for the fiscal year. The fund balance exceeds the 5 percent threshold by \$426.4 million and exceeds the 5 percent level by \$747.5 million.

Personnel

State expenditures for employee compensation, estimated to be \$6.2 billion in fiscal 2007, constitute a major component of the budget. Regular employee expenditures increase \$416.6 million, or 7.7 percent to \$5.8 billion, while contractual employee expenditures increase \$10.3 million to a total of \$414.1 million (2.5 percent).

Health Insurance

Health insurance expenditures were overstated by \$80.5 million in the allowance. The Governor withdrew the overstated health insurance spending associated with higher education through the supplemental budget. The General Assembly restricted \$51.5 million of the excess funds for future retirement costs for teachers and State employees, \$6.0 million for an enhanced general salary increase, and \$500,000 for a survey of non-higher education Executive Branch positions classifications. The result of these changes is that health insurance expenditures increase by \$79.5 million, to \$841.4 million; a 10.4 percent increase.

Employee Compensation

The regular employee compensation package funded for fiscal 2007 reflects both enhancements applying to the entire workforce and enhancements for select groups of employees. Enhancements available to all employees include an increase in the State match for employee contributions to individual deferred compensation plans from \$400 to \$600, salary increments worth from 1.7 to 3.9 percent on the standard salary schedule for employees who are performing at or above established standards for their classification, and the general salary increase.

General Salary Increase

In the Governor's allowance, funding was provided for a 2 percent general salary increase. The General Assembly restricted part of the overstated health insurance funding to increase and restructure what was available through the allowance. Under the General Assembly's plan, the general salary increase for fiscal 2007 will be \$900 for employees making a base salary of less than \$45,000 per year on an annualized basis, \$1,400 for employees making more than \$70,000 per year on an annualized basis, and 2 percent for the rest of the workforce. **The effective increases range from 1.2 to 4.2 percent; approximately 87 percent of the workforce will receive 2 percent or more.**

Annual Salary Reviews and Retention Strategies

Based on annual salary reviews conducted by DBM's Division of Salary Administration and Position Classification, in fiscal 2007 certain categories of classifications will receive salary upgrades and/or will be reclassified. Classification changes focused on are those that have outdated descriptions or those for which the State finds it difficult to recruit and retain employees due to non-competitive salaries. **Exhibit A-1.7** summarizes the salary enhancements and reclassifications. Lump-sum bonuses and enhanced shift differential payments will go to some nurse and correctional officer and related positions, as described in **Exhibit A-1.8**. The changes will go into effect on July 1, 2006, with the exception of enhancements for correctional officer positions, which will be implemented on April 12, 2006.

Exhibit A-1.7 Annual Salary Review Reclassifications and Upgrades Fiscal 2007⁽¹⁾

| <u>Classification</u> | <u>Adjustment</u> | <u>Impact</u> | <u>Affected Positions</u> | <u>Cost (Millions)</u> |
|--|--|--|---------------------------|------------------------|
| Correctional Officers | One-grade adjustment through Warden | Approximately 6.6 percent increase | 7,075 | \$20.700 |
| Correctional Officer I | Starting salary adjusted to step 3 (also applied to officers now paid up through step 2) | Base pay in grade 11 to step 3 grade 12: \$28,126 to \$33,413 (before general salary increase) | 948 | 4.500 |
| Correctional Maintenance, Dietary, Residence, Laundry and Supply Officers, and State Use Industries Officers | One-grade adjustment | Grades ranging from 9 to 19 increase by one grade | 860 | 2.357 |
| Forensic Scientists at Maryland Department of State Police | Two-grade increase and reclassification to standardized forensic scientist series | Will increase salaries to comparability with Baltimore County, Anne Arundel County, Montgomery County, Northern Virginia, and the federal government | 46 | 0.246 |

| <u>Classification</u> | <u>Adjustment</u> | <u>Impact</u> | <u>Affected Positions</u> | <u>Cost (Millions)</u> |
|--|--|---|---------------------------|------------------------|
| Maryland State Police, Natural Resources Police, Park Rangers, Deputy State Fire Marshals, and the General Police Schedule | 2 percent market adjustment agreed to in negotiations with the State Law Enforcement Officer Alliance (SLEOLA) | | 2,145 | 3.195 |
| General Police Schedule (primarily DHMH and DGS Police) | 7 percent adjustment, in addition to the 2 percent described above | According to SLEOLA, will improve their ability to recruit and retain officers | 153 | 0.400 |
| Institutional Educator Pay Plan | Adjust to reflect market rate for teachers in local jurisdictions | Will increase institutional educator salaries to the current average for comparable positions | 310 | 1.721 |
| Teacher Aides | Reclassify positions and provide upgrades for grades 2 through 4, to grades 6 and 8 | Will move salaries closer to comparability in the six counties with the largest number of institutional educators | 41 | 0.053 |
| Administrative Law Judges | One-grade increase to assist with recruitment and retention efforts | | 56 | 0.371 |

⁽¹⁾ Enhancements to correctional officer positions are implemented on April 12, 2006.

Source: Department of Budget and Management

Exhibit A-1.8
Retention Strategies
Fiscal 2007

| <u>Classification</u> | <u>Adjustment</u> | <u>Impact</u> | <u>Affected Positions</u> | <u>Cost (Millions)</u> |
|---|--|---|---------------------------|------------------------|
| Correctional Officer II, Sergeant, Lieutenant, Captain, and Major | \$500 lump-sum bonus | Paid to incumbents who have fewer than five unscheduled absences over a 12-month period | 6,056 | \$3.600 |
| Department of Health and Mental Hygiene Registered Nurses | \$3,000 lump-sum bonus | Paid to incumbents who have fewer than five unscheduled absences over a 12-month period | 672 | 0.346 |
| Registered Nurses | Increase shift differentials to \$2.60 to \$4.60 per hour (is currently \$1.25 to \$2.75 per hour) | Necessary to facilitate staffing on weekends and evenings and to provide comparability with central Maryland health care facilities | 720 | 0.720 |
| Licensed Practical Nurses and Direct Care Assistants | Increase shift differentials to \$1.00 per hour (is currently either \$0 or \$0.625 per hour) | Necessary to facilitate staffing on weekends and evenings and to provide comparability with central Maryland health care facilities | 1,191 | 0.482 |

Source: Department of Budget and Management

In addition to the salary reviews and other retention strategies, the General Assembly also provided that grades 1 through 4 in the standard salary schedule will no longer be used; in combination with the general salary increase, this means that no full-time employee will be paid less than \$20,364 (base, grade 5).

Position Cap

In fiscal 2007, the regular State workforce increases by 1.6 percent, or 1,243 positions. Adjustments to individual agency workforces made during the 2006 session are illustrated in **Exhibit A-1.9**.

Exhibit A-1.9
Regular Full-time Equivalent Positions
Fiscal 2006 and 2007

| <u>Department/Service Area</u> | <u>FY 2006</u> <u>Wkg.</u> <u>Approp.</u> | <u>FY 2007</u> <u>Allow.</u> | <u>BPW &</u> <u>Transfers</u> | <u>Legis.</u> <u>Reductions</u> | <u>FY 2007</u> <u>Legis.</u> <u>Approp.</u> |
|---|---|---------------------------------|--------------------------------------|------------------------------------|---|
| Legislative Branch | 740 | 744 | | | 744 |
| Judicial Branch | 3,291 | 3,412 | | -15 | 3,397 |
| Executive Branch | | | | | |
| Legal | 1,563 | 1,584 | 4 | -2 | 1,586 |
| Executive and Administrative Control | 1,592 | 1,643 | 18 | -1 | 1,660 |
| Financial and Revenue Administration | 2,023 | 2,026 | | | 2,026 |
| Budget and Management | 433 | 443 | | | 443 |
| Retirement | 186 | 189 | | | 189 |
| General Services | 643 | 636 | | | 636 |
| Transportation | 9,012 | 9,052 | | -31 | 9,021 |
| Natural Resources | 1,367 | 1,372 | | | 1,372 |
| Agriculture | 428 | 437 | | -7 | 430 |
| Health and Mental Hygiene | 7,573 | 7,614 | 11.5 | -3 | 7,623 |
| Human Resources | 6,961 | 7,021 | -6 | | 7,015 |
| Labor, Licensing, and Regulation | 1,460 | 1,479 | | | 1,479 |
| Public Safety and Correctional Services | 11,279 | 11,485 | | -3 | 11,482 |
| MSDE and Other Education | 2,136 | 2,187 | 6 | | 2,193 |
| Housing and Community Development | 318 | 316 | | | 316 |
| Business and Economic Development | 292 | 292 | | | 292 |
| Environment | 949 | 952 | | -1 | 951 |
| Juvenile Services | 2,081 | 2,086 | -2 | -5 | 2,079 |
| Police and Fire Marshal | 2,464 | 2,472 | | | 2,472 |
| Executive Branch Subtotal | 52,756 | 53,282 | 32 | -53 | 53,261 |
| Higher Education | 21,699 | 22,327 | 0 | 0 | 22,327 |
| Total | 78,486 | 79,765 | 32 | -68 | 79,729 |

Source: Department of Budget and Management

The General Assembly set the fiscal 2007 position cap at 52,432 full-time equivalent Executive Branch positions. MAA and MPA were added to the exclusion list this year in recognition of their function as enterprise agencies within State government, where increased numbers of positions are absorbed within the assessments of private enterprises. Higher education agencies have been excluded from the Executive Branch position cap for several years.

By the Numbers

A number of exhibits summarize the legislative budget action. These exhibits are described below.

Exhibit A-1.10 shows the impact of the legislative budget on the general fund balance for fiscal 2006 and 2007. The fiscal 2006 balance is estimated to be \$1.3 billion. At the end of fiscal 2007, the closing balance is estimated to be \$119.6 million.

Exhibit A-1.10 Final Budget Status Status as of April 10, 2006

| | <u>FY 2006</u> | <u>FY 2007</u> |
|---|-------------------------|-------------------------|
| Starting General Fund Balance | \$1,174,425,981 | \$1,310,540,877 |
| Revenues (2006 and 2007) | | |
| BRE Estimated Revenues – December 2005 | 12,225,446,762 | 12,843,246,000 |
| BRE Revenue Revision – March 2006 | 114,070,000 | 86,596,000 |
| Budget Reconciliation and Financing Act of 2005 Transfers | 138,500,000 | 0 |
| Other Legislation | 0 | -33,685,777 |
| Supplemental Budget No. 1 | 0 | 114,000 |
| Additional revenues | 3,812,950 | 28,006,869 |
| | \$12,481,829,712 | \$12,924,277,092 |
| Net Transfer to the GF from the Rainy Day Fund | -249,685,441 | -593,282,470 |
| Subtotal Available Revenues | \$13,406,570,252 | \$13,641,535,499 |
| Appropriations | | |
| General Fund Appropriations Net of Rainy Day Fund | 11,940,882,495 | 14,218,025,332 |
| Deficiencies | 162,103,236 | 0 |
| Supplemental Budget No. 1 | 13,943,547 | 263,393,046 |
| Supplemental Budget No. 2 | 28,389,543 | -673,307 |
| Legislative Reductions/Contingent Legislation | -22,089,246 | -938,818,870 |
| Estimated Agency Reversions | -27,200,200 | -20,000,000 |
| Subtotal Appropriations | \$12,096,029,375 | \$13,521,926,201 |
| Closing General Fund Balance | \$1,310,540,877 | \$119,609,298 |

Exhibit A-1.11, the fiscal note on the budget bill, depicts the Governor's allowance, funding changes made through Supplemental Budgets No. 1 and No. 2, legislative reductions, and final appropriations for fiscal 2006 and 2007 by fund source. The Governor's original request provided for \$29.9 billion (exclusive of projected reversions) in fiscal 2007 expenditures and fiscal 2006 deficiencies. The Governor added \$488.7 million in fiscal 2006 and 2007 spending via two supplemental budgets. The legislature made \$1.0 billion in reductions to the total budget request, resulting in a net change in appropriations of \$337.4 million for fiscal 2006, and total appropriations of \$29.0 billion for fiscal 2007.

Exhibit A-1.12 illustrates budget changes by major expenditure category by fund. Total spending grows 9.2 percent. Debt service grows 0.7 percent; aid to local governments increases by 11.1 percent; entitlements grow 5.8 percent, and State agency spending rises 7.5 percent. PAYGO capital expenditures increase by 3.6 percent. A \$769.9 million appropriation to the State Reserve Fund is largely credited to the Rainy Day Fund balance, providing additional reserves to aid in balancing future budgets.

Exhibit A-1.11
Fiscal Note
Summary of the Budget Bill – Senate Bill 110

| | <u>General Funds</u> | <u>Special Funds</u> | <u>Federal Funds</u> | <u>Education Funds</u> | <u>Total Funds</u> |
|--|-------------------------------|------------------------|------------------------|------------------------|-------------------------|
| Governor's Request | | | | | |
| FY 2006 Deficiency Budget | \$162,103,236 | \$7,000,000 | \$67,714,286 | \$0 | \$236,817,522 |
| FY 2007 Budget | 14,791,307,802 ⁽¹⁾ | 5,377,632,556 | 6,491,094,354 | 2,971,352,724 | 29,631,387,436 |
| Original Budget Request | \$14,953,411,038 | \$5,384,632,556 | \$6,558,808,640 | \$2,971,352,724 | \$29,868,204,958 |
| Supplemental Budget No. 1 and No. 2 | | | | | |
| FY 2006 Deficiency Budget | \$42,333,090 | \$77,636,342 | \$14,621,874 | \$0 | \$134,591,306 |
| FY 2007 Budget | 262,719,739 | 68,454,510 | 22,961,705 | 0 | 354,135,954 |
| | \$305,052,829 | \$146,090,852 | \$37,583,579 | \$0 | \$488,727,260 |
| Conference Committee Reductions | | | | | |
| FY 2006 Deficiency Budget | -\$22,089,246 | -\$11,889,246 | \$0 | \$0 | -\$33,978,492 |
| FY 2007 Budget | -938,818,870 | -30,256,189 | -8,345,674 | -20,099,540 | -997,520,273 |
| Total Reductions | -\$960,908,116 | -\$42,145,435 | -\$8,345,674 | -\$20,099,540 | -\$1,031,498,765 |
| Appropriations | | | | | |
| FY 2006 Deficiency Budget | \$182,347,080 | \$72,747,096 | \$82,336,160 | \$0 | \$337,430,336 |
| FY 2007 Budget | 14,115,208,671 | 5,415,830,877 | 6,505,710,385 | 2,951,253,184 | 28,988,003,117 |
| Total Appropriation | \$14,297,555,751 | \$5,488,577,973 | \$6,588,046,545 | \$2,951,253,184 | \$29,325,433,453 |

⁽¹⁾ Reflects estimated general fund reversion of \$20 million.

Exhibit A-1.12
State Expenditures – General Funds
(\$ in Millions)

| <u>Category</u> | <u>Actual FY 2005</u> | <u>Work. Appr. FY 2006</u> | <u>Leg. Appr. FY 2007</u> | <u>FY 2006 to FY 2007 \$ Change</u> | <u>% Change</u> |
|--|---------------------------|--------------------------------|-------------------------------|---|-----------------|
| Debt Service | \$0.0 | \$0.0 | \$0.0 | \$0.0 | n/a |
| Aid to Local Governments | | | | | |
| County/Municipal | 208.1 | 228.9 | 230.3 | 1.4 | 0.6% |
| Community Colleges | 184.0 | 191.6 | 205.9 | 14.3 | 7.5% |
| Education/Libraries | 3,678.9 | 4,065.8 | 4,534.9 | 469.1 | 11.5% |
| Health | 60.9 | 61.9 | 63.1 | 1.2 | 2.0% |
| | \$4,131.8 | \$4,548.2 | \$5,034.2 | \$486.0 | 10.7% |
| Entitlements | | | | | |
| Foster Care Payments | 204.1 | 216.4 | 250.8 | 34.3 | 15.9% |
| Assistance Payments | 49.0 | 48.6 | 43.6 | -5.1 | -10.4% |
| Medical Assistance | 1,911.5 | 2,057.2 | 2,169.9 | 112.7 | 5.5% |
| Property Tax Credits | 50.1 | 52.0 | 72.0 | 20.0 | 38.5% |
| | \$2,214.6 | \$2,374.3 | \$2,536.3 | \$162.0 | 6.8% |
| State Agencies | | | | | |
| Health | 1,218.7 | 1,254.0 | 1,325.5 | 71.4 | 5.7% |
| Human Resources | 309.9 | 286.3 | 310.5 | 24.3 | 8.5% |
| Systems Reform Initiative | 35.8 | 34.2 | 32.2 | -2.1 | -6.0% |
| Juvenile Services | 177.8 | 194.7 | 214.4 | 19.8 | 10.2% |
| Public Safety/Police | 968.8 | 1,046.5 | 1,129.9 | 83.4 | 8.0% |
| Higher Education | 851.0 | 909.5 | 1,026.7 | 117.2 | 12.9% |
| Other Education | 286.6 | 333.2 | 361.1 | 27.9 | 8.4% |
| Agric./Natl. Res./Environment | 130.0 | 122.7 | 138.9 | 16.2 | 13.2% |
| Other Executive Agencies | 495.0 | 553.3 | 693.9 | 140.6 | 25.4% |
| Judicial/Legislative | 339.4 | 358.8 | 394.5 | 35.7 | 10.0% |
| Across-the-board cuts ⁽¹⁾ | 0.0 | 0.0 | -37.6 | -37.6 | n/a |
| | \$4,813.0 | \$5,093.2 | \$5,590.0 | \$496.8 | 9.8% |
| Subtotal | | | | | |
| | \$11,159.3 | \$12,015.7 | \$13,160.4 | \$1,144.7 | 9.5% |
| Capital/Heritage Reserve Fund ⁽²⁾ | 1.2 | 75.5 | 218.8 | 143.3 | 189.7% |
| Reserve Funds ⁽¹⁾⁽²⁾ | 114.7 | 281.7 | 756.0 | 474.3 | 168.4% |
| Appropriations | \$11,275.2 | \$12,372.9 | \$14,135.2 | \$1,762.3 | 14.2% |
| Reversions | 0.0 | -27.2 | -20.0 | 7.2 | -26.5% |
| Grand Total | \$11,275.2 | \$12,345.7 | \$14,115.2 | \$1,769.5 | 14.3% |

Note: Fiscal 2006 reflects deficiency and supplemental deficiency appropriations of \$204.4 million and \$22.1 million in cuts to the deficiencies.

⁽¹⁾ The reserve funds line reflects \$37.6 million added to the Dedicated Purpose Account. This money comes from cutting the overbudgeted health insurance funds, shown in the across-the-board cuts line.

⁽²⁾ The reserve funds line excludes \$50 million in fiscal 2006 and \$53 million in fiscal 2007 appropriated to the Dedicated Purpose Account that is to be transferred to the Transportation Trust Fund. These monies are included in the capital/heritage reserve fund line.

Exhibit A-1.12 (Continued)
State Expenditures – Special and Higher Education Funds*
(\$ in Millions)

| <u>Category</u> | <u>Actual FY 2005</u> | <u>Work. Appr. FY 2006</u> | <u>Leg. Appr. FY 2007</u> | <u>FY 2006 to FY 2007 \$ Change</u> | <u>% Change</u> |
|--------------------------------------|---------------------------|--------------------------------|-------------------------------|---|-----------------|
| Debt Service | \$707.4 | \$769.0 | \$774.6 | \$5.6 | 0.7% |
| Aid to Local Governments | | | | | |
| County/Municipal | 493.5 | 602.2 | 755.2 | 153.0 | 25.4% |
| Community Colleges | 0.0 | 0.0 | 0.0 | 0.0 | n/a |
| Education/Libraries | 0.1 | 0.0 | 0.0 | 0.0 | n/a |
| Health | 0.0 | 0.0 | 0.0 | 0.0 | n/a |
| | \$493.6 | \$602.2 | \$755.2 | \$153.0 | 25.4% |
| Entitlements | | | | | |
| Foster Care Payments | 0.1 | 0.7 | 1.4 | 0.7 | 93.8% |
| Assistance Payments | 16.8 | 16.1 | 13.3 | -2.8 | -17.5% |
| Medical Assistance | 73.6 | 133.0 | 155.4 | 22.4 | 16.9% |
| Property Tax Credits | 0.0 | 0.0 | 0.0 | 0.0 | -15.7% |
| | \$90.5 | \$149.8 | \$170.1 | \$20.3 | 13.5% |
| State Agencies | | | | | |
| Health | 174.7 | 181.0 | 217.1 | 36.1 | 20.0% |
| Human Resources | 54.0 | 49.7 | 53.7 | 4.0 | 8.0% |
| Systems Reform Initiative | 2.3 | 0.6 | 0.6 | 0.0 | -7.4% |
| Juvenile Services | 8.1 | 2.3 | 0.1 | -2.1 | -93.7% |
| Public Safety/Police | 161.7 | 180.9 | 180.7 | -0.2 | -0.1% |
| Higher Education | 2,613.1 | 2,828.3 | 2,957.6 | 129.2 | 4.6% |
| Other Education | 23.3 | 27.3 | 32.2 | 5.0 | 18.2% |
| Transportation | 1,147.7 | 1,167.3 | 1,233.3 | 66.1 | 5.7% |
| Agric./Natl. Res./Environment | 99.8 | 114.9 | 129.4 | 14.5 | 12.6% |
| Other Executive Agencies | 363.1 | 395.9 | 505.6 | 109.7 | 27.7% |
| Judicial/Legislative | 30.7 | 43.3 | 43.3 | 0.0 | 0.1% |
| Across-the-board cuts ⁽¹⁾ | 0.0 | 0.0 | -8.0 | -8.0 | n/a |
| | \$4,678.4 | \$4,991.5 | \$5,345.7 | \$362.2 | 7.1% |
| Subtotal | \$5,969.8 | \$6,512.5 | \$7,045.5 | \$533.0 | 8.2% |
| Capital | 943.1 | 1,251.4 | 1,313.5 | 62.1 | 5.0% |
| Reserve Funds ⁽¹⁾ | 0.0 | 9.2 | 8.0 | -1.2 | -13.1% |
| Grand Total | \$6,912.9 | \$7,773.1 | \$8,367.1 | \$594.0 | 7.6% |

* Includes higher education fund (current unrestricted and current restricted) net of general and special funds.

Note: Fiscal 2006 reflects deficiency and supplemental deficiency appropriations of \$84.6 million and \$11.9 million in cuts to the deficiencies.

⁽¹⁾ The reserve funds line reflects \$8.0 million added to the Dedicated Purpose Account. This money comes from cutting the overbudgeted health insurance funds, shown under "Across-the-board cuts."

Exhibit A-1.12 (Continued)
State Expenditures – Federal Funds
(\$ in Millions)

| <u>Category</u> | <u>Actual FY 2005</u> | <u>Work. Appr. FY 2006</u> | <u>Leg. Appr. FY 2007</u> | <u>FY 2006 to FY 2007 \$ Change</u> | <u>% Change</u> |
|--------------------------------------|---------------------------|--------------------------------|-------------------------------|---|-----------------|
| Debt Service | \$0.0 | \$0.0 | \$0.0 | \$0.0 | n/a |
| Aid to Local Governments | | | | | |
| County/Municipal | 38.8 | 39.8 | 54.6 | 14.8 | 37.3% |
| Community Colleges | 0.0 | 0.0 | 0.0 | 0.0 | n/a |
| Education/Libraries | 695.2 | 743.3 | 749.8 | 6.6 | 0.9% |
| Health | 4.5 | 4.5 | 4.5 | 0.0 | 0.0% |
| | \$738.5 | \$787.5 | \$808.9 | \$21.4 | 2.7% |
| Entitlements | | | | | |
| Foster Care Payments | 81.4 | 89.1 | 96.8 | 7.7 | 8.7% |
| Assistance Payments | 406.8 | 382.1 | 407.7 | 25.6 | 6.7% |
| Medical Assistance | 2,030.1 | 2,208.3 | 2,294.0 | 85.6 | 3.9% |
| Property Tax Credits | 0.0 | 0.0 | 0.0 | 0.0 | n/a |
| | \$2,518.4 | \$2,679.6 | \$2,798.5 | \$119.0 | 4.4% |
| State Agencies | | | | | |
| Health | 651.1 | 697.7 | 753.9 | 56.2 | 8.1% |
| Human Resources | 443.9 | 519.4 | 567.4 | 48.0 | 9.2% |
| Systems Reform Initiative | 21.2 | 23.6 | 14.9 | -8.7 | -36.9% |
| Juvenile Services | 15.9 | 16.9 | 15.0 | -1.9 | -11.2% |
| Public Safety/Police | 15.6 | 22.0 | 14.1 | -7.9 | -35.9% |
| Higher Education | 0.0 | 0.0 | 0.0 | 0.0 | n/a |
| Other Education | 124.2 | 143.1 | 143.1 | 0.0 | 0.0% |
| Transportation | 79.9 | 74.4 | 76.8 | 2.4 | 3.3% |
| Agric./Natl. Res./Environment | 51.8 | 57.1 | 54.5 | -2.6 | -4.6% |
| Other Executive Agencies | 444.1 | 475.3 | 458.1 | -17.2 | -3.6% |
| Judicial/Legislative | 2.5 | 2.7 | 3.4 | 0.7 | 24.1% |
| Across-the-board cuts ⁽¹⁾ | 0.0 | 0.0 | -5.9 | -5.9 | n/a |
| | \$1,850.3 | \$2,032.4 | \$2,095.5 | \$69.0 | 3.1% |
| Subtotal | \$5,107.2 | \$5,499.5 | \$5,702.9 | \$203.5 | 3.7% |
| Capital | 771.0 | 921.0 | 796.9 | -124.1 | -13.5% |
| Reserve Funds ⁽¹⁾ | 0.0 | 0.0 | 5.9 | 5.9 | n/a |
| Grand Total | \$5,878.2 | \$6,420.4 | \$6,505.7 | \$85.3 | 1.3% |

Note: Fiscal 2006 reflects deficiency and supplemental deficiency appropriations of \$82.3 million.

⁽¹⁾ The reserve funds line reflects \$5.9 million added to the Dedicated Purpose Account. This money comes from cutting the overbudgeted health insurance funds, shown under "Across-the-board cuts."

Exhibit A-1.12 (Continued)
State Expenditures – State Funds
(\$ in Millions)

| <u>Category</u> | <u>Actual FY 2005</u> | <u>Work. Appr. FY 2006</u> | <u>Leg. Appr. FY 2007</u> | <u>FY 2006 to FY 2007 \$ Change</u> | <u>% Change</u> |
|--|---------------------------|--------------------------------|-------------------------------|---|-----------------|
| Debt Service | \$707.4 | \$769.0 | \$774.6 | \$5.6 | 0.7% |
| Aid to Local Governments | | | | | |
| County/Municipal | 701.5 | 831.1 | 985.4 | 154.3 | 18.6% |
| Community Colleges | 184.0 | 191.6 | 205.9 | 14.3 | 7.5% |
| Education/Libraries | 3,679.0 | 4,065.8 | 4,534.9 | 469.1 | 11.5% |
| Health | 60.9 | 61.9 | 63.1 | 1.2 | 2.0% |
| | \$4,625.4 | \$5,150.4 | \$5,789.3 | \$638.9 | 12.4% |
| Entitlements | | | | | |
| Foster Care Payments | 204.1 | 217.2 | 252.2 | 35.0 | 16.1% |
| Assistance Payments | 65.8 | 64.7 | 56.8 | -7.9 | -12.2% |
| Medical Assistance | 1,985.1 | 2,190.2 | 2,325.3 | 135.1 | 6.2% |
| Property Tax Credits | 50.1 | 52.0 | 72.1 | 20.0 | 38.4% |
| | \$2,305.1 | \$2,524.2 | \$2,706.4 | \$182.2 | 7.2% |
| State Agencies | | | | | |
| Health | 1,393.3 | 1,435.0 | 1,542.6 | 107.6 | 7.5% |
| Human Resources | 363.9 | 336.0 | 364.2 | 28.3 | 8.4% |
| Systems Reform Initiative | 38.1 | 34.9 | 32.8 | -2.1 | -6.0% |
| Juvenile Justice | 185.9 | 196.9 | 214.6 | 17.7 | 9.0% |
| Public Safety/Police | 1,130.4 | 1,227.4 | 1,310.6 | 83.2 | 6.8% |
| Higher Education | 3,464.0 | 3,737.8 | 3,984.2 | 246.4 | 6.6% |
| Other Education | 309.9 | 360.5 | 393.3 | 32.8 | 9.1% |
| Transportation | 1,147.7 | 1,167.3 | 1,233.3 | 66.1 | 5.7% |
| Agric./Natl. Res./Environment | 229.8 | 237.7 | 268.3 | 30.6 | 12.9% |
| Other Executive Agencies | 858.0 | 949.2 | 1,199.6 | 250.3 | 26.4% |
| Judicial/Legislative | 370.1 | 402.1 | 437.8 | 35.8 | 8.9% |
| Across-the-board cuts ⁽¹⁾ | 0.0 | 0.0 | -45.6 | -45.6 | n/a |
| | \$9,491.3 | \$10,084.7 | \$10,935.7 | \$851.0 | 8.4% |
| Subtotal | \$17,129.1 | \$18,528.2 | \$20,206.0 | \$1,677.8 | 9.1% |
| Capital/Heritage Reserve Fund ⁽²⁾ | 944.3 | 1,326.9 | 1,532.3 | 205.4 | 15.5% |
| Reserve Funds ⁽¹⁾⁽²⁾ | 114.7 | 290.9 | 764.0 | 473.1 | 162.6% |
| Appropriations | \$18,188.1 | \$20,146.0 | \$22,502.3 | \$2,356.3 | 11.7% |
| Reversions | 0.0 | -27.2 | -20.0 | 7.2 | -26.5% |
| Grand Total | \$18,188.1 | \$20,118.8 | \$22,482.3 | \$2,363.5 | 11.7% |

Note: Fiscal 2006 reflects deficiency and supplemental deficiency appropriations of \$289.1 million and \$34.0 million in cuts to the deficiencies.

⁽¹⁾ The reserve funds line reflects \$45.6 million added to the Dedicated Purpose Account. This money comes from cutting the overbudgeted health insurance funds, shown in the across-the-board cuts line.

⁽²⁾ The reserve funds line excludes \$50 million in fiscal 2006 and \$53 million in fiscal 2007 appropriated to the Dedicated Purpose Account that is to be transferred to the Transportation Trust Fund. These monies are included in the capital/heritage reserve fund line.

Exhibit A-1.12 (Continued)
State Expenditures – All Funds
(\$ in Millions)

| <u>Category</u> | <u>Actual</u> | <u>Work.</u> | <u>Leg. Appr.</u> | <u>FY 2006 to FY 2007</u> | |
|--|-------------------|--------------------------------|-------------------|---------------------------|-----------------|
| | <u>FY 2005</u> | <u>Appr.</u> <u>FY 2006</u> | <u>FY 2007</u> | <u>\$ Change</u> | <u>% Change</u> |
| Debt Service | \$707.4 | \$769.0 | \$774.6 | \$5.6 | 0.7% |
| Aid to Local Governments | | | | | |
| County/Municipal | 740.3 | 870.9 | 1,040.0 | 169.2 | 19.4% |
| Community Colleges | 184.0 | 191.6 | 205.9 | 14.3 | 7.5% |
| Education/Libraries | 4,374.2 | 4,809.1 | 5,284.8 | 475.7 | 9.9% |
| Health | 65.4 | 66.4 | 67.6 | 1.2 | 1.9% |
| | \$5,363.8 | \$5,937.9 | \$6,598.3 | \$660.4 | 11.1% |
| Entitlements | | | | | |
| Foster Care Payments | 285.6 | 306.3 | 349.0 | 42.7 | 14.0% |
| Assistance Payments | 472.6 | 446.9 | 464.6 | 17.7 | 4.0% |
| Medical Assistance | 4,015.2 | 4,398.5 | 4,619.3 | 220.7 | 5.0% |
| Property Tax Credits | 50.1 | 52.0 | 72.1 | 20.0 | 38.4% |
| | \$4,823.5 | \$5,203.7 | \$5,504.9 | \$301.2 | 5.8% |
| State Agencies | | | | | |
| Health | 2,044.4 | 2,132.7 | 2,296.5 | 163.8 | 7.7% |
| Human Resources | 807.8 | 855.4 | 931.7 | 76.3 | 8.9% |
| Systems Reform Initiative | 59.3 | 58.5 | 47.7 | -10.8 | -18.5% |
| Juvenile Justice | 201.8 | 213.8 | 229.6 | 15.8 | 7.4% |
| Public Safety/Police | 1,146.1 | 1,249.4 | 1,324.7 | 75.3 | 6.0% |
| Higher Education | 3,464.0 | 3,737.8 | 3,984.2 | 246.4 | 6.6% |
| Other Education | 434.1 | 503.6 | 536.4 | 32.9 | 6.5% |
| Transportation | 1,227.6 | 1,241.7 | 1,310.2 | 68.5 | 5.5% |
| Agric./Natl. Res./Environment | 281.6 | 294.8 | 322.8 | 28.0 | 9.5% |
| Other Executive Agencies | 1,302.1 | 1,424.6 | 1,657.7 | 233.1 | 16.4% |
| Judicial/Legislative | 372.6 | 404.8 | 441.2 | 36.4 | 9.0% |
| Across-the-board cuts ⁽¹⁾ | 0.0 | 0.0 | -51.5 | -51.5 | n/a |
| | \$11,341.6 | \$12,117.0 | \$13,031.1 | \$914.1 | 7.5% |
| Subtotal | | | | | |
| | \$22,236.3 | \$24,027.7 | \$25,908.9 | \$1,881.2 | 7.8% |
| Capital/Heritage Reserve Fund ⁽²⁾ | 1,715.3 | 2,247.9 | 2,329.2 | 81.3 | 3.6% |
| Reserve Funds ⁽¹⁾⁽²⁾ | 114.7 | 290.9 | 769.9 | 479.0 | 164.7% |
| Appropriations | \$24,066.3 | \$26,566.4 | \$29,008.0 | \$2,441.6 | 9.2% |
| Reversions | 0.0 | -27.2 | -20.0 | 7.2 | -26.5% |
| Grand Total | \$24,066.3 | \$26,539.2 | \$28,988.0 | \$2,448.8 | 9.2% |

Note: Fiscal 2006 reflects deficiency and supplemental deficiency appropriations of \$371.4 million and \$34.0 million in cuts to the deficiencies.

⁽¹⁾ The reserve funds line reflects \$51.5 million added to the Dedicated Purpose Account. This money comes from cutting the overbudgeted health insurance funds, shown in the across-the-board cuts line.

⁽²⁾ The reserve funds line excludes \$50 million in fiscal 2006 and \$53 million in fiscal 2007 appropriated to the Dedicated Purpose Account that is to be transferred to the Transportation Trust Fund. These monies are included in the capital/heritage reserve fund line.

Capital Budget

The 2006 General Assembly passed a capital budget totaling \$3.577 billion, including \$1.9 billion for the transportation program which is discussed in more detail in the Operating Budget Section of this *90 Day Report*. Of the total \$1.677 billion non-transportation capital program, \$712.7 million is funded with general obligation (GO) bonds; \$938.7 million is funded on a pay-as-you-go (PAYGO) basis in the operating budget; and \$25 million is funded with academic revenue bonds for University of Maryland System facilities authorized in *House Bill 1666 (passed)*.

Exhibit A-2.1 presents an overview of the State’s Capital program for fiscal 2007, **Exhibit A-2.2** shows the sources and uses of the funds for the non-transportation capital program, **Exhibit A-2.3** lists capital projects and programs by fund source, and **Exhibit A-2.4** provides the individual legislative projects funded in the 2006 Maryland Consolidated Capital Bond Loan (MCCBL). The 2006 MCCBL includes funding for:

- State facilities, including colleges and universities, hospitals, public health laboratories, office buildings, and correctional facilities;
- grants to local governments for school construction, community college facilities, and local detention centers;
- health and social services facilities such as senior citizen and adult day care centers, juvenile service facilities, and community health, disabilities, and addiction facilities;
- environmental programs, such as the Chesapeake Bay Restoration, asbestos abatement, underground heating oil storage tank replacement, Community Parks and Playgrounds, and Drinking Water and Stormwater programs; and
- local projects and legislative initiatives.

In addition to GO debt, the State’s capital program is funded with PAYGO funds which are used primarily to support programs for which tax-exempt debt is limited under federal tax guidelines, primarily economic development, housing, and environmental programs. Recent years’ fiscal constraints greatly reduced the amount of PAYGO funds available to support the capital program. In 2005 the State sold taxable debt for some purposes formerly funded by PAYGO financing resulting in somewhat higher borrowing costs. In order to reduce borrowing costs and provide for a more efficient capital program, the Spending Affordability Committee (SAC) recommended that the State appropriate general funds for capital projects and programs that require the issuance of taxable bonds and excluded such appropriations from the affordability calculation. Of the \$180.7 million of fiscal 2007 general fund PAYGO appropriations, \$74 million is provided to avoid the need to issue taxable bonds. This includes \$18.4 million in general funds appropriated to replace prior year GO authorizations that are deauthorized in the capital budget bill because they would have required the issuance of taxable bonds.

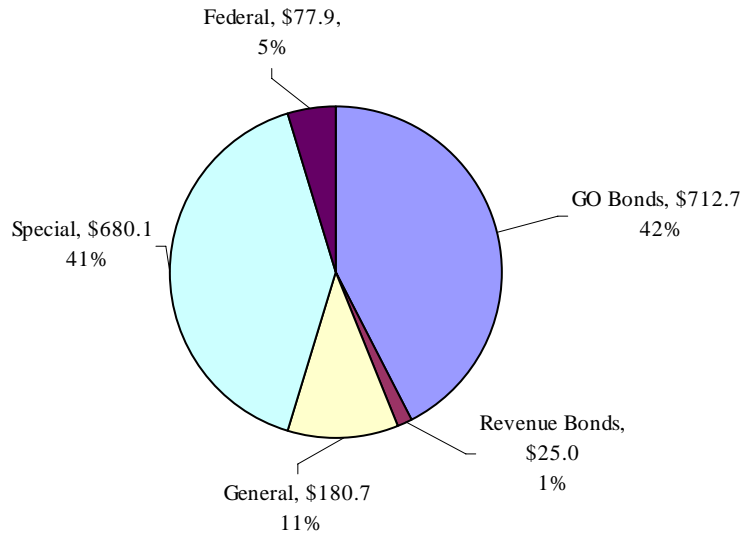
Exhibit A-2.1
Summary of the Capital Program
(\$ in Millions)

| <u>Function</u> | Bonds | | Current Funds (PAYGO) | | | <u>Total</u> |
|-------------------------------|-----------------------|----------------------|------------------------------|-----------------------|-----------------------|---------------------|
| | <u>General</u> | <u>Agency</u> | <u>General</u> | <u>Special</u> | <u>Federal</u> | |
| State Facilities | | | | | | \$53.5 |
| Facilities Renewal | \$11.0 | \$0.0 | \$10.9 | \$0.3 | \$0.0 | |
| Other | 0.0 | 0.0 | 18.4 | 0.0 | 12.8 | |
| Health/Social | | | | | | \$28.9 |
| State Facilities | 13.6 | 0.0 | 0.0 | 0.0 | 0.0 | |
| Private Hospitals | 3.5 | 0.0 | 0.0 | 0.0 | 0.0 | |
| Other | 11.8 | 0.0 | 0.0 | 0.0 | 0.0 | |
| Environment | | | | | | \$632.0 |
| Natural Resources | 8.0 | 0.0 | 0.0 | 322.1 | 7.2 | |
| Agriculture | 6.2 | 0.0 | 0.0 | 90.6 | 5.0 | |
| Environment | 25.7 | 0.0 | 10.5 | 116.4 | 34.5 | |
| MD Environmental Service | 2.9 | 0.0 | 0.0 | 0.0 | 0.0 | |
| Energy | 0.0 | 0.0 | 0.0 | 3.0 | 0.0 | |
| Public Safety | | | | | | \$50.9 |
| State Corrections | 0.0 | 0.0 | 0.0 | 49.0 | 0.0 | |
| Local Jails | 1.9 | 0.0 | 0.0 | 0.0 | 0.0 | |
| Education | | | | | | \$332.9 |
| School Construction | 284.7 | 0.0 | 0.0 | 18.4 | 0.0 | |
| Other | 24.6 | 0.0 | 5.3 | 0.0 | 0.0 | |
| Higher Education | | | | | | \$283.3 |
| University System | 146.5 | 25.0 | 19.1 | 0.0 | 0.0 | |
| Morgan State University | 13.6 | 0.0 | 0.0 | 0.0 | 0.0 | |
| St. Mary's College | 9.7 | 0.0 | 0.0 | 0.0 | 0.0 | |
| Community Colleges | 55.6 | 0.0 | 0.0 | 0.0 | 0.0 | |
| Private Colleges/Universities | 9.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| Medical System | 5.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| Housing/Community Dev. | | | | | | \$72.4 |
| Housing | 1.0 | 0.0 | 18.2 | 11.5 | 7.3 | |
| Other | 1.9 | 0.0 | 10.6 | 11.8 | 10.1 | |
| Economic Development | | | | | | \$56.3 |
| Economic Development | 0.0 | 0.0 | 6.3 | 20.0 | 0.0 | |
| Other | 0.0 | 0.0 | 30.0 | 0.0 | 0.0 | |

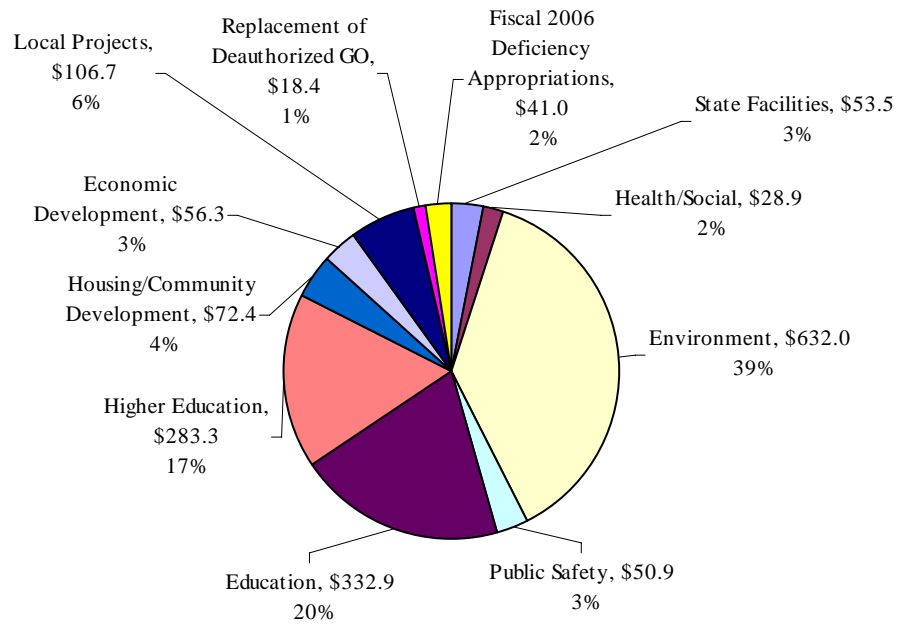
| <u>Function</u> | Bonds | | Current Funds (PAYGO) | | | <u>Total</u> |
|--|-------------------------------------|----------------|------------------------------|------------------|----------------|------------------|
| | <u>General</u> <u>Obligation</u> | <u>Agency</u> | <u>General</u> | <u>Special</u> | <u>Federal</u> | |
| Local Projects | | | | | | \$106.7 |
| Administration | 20.9 | 0.0 | 29.6 | 0.0 | 0.0 | |
| Legislative | 55.7 | 0.0 | 0.5 | 0.0 | 0.0 | |
| Replacement of Deauthorized GO | | | | | | \$18.4 |
| | 0.0 | 0.0 | 18.4 | 0.0 | 0.0 | |
| Fiscal 2006 Deficiency Appropriations | | | | | | \$41.0 |
| | 0.0 | 0.0 | 3.0 | 37.0 | 1.0 | |
| Subtotal Fiscal 2007 | \$712.7 | \$25.0 | \$180.7 | \$680.1 | \$77.9 | \$1,676.5 |
| Transportation | \$0.0 | \$235.0 | \$0.0 | \$891.1 | \$774.5 | \$1,900.7 |
| Less GO Deauthorization | <u>-22.7</u> | <u>0.0</u> | <u>0.0</u> | <u>0.0</u> | <u>0.0</u> | |
| Grand Total | \$690.0 | \$260.0 | \$180.7 | \$1,571.2 | \$852.5 | \$3,577.2 |

Exhibit A-2.2
Non-transportation Capital
(\$ in Millions)

Sources



Uses



**Exhibit A-2.3
Capital Program – 2006 Session**

Bonds

| Budget Code | Project Title | General Obligation | Revenue | General | Special | Federal | Total Funds |
|-------------------------|---|---------------------------|----------------|------------------------|------------------|---------------------|---------------------|
| State Facilities | | | | | | | |
| D06E02.01B | Public Safety Communication System | \$0 | \$0 | \$10,000,000 | \$0 | \$0 | \$10,000,000 |
| D06E02.01G | DGS: Facility Renewal | 0 | 0 | 10,887,000 | 345,000 | 0 | 11,232,000 |
| D55P00.04 | Veterans Affairs Cemetery Expansion | 0 | 0 | 530,000 | 0 | 7,923,000 | 8,453,000 |
| DA02.01A | DOD: Accessibility Modifications | 1,600,000 | 0 | 0 | 0 | 0 | 1,600,000 |
| DE02.01A | BPW: 6 St. Paul Street – Elevator | 2,313,000 | 0 | 0 | 0 | 0 | 2,313,000 |
| DE02.01B | BPW: 2100 Guilford Ave. Addition | 1,800,000 | 0 | 0 | 0 | 0 | 1,800,000 |
| DE02.01C | DGS: Asbestos Abatement Program | 1,800,000 | 0 | 0 | 0 | 0 | 1,800,000 |
| DE02.01D | DGS: Underground Heating Oil Tanks | 500,000 | 0 | 0 | 0 | 0 | 500,000 |
| DE02.01E | BPW: Legislative Facilities – Old House Chamber | 1,000,000 | 0 | 0 | 0 | 0 | 1,000,000 |
| DE02.01F | BPW: Legislative Facilities – Annapolis Complex | 2,000,000 | 0 | 0 | 0 | 0 | 2,000,000 |
| D06E02.01s8 | Misc: Dundalk Field Maintenance Shop | 0 | 0 | 1,200,000 | 0 | 4,912,000 | 6,112,000 |
| Y01A01.01 | Judiciary: Rockville District Court | 0 | 0 | 3,000,000 ¹ | 0 | 0 | 3,000,000 |
| Y01A01.01 | Judiciary: Centreville District Court | 0 | 0 | 3,700,000 ¹ | 0 | 0 | 3,700,000 |
| | Subtotal | \$11,013,000 | \$0 | \$29,313,000 | \$345,000 | \$12,835,000 | \$53,510,000 |
| Health/Social | | | | | | | |
| DA07A | Aging: Senior Citizens Activities Centers | \$1,393,000 | \$0 | \$0 | \$0 | \$0 | \$1,393,000 |
| MA01A | DHMH: Community Health Facilities | 7,754,000 | 0 | 0 | 0 | 0 | 7,754,000 |
| MA01B | DHMH: Fed. Qualified Health Centers | 1,981,000 | 0 | 0 | 0 | 0 | 1,981,000 |
| MF05A | DHMH: New Forensic Health Laboratory | 2,945,000 | 0 | 0 | 0 | 0 | 2,945,000 |
| MJ02A | DHMH: New Public Health Laboratory | 9,424,000 | 0 | 0 | 0 | 0 | 9,424,000 |
| ML10A | DHMH: Clifton T Perkins – Max Security | 137,000 | 0 | 0 | 0 | 0 | 137,000 |
| VD01A | DJS: Juvenile Services Facilities Program | 1,136,000 | 0 | 0 | 0 | 0 | 1,136,000 |
| VD01B | DJS: Gang-Related Activity Prevention Grants | 647,414 | 0 | 0 | 0 | 0 | 647,414 |
| ZA03.1 | MHA: Anne Arundel Medical Center | 250,000 | 0 | 0 | 0 | 0 | 250,000 |
| ZA03.2 | MHA: Howard County General Hospital | 325,000 | 0 | 0 | 0 | 0 | 325,000 |
| ZA03.3 | MHA: Kennedy Krieger Children's Hospital | 1,000,000 | 0 | 0 | 0 | 0 | 1,000,000 |
| ZA03.4 | MHA: Mt. Washington Pediatric Hospital | 750,000 | 0 | 0 | 0 | 0 | 750,000 |
| ZA03.5 | MHA: Northwest Hospital Center | 400,000 | 0 | 0 | 0 | 0 | 400,000 |
| ZA03.6 | MHA: St. Mary's Hospital of St. Mary's County | 762,300 | 0 | 0 | 0 | 0 | 762,300 |
| | Subtotal | \$28,904,714 | \$0 | \$0 | \$0 | \$0 | \$28,904,714 |

Bonds

| Budget Code | Project Title | General Obligation | Revenue | General | Special | Federal | Total Funds |
|----------------------|--|---------------------|------------|---------------------|--------------------------|---------------------|----------------------|
| Environment | | | | | | | |
| D13A13.02 | MEA: Community Energy Loan Program | \$0 | \$0 | \$0 | \$1,500,000 | \$0 | \$1,500,000 |
| D13A13.03 | MEA: State Agency Loan Program | 0 | 0 | 0 | 1,000,000 | 0 | 1,000,000 |
| D13A13.04 | MEA: Energy Efficiency & Econ. Dev. Loan Program | 0 | 0 | 0 | 500,000 | 0 | 500,000 |
| K00A05.01A | DNR: POS Land Acquisition & Loan Programs | 0 | 0 | 0 | 252,566,315 | 4,000,000 | 256,566,315 |
| K00A05.01B | DNR: POS Capital Improvements | 0 | 0 | 0 | 15,641,000 | 2,150,000 | 17,791,000 |
| K00A05.11 | DNR: Waterway Improvement Fund | 0 | 0 | 0 | 25,000,000 | 1,000,000 | 26,000,000 |
| K00A05.14A | DNR: Shore Erosion Control Program | 0 | 0 | 0 | 800,000 | 0 | 800,000 |
| K00A09.06 | DNR: Ocean City Beach Maintenance | 0 | 0 | 0 | 2,000,000 | 0 | 2,000,000 |
| KA05A | DNR: Community Parks and Playgrounds | 5,000,000 | 0 | 0 | 0 | 0 | 5,000,000 |
| KA05B | DNR: Rural Legacy Program | 0 | 0 | 0 | 26,050,000 | 0 | 26,050,000 |
| KA17A | DNR: Oyster Restoration Program | 3,000,000 | 0 | 0 | 0 | 0 | 3,000,000 |
| L00A11.11 | DNR: Agricultural Land Preservation | 0 | 0 | 0 | 82,139,000 | 5,000,000 | 87,139,000 |
| LA12.13 | MDA: Tobacco Transition Program | 1,585,000 | 0 | 0 | 8,480,000 | 0 | 10,065,000 |
| LA15A | MDA: Agricultural Cost Share Program | 4,578,000 | 0 | 0 | 0 | 0 | 4,578,000 |
| U00A01.03 | MDE: Water Quality Loan Program | 0 | 0 | 5,534,000 | 37,903,255 | 26,562,745 | 70,000,000 |
| U00A01.11A | MDE: Chesapeake Bay Restoration – ENR | 0 | 0 | 0 | 70,000,000 | 0 | 70,000,000 |
| U00A01.11B | MDE: Chesapeake Bay Restoration – Sewer Rehab. | 0 | 0 | 0 | 5,000,000 | 0 | 5,000,000 |
| U00A01.12A | MDE: Chesapeake Bay Restoration – Septic System | 0 | 0 | 0 | 500,000 | 0 | 500,000 |
| UA01.04 | MDE: Hazardous Substance Cleanup | 0 | 0 | 500,000 | 0 | 0 | 500,000 |
| UA01.05 | MDE: Drinking Water Loan Program | 0 | 0 | 2,290,000 | 2,950,000 | 7,931,000 | 13,171,000 |
| UA04A1 | MDE: CBWQ Nutrient Removal – BNR | 15,788,000 | 0 | 2,212,000 | 0 | 0 | 18,000,000 |
| UA04A2 | MDE: CBWQ Supplemental Assistance | 6,000,000 | 0 | 0 | 0 | 0 | 6,000,000 |
| UA04A3 | MDE: CBWQ Small Creeks & Estuaries | 1,000,000 | 0 | 0 | 0 | 0 | 1,000,000 |
| UA04A4 | MDE: CBWQ Stormwater Pollution | 450,000 | 0 | 0 | 0 | 0 | 450,000 |
| UA04B | MDE: Water Supply Assistance Program | 2,500,000 | 0 | 0 | 0 | 0 | 2,500,000 |
| UB00A | MES: Infrastructure Improvement Fund | 2,917,000 | 0 | 0 | 0 | 0 | 2,917,000 |
| Subtotal | | \$42,818,000 | \$0 | \$10,536,000 | \$532,029,570 | \$46,643,745 | \$632,027,315 |
| Public Safety | | | | | | | |
| QB04A | DPSCS: MCTC Window/Heating System | \$0 | \$0 | \$0 | \$1,300,000 ² | \$0 | \$1,300,000 |
| QB08.02A | DPSCS: NBCI 1,024-Cell Housing Complex | 0 | 0 | 0 | 30,272,000 ² | 0 | 30,272,000 |
| QD00A | DPSCS: Patuxent Institute Electrical Upgrade | 0 | 0 | 0 | 6,545,000 ² | 0 | 6,545,000 |
| QD00B | DPSCS: Patuxent Institute Fire Safety Improvements | 0 | 0 | 0 | 7,900,000 ² | 0 | 7,900,000 |
| QP00A | DPSCS: Baltimore City Detention Center | 0 | 0 | 0 | 3,000,000 ² | 0 | 3,000,000 |
| ZB02A | Local Jails: Dorchester County Detention | 63,000 | 0 | 0 | 0 | 0 | 63,000 |
| ZB02B | Local Jails: Garrett County Detention | 518,000 | 0 | 0 | 0 | 0 | 518,000 |

| | | Bonds | | | | | | |
|--------------|--|----------------------|-------------|------------------------|---------------------------|------------|----------------------------|--|
| Budget Code | Project Title | General Obligation | Revenue | General | Special | Federal | Total Funds | |
| ZB02C | Local Jails: Harford County Detention | 853,000 | 0 | 0 | 0 | 0 | 853,000 | |
| ZB02D | Local Jails: Prince George's Detention | 357,000 | 0 | 0 | 0 | 0 | 357,000 | |
| ZB02E | Local Jails: Washington County Detention | 94,000 | 0 | 0 | 0 | 0 | 94,000 | |
| | Subtotal | \$1,885,000 | \$0 | \$0 | \$49,017,000 | \$0 | \$50,902,000 | |
| | Education | | | | | | | |
| DE02.02A | Public School Construction | \$284,669,000 | \$0 | \$0 | \$18,400,000 ³ | \$0 | \$303,069,000 ⁴ | |
| D06E02.01s10 | Aging Schools Program | 0 | 0 | 5,251,000 ⁵ | 0 | 0 | 5,251,000 | |
| RE01A | MD School for Deaf – Frederick Campus | 24,605,000 | 0 | 0 | 0 | 0 | 24,605,000 | |
| | Subtotal | \$309,274,000 | \$0 | \$5,251,000 | \$18,400,000 | \$0 | \$332,925,000 | |
| | Higher Education | | | | | | | |
| RB21rb | UMB: Dental School | \$0 | \$7,000,000 | \$0 | \$0 | \$0 | \$7,000,000 | |
| RB21A | UMB: Pharmacy Hall Building | 2,200,000 | 0 | 0 | 0 | 0 | 2,200,000 | |
| RB22A | UMCP: Biological Science Bldg. Equip. | 2,300,000 | 0 | 0 | 0 | 0 | 2,300,000 | |
| RB22B | UMCP: Tawes Fine Arts Bldg. Conversion | 1,470,000 | 0 | 0 | 0 | 0 | 1,470,000 | |
| RB22C | UMCP: Van Munching Hall | 5,945,000 | 0 | 0 | 0 | 0 | 5,945,000 | |
| RB22D | UMCP: Physical Science Building | 1,000,000 | 0 | 0 | 0 | 0 | 1,000,000 | |
| D06E02.01s6 | UMCP: New Journalism Building | 0 | 0 | 10,000,000 | 0 | 0 | 10,000,000 | |
| RB23A | BSU: New Fine & Performing Arts Bldg. | 2,725,000 | 0 | 0 | 0 | 0 | 2,725,000 | |
| RB24A | TU: New College of Liberal Arts Complex | 40,935,000 | 3,000,000 | 0 | 0 | 0 | 43,935,000 | |
| RB24B | TU: Campus Safety & Circulation Imp. | 1,300,000 | 0 | 0 | 0 | 0 | 1,300,000 | |
| RB26A | FSU: Information Sciences Building | 2,200,000 | 0 | 0 | 0 | 0 | 2,200,000 | |
| D06E02.01s9 | FSU: Property Acquisition | 0 | 0 | 2,700,000 | 0 | 0 | 2,700,000 | |
| RB27A | CSU: Campus Utilities/Security Imp. | 10,390,000 | 0 | 0 | 0 | 0 | 10,390,000 | |
| RB27B | CSU: New Physical Education Complex | 2,331,000 | 0 | 0 | 0 | 0 | 2,331,000 | |
| RB27C | CSU: Demolition Lutheran Hospital Site | 2,237,000 | 0 | 0 | 0 | 0 | 2,237,000 | |
| D06E02.01s7 | CSU: Health & Humans Services Building | 0 | 0 | 6,370,000 | 0 | 0 | 6,370,000 | |
| RB29A | SU: New Teacher Ed. & Tech Complex | 49,589,000 | 0 | 0 | 0 | 0 | 49,589,000 | |
| RB29B | SU: New Perdue School of Business | 1,700,000 | 0 | 0 | 0 | 0 | 1,700,000 | |
| RB30A | UMUC: Academic Technology Support Ctr. | 13,815,000 | 0 | 0 | 0 | 0 | 13,815,000 | |
| RB31A | UMBC: Performing Arts/Humanities Ctr. | 4,950,000 | 0 | 0 | 0 | 0 | 4,950,000 | |
| RB34A | UMCES: Oyster Production Facility | 391,000 | 0 | 0 | 0 | 0 | 391,000 | |
| RB35A | USM: Shady Grove Education Center III | 1,000,000 | 0 | 0 | 0 | 0 | 1,000,000 | |
| RB36rb | USM: Facility Renewal | 0 | 15,000,000 | 0 | 0 | 0 | 15,000,000 | |
| RD00A | SMC: New Student Services Bldg. | 8,600,000 | 0 | 0 | 0 | 0 | 8,600,000 | |
| RD00B | SMC: New Academic Bldg. | 1,050,000 | 0 | 0 | 0 | 0 | 1,050,000 | |
| RI00A | MHEC: Community College Grant Program | 43,747,000 | 0 | 0 | 0 | 0 | 43,747,000 | |

| | | Bonds | | | | | |
|--------------------------------------|---|----------------------|---------------------|------------------------|---------------------|---------------------|----------------------|
| Budget Code | Project Title | General Obligation | Revenue | General | Special | Federal | Total Funds |
| RI00B | MHEC: Montgomery Coll. – Takoma Park | 11,841,000 | 0 | 0 | 0 | 0 | 11,841,000 |
| RM00A | MSU: Campuswide Utilities Upgrade | 7,010,000 | 0 | 0 | 0 | 0 | 7,010,000 |
| RM00B | MSU: Campuswide Site Improvements | 2,840,000 | 0 | 0 | 0 | 0 | 2,840,000 |
| RM00C | MSU: New Center for Built Environment | 1,664,704 | 0 | 0 | 0 | 0 | 1,664,704 |
| RM00D | MSU: Northwood Shopping Ctr. Demo. | 1,800,000 | 0 | 0 | 0 | 0 | 1,800,000 |
| RM00E | MSU: Lillie Carroll Jackson Museum | 240,000 | 0 | 0 | 0 | 0 | 240,000 |
| RQ00A | UMMS: Diagnostic & Treatment Facility | 2,500,000 | 0 | 0 | 0 | 0 | 2,500,000 |
| RQ00B | UMMS: Ambulatory Care Center | 2,500,000 | 0 | 0 | 0 | 0 | 2,500,000 |
| ZA00H | MICUA: JHU School of Nursing | 3,000,000 | 0 | 0 | 0 | 0 | 3,000,000 |
| ZA00I | MICUA: College of Notre Dame Library | 3,000,000 | 0 | 0 | 0 | 0 | 3,000,000 |
| ZA00J | MICUA: Washington College | 3,000,000 | 0 | 0 | 0 | 0 | 3,000,000 |
| Subtotal | | \$239,270,704 | \$25,000,000 | \$19,070,000 | \$0 | \$0 | \$283,340,704 |
| Economic Development | | | | | | | |
| D40W01.12 | Planning: Heritage Tax Credit Fund | \$0 | \$0 | \$30,000,000 | \$0 | \$0 | \$30,000,000 |
| T00F00.23 | MD Econ. Development Assistance Fund | 0 | 0 | 6,345,167 | 20,000,000 | 0 | 26,345,167 |
| Subtotal | | \$0 | \$0 | \$36,345,167 | \$20,000,000 | \$0 | \$56,345,167 |
| Housing/Community Development | | | | | | | |
| DB01A | Historic St. Mary's City Comm. St. John's | \$1,330,000 | \$0 | \$0 | \$0 | \$0 | \$1,330,000 |
| DW00.10A | Planning: MHT Capital Grant Fund | 600,000 | 0 | 0 | 0 | 0 | 600,000 |
| D06E02.01(5) | BPW: Maryland Affordable Housing Trust | 0 | 0 | 1,000,000 ⁵ | 0 | 0 | 1,000,000 |
| S00A24.02A | DHCD: Community Legacy Program | 0 | 0 | 8,000,000 | 0 | 0 | 8,000,000 |
| S00A24.02B | DHCD: Neighborhood Business Development Prgm. | 0 | 0 | 0 | 6,000,000 | 0 | 6,000,000 |
| S00A24.02C | DHCD: Community Development Block Grants | 0 | 0 | 0 | 0 | 10,000,000 | 10,000,000 |
| S00A25.07 | DHCD: Rental Housing Program | 0 | 0 | 10,000,000 | 5,542,000 | 5,300,000 | 20,842,000 |
| S00A25.08 | DHCD: Homeownership Programs | 0 | 0 | 1,555,000 | 5,945,000 | 100,000 | 7,600,000 |
| S00A25.09 | DHCD: Special Loan Programs | 0 | 0 | 2,187,000 | 5,813,000 | 2,034,000 | 10,034,000 |
| S00A25.10 | DHCD: Partnership Rental Housing | 0 | 0 | 6,000,000 | 0 | 0 | 6,000,000 |
| SA25A | DHCD: Shelter & Transitional Housing | 1,000,000 | 0 | 0 | 0 | 0 | 1,000,000 |
| Subtotal | | \$2,930,000 | \$0 | \$28,742,000 | \$23,300,000 | \$17,434,000 | \$72,406,000 |
| Local Projects | | | | | | | |
| D06E02.01A | Misc: Ripken Stadium & Youth Academy | \$0 | \$0 | \$500,000 | \$0 | \$0 | \$500,000 |
| D06E02.01C | Misc: East Baltimore Biotech Park | 0 | 0 | 5,000,000 | 0 | 0 | 5,000,000 |
| D06E02.01E | Misc: MD Zoo in Baltimore – Elephant Facilities | 0 | 0 | 500,000 | 0 | 0 | 500,000 |
| D06E02.01F | Misc: Baltimore City Westside Revitalization | 0 | 0 | 5,000,000 | 0 | 0 | 5,000,000 |
| D06E02.01HA | Misc: Adventure Sports Complex | 0 | 0 | 750,000 | 0 | 0 | 750,000 |
| D06E02.01HB | Misc: Blind Industries of Maryland | 0 | 0 | 1,000,000 | 0 | 0 | 1,000,000 |

| | | Bonds | | | | | | |
|--------------|--|--------------------|---------|------------------------|---------|---------|-------------|--|
| Budget Code | Project Title | General Obligation | Revenue | General | Special | Federal | Total Funds | |
| D06E02.01HC | Misc: Children's Guild | 0 | 0 | 135,000 | 0 | 0 | 135,000 | |
| D06E02.01HD | Misc: Forest Park Golf Club | 0 | 0 | 500,000 | 0 | 0 | 500,000 | |
| D06E02.01HE | Misc: Helping Up Mission | 0 | 0 | 1,000,000 | 0 | 0 | 1,000,000 | |
| D06E02.01HF | Misc: Irvine Nature Center | 0 | 0 | 200,000 | 0 | 0 | 200,000 | |
| D06E02.01HG | Misc: Lloyd Street Synagogue | 0 | 0 | 440,000 | 0 | 0 | 440,000 | |
| D06E02.01HH | Misc: Paul's Place | 0 | 0 | 250,000 | 0 | 0 | 250,000 | |
| D06E02.01HI | Misc: MAC Area Agency on Aging | 0 | 0 | 1,500,000 | 0 | 0 | 1,500,000 | |
| D06E02.01HK | Misc: Victory Youth Center | 0 | 0 | 225,000 | 0 | 0 | 225,000 | |
| D06E02.01HL | Misc: YMCA Western Family Branch | 0 | 0 | 500,000 | 0 | 0 | 500,000 | |
| D06E02.01HM | Misc: YMCA Towson | 0 | 0 | 500,000 | 0 | 0 | 500,000 | |
| D06E02.01(7) | Misc: Citizens Care & Rehabilitation Center | 0 | 0 | 500,000 ⁵ | 0 | 0 | 500,000 | |
| D06E02.01s1 | Misc: Ivymount School | 0 | 0 | 170,000 | 0 | 0 | 170,000 | |
| D06E02.01s3 | Misc: Great Blacks in Wax Museum | 0 | 0 | 650,000 | 0 | 0 | 650,000 | |
| D06E02.01s21 | Misc: Maryland Historical Society | 0 | 0 | 1,000,000 | 0 | 0 | 1,000,000 | |
| T00F00.23(3) | Misc: Maryland Zoo in Baltimore – Facility Renewal | 0 | 0 | 760,000 ⁵ | 0 | 0 | 760,000 | |
| T00F00.23(4) | Misc: Frederick Keys – Harry Grove Stadium | 0 | 0 | 1,000,000 ⁵ | 0 | 0 | 1,000,000 | |
| ZA00A | Misc: Catholic Charities Facilities | 2,000,000 | 0 | 0 | 0 | 0 | 2,000,000 | |
| ZA00C | Misc: YMCA – Hagerstown | 400,000 | 0 | 0 | 0 | 0 | 400,000 | |
| ZA00D | Misc: JHU Medicine – Cardio Tower | 12,500,000 | 0 | 5,000,000 | 0 | 0 | 17,500,000 | |
| ZA00E | Misc: JHU Medicine Pediatric Trauma Ctr. | 15,000,000 | 0 | 0 | 0 | 0 | 15,000,000 | |
| ZA00F | Misc: Kennedy Krieger Institute | 1,000,000 | 0 | 0 | 0 | 0 | 1,000,000 | |
| ZA00G | Misc: Lyric Opera House | 1,000,000 | 0 | 0 | 0 | 0 | 1,000,000 | |
| ZA00L | Misc: Nat. Aquarium – Ct. for Aquatic Life | 1,500,000 | 0 | 1,000,000 ⁵ | 0 | 0 | 2,500,000 | |
| ZA00M | Misc: Rockville Town Ctr. Redevelopment | 1,500,000 | 0 | 0 | 0 | 0 | 1,500,000 | |
| ZA00N | Misc: Sheppard Pratt Hospital | 1,000,000 | 0 | 0 | 0 | 0 | 1,000,000 | |
| ZA00P | Misc: Doctors Community Hospital | 2,000,000 | 0 | 0 | 0 | 0 | 2,000,000 | |
| ZA00Q | Misc: Prince George's Hospital | 4,000,000 | 0 | 0 | 0 | 0 | 4,000,000 | |
| ZA00R | Misc: North Hagerstown High School | 250,000 | 0 | 0 | 0 | 0 | 250,000 | |
| ZA00S | Misc: Maryland State Fairgrounds | 150,000 | 0 | 0 | 0 | 0 | 150,000 | |
| ZA00T | Misc: Annapolis Underground Wiring | 600,000 | 0 | 0 | 0 | 0 | 600,000 | |
| ZA00U | Misc: Prince George's County Courthouse | 1,000,000 | 0 | 0 | 0 | 0 | 1,000,000 | |
| ZA00V | Misc: Worcester County Development Ctr. | 1,500,000 | 0 | 0 | 0 | 0 | 1,500,000 | |
| ZA00W | Misc: Baltimore Child Abuse Center | 250,000 | 0 | 0 | 0 | 0 | 250,000 | |
| ZA00X | Misc: For All Seasons Mid Shore Center | 50,000 | 0 | 0 | 0 | 0 | 50,000 | |
| ZA00Y | Misc: Historic Annapolis Foundation | 250,000 | 0 | 0 | 0 | 0 | 250,000 | |
| ZA00Z | Misc: Maryland Hall | 100,000 | 0 | 0 | 0 | 0 | 100,000 | |
| ZA00AA | Misc: Randallstown Community Center | 152,415 | 0 | 0 | 0 | 0 | 152,415 | |

| | | Bonds | | | | | |
|--------------|--|----------------------|---------------------|--------------------------|----------------------|---------------------|------------------------|
| Budget Code | Project Title | General Obligation | Revenue | General | Special | Federal | Total Funds |
| ZA00AB | Misc: Southern Maryland Stadium | 300,000 | 0 | 2,000,000 | 0 | 0 | 2,300,000 |
| ZA00AC | Misc: United Way of Calvert County | 145,000 | 0 | 0 | 0 | 0 | 145,000 |
| | Legislative Initiatives | 30,000,000 | 0 | 0 | 0 | 0 | 30,000,000 |
| | Subtotal | \$76,647,415 | \$0 | \$30,080,000 | \$0 | \$0 | \$106,727,415 |
| | Replacement of Deauthorized GO Bonds | | | | | | |
| D06E02.01(1) | Maryland Technology Development Corporation | \$0 | \$0 | \$2,500,000 ⁵ | \$0 | \$0 | \$2,500,000 |
| D06E02.01(2) | MDE: Water Quality Revolving Loan Fund | 0 | 0 | 2,618,000 ⁵ | 0 | 0 | 2,618,000 |
| D06E02.01(3) | MDE: Maryland Drinking Water Loan Fund | 0 | 0 | 1,995,000 ⁵ | 0 | 0 | 1,995,000 |
| D06E02.01(4) | DHCD: Rental Housing Programs | 0 | 0 | 5,395,000 ⁵ | 0 | 0 | 5,395,000 |
| T00F00.23(1) | DHCD: Community Legacy Program | 0 | 0 | 5,894,833 ⁵ | 0 | 0 | 5,894,833 |
| | Subtotal | \$0 | \$0 | \$18,402,833 | \$0 | \$0 | \$18,402,833 |
| | Fiscal 2006 Deficiency Appropriations | | | | | | |
| L00A11.11 | DNR: Agricultural Land Preservation | 0 | 0 | 0 | 2,000,000 | 1,035,274 | 3,035,274 |
| U00A01.03 | MDE: Water Quality Loan Program | 0 | 0 | 0 | 35,000,000 | 0 | 35,000,000 |
| VE01A | DJS: Cheltenham Youth Detention | 0 | 0 | 3,000,000 ⁵ | 0 | 0 | 3,000,000 |
| | Subtotal | \$0 | \$0 | \$3,000,000 | \$37,000,000 | \$1,035,274 | \$41,035,274 |
| | Deauthorizations | -\$22,742,833 | \$0 | \$0 | \$0 | \$0 | \$0 |
| | Totals | \$690,000,000 | \$25,000,000 | \$180,744,000 | \$680,091,570 | \$77,948,019 | \$1,676,526,422 |

¹The Governor is authorized to transfer funds from the State Reserve Fund to fund this project. If not expended for this project, the funds would remain in the Rainy Day Fund of the State Reserve Fund.

²The Governor is authorized to fund this project using available bond premiums derived from the sale of State general obligation bonds in July 2005 and March 2006. Should these funds not be used to fund this project, the funds would remain in the Annuity Bond Fund.

³Includes authorization to use up to \$16 million of bond sale premiums from the Annuity Bond Fund from the sale of State general obligation bond funds in July 2006.

⁴This does not include \$19.6 million from the Interagency Committee on School Construction contingency fund which brings the total funding for school construction projects to \$322.7 million.

⁵The Governor is authorized to fund this project/program from the Board of Public Works general fund capital appropriation. Any amount of these funds not used for the purpose specified shall revert to the general fund. The Aging Schools Program also receives \$9.9 million in the operating budget, for a total of \$15.2 million in fiscal 2007.

⁶The Governor is authorized to fund this project/program from the Maryland Economic Development Authority Assistance Fund general fund capital appropriation. Any amount of these funds not used for the purpose specified shall revert to the general fund.

Exhibit A-2.4
Legislative Projects – Local Initiatives – 2006 Session

| <u>Project Title</u> | <u>House Funding</u> | <u>Senate Funding</u> | <u>Total Funding</u> | <u>Match/Requirements</u> |
|---|----------------------|-----------------------|----------------------|---------------------------|
| Allegany County | | | | |
| La Vale Boulevard Area Storm Drain System | | 100,000 | <u>100,000</u> | Hard |
| Subtotal | | | \$100,000 | |
| Anne Arundel County | | | | |
| Annapolis & AA Co. Conf. & Visitors Bureau | | 250,000 | 250,000 | Soft (1); Hist. Ease. |
| Annapolis Maritime Museum | 250,000 | | 250,000 | Soft(2,3) |
| Chesapeake Children's Museum | | 115,000 | 115,000 | Soft (2) |
| Children's Theatre of Annapolis | 125,000 | | 125,000 | Soft(2,3) |
| Community Center at Woods | 225,000 | | 225,000 | Soft (3) |
| Hancock's Resolution Visitor Center | | 100,000 | 100,000 | Soft (1); Hist. Ease. |
| James Brice House | 400,000 | | 400,000 | Soft (2); Hist. Ease. |
| Jessup Community Hall | 50,000 | | 50,000 | Soft (U,3) |
| Linthicum Walks | 50,000 | | 50,000 | Hard; Hist. Ease. |
| Maryland Hall for the Creative Arts | 250,000 | | 250,000 | Hard; Hist. Ease. |
| Opportunity Builders | | 585,000 | 585,000 | Soft (1,3) |
| Women's Club of Linthicum Heights | 50,000 | | <u>50,000</u> | Soft (all) Hist. Ease. |
| Subtotal | | | \$2,450,000 | |
| Baltimore County | | | | |
| Artificial Turf Field | | 400,000 | 400,000 | Hard |
| Athletic Lighting Renovations | 100,000 | | 100,000 | Hard |
| Banneker Historical Park and Museum | | 400,000 | 400,000 | Grant |
| Fire Museum of Maryland | 100,000 | | 100,000 | Soft (U, all) |
| Irvine Nature Center | | 300,000 | 300,000 | Soft (1,3) |
| Maryland Food Bank | 150,000 | | 150,000 | Hard |
| Maryland State Fairgrounds | | 350,000 | 350,000 | Hard |
| Mental Health Community Rehabilitation Center | 150,000 | 150,000 | 300,000 | Soft (3) |

| <u>Project Title</u> | <u>House Funding</u> | <u>Senate Funding</u> | <u>Total Funding</u> | <u>Match/Requirements</u> |
|--|----------------------|-----------------------|----------------------|---------------------------|
| Perry Hall Mansion | | 225,000 | 225,000 | Hard; Hist. Ease. |
| Randallstown Community Center | 750,000 | 250,000 | 1,000,000 | Hard |
| Todd's Inheritance | | 275,000 | 275,000 | Grant |
| Towson Roundabout Park | | 175,000 | <u>175,000</u> | Hard |
| Subtotal | | | \$3,775,000 | |
| Baltimore City | | | | |
| Assisted Living on the Green | 300,000 | 200,000 | 500,000 | Hard |
| Baltimore Clayworks | 150,000 | 50,000 | 200,000 | Soft (2); Hist. Ease. |
| Baltimore Museum of Art | 250,000 | | 250,000 | Hard, Hist. Ease. |
| Coppin State University Lutheran Site Demolition | | 250,000 | 250,000 | Grant; Hist Ease. |
| Diakon Housing and Development | 350,000 | | 350,000 | Hard |
| Dorothy M. Higgins Community Center | | 25,000 | 25,000 | Soft (all) |
| Forest Park Senior Center | | 100,000 | 100,000 | Soft (2); Hist. Ease. |
| Gaudenzia at Woodland Avenue | 100,000 | | 100,000 | Soft (2) |
| Gay Street One/Madison Square | | 125,000 | 125,000 | Soft (1,3) |
| Great Blacks in Wax Museum | | 350,000 | 350,000 | Soft (all) |
| Hearing and Speech Agency | 50,000 | 50,000 | 100,000 | Soft (3) |
| Herring Run Watershed Center | | 100,000 | 100,000 | Soft (all) |
| Historic E. Baltimore Comm. Action Coalition | 300,000 | | 300,000 | Hard |
| Institute of Notre Dame | | 75,000 | 75,000 | Soft (1) Hist. Ease. |
| L.A.M.B. Community Resource Center | | 125,000 | 125,000 | Soft (all) |
| Legends Park | | 25,000 | 25,000 | Hard |
| Library Square Revitalization | 250,000 | | 250,000 | Soft (3); Hist. Ease. |
| Maryland Historical Society | 250,000 | 250,000 | 500,000 | Soft (3) Hist. Ease. |
| Morgan Christian Center | | 200,000 | 200,000 | Soft (all) |
| Peale Museum | 125,000 | 125,000 | 250,000 | Hard; Hist. Ease. |
| Port Discovery | 300,000 | | 300,000 | Hard; Hist. Ease. |
| Powerhouse | 125,000 | 125,000 | 250,000 | Soft (3) Hist. Ease. |
| Sandi's Learning Center | 300,000 | | 300,000 | Soft (3) |
| School 33 Art Center | 125,000 | | 125,000 | Soft (3); Hist. Ease. |
| Walters Art Museum | 250,000 | | 250,000 | Soft (2) Hist. Ease. |
| Waxter Center for Senior Citizens | | 250,000 | 250,000 | Soft (3) |
| Winchester Street Potter's House | 125,000 | | 125,000 | Soft (1,3) |

| <u>Project Title</u> | <u>House Funding</u> | <u>Senate Funding</u> | <u>Total Funding</u> | <u>Match/Requirements</u> |
|---|----------------------|-----------------------|----------------------|---------------------------|
| Zion Christian Middle School | | 150,000 | <u>150,000</u> | Soft (1,3) |
| Subtotal | | | \$5,925,000 | |
| Calvert County | | | | |
| Annmarie Garden | | 150,000 | 150,000 | Hard |
| Friends of Jefferson Patterson Park & Museum | | 150,000 | 150,000 | Grant |
| Volunteer Fire Dept. Training Ctr. at North Beach | | 200,000 | <u>200,000</u> | Hard |
| Subtotal | | | \$500,000 | |
| Caroline County | | | | |
| Benedictine School | 500,000 | | 500,000 | Soft (3) |
| Camp Todd | | 50,000 | 50,000 | Soft (all) |
| Denton National Guard Armory | | 50,000 | <u>50,000</u> | Hard Hist. Ease. |
| Subtotal | | | \$600,000 | |
| Carroll County | | | | |
| Danele Shipley Memorial Arena | | 150,000 | 150,000 | Soft (3) |
| Friendship School | | 150,000 | 150,000 | Soft (1,3) |
| Union Street Community Center | 50,000 | | <u>50,000</u> | Soft (all) |
| Subtotal | | | \$350,000 | |
| Cecil County | | | | |
| Boys & Girls Club of Cecil County | 150,000 | | 150,000 | Soft (1,2) |
| Ray of Hope Mission Center | | 100,000 | <u>100,000</u> | Hard (U) |
| Subtotal | | | \$250,000 | |
| Charles County | | | | |
| Bel Alton High School Comm. Development Ctr. | | 450,000 | 450,000 | Soft (3) Hist. Ease. |
| Black Box Theatre | 55,000 | | 55,000 | Soft (3) |
| Charles County Veterans Memorial Museum | 50,000 | | 50,000 | Soft (1,2) |
| Mattawoman Creek Art Center | 15,000 | | 15,000 | Soft (2) |
| Potomac Heights Housing Complex | 50,000 | | <u>50,000</u> | Grant |
| Subtotal | | | \$620,000 | |
| Dorchester County | | | | |
| Dorchester County Family YMCA | 200,000 | 50,000 | <u>250,000</u> | Soft (all) |
| Subtotal | | | \$250,000 | |

| <u>Project Title</u> | <u>House Funding</u> | <u>Senate Funding</u> | <u>Total Funding</u> | <u>Match/Requirements</u> |
|--|----------------------|-----------------------|----------------------|---------------------------|
| Frederick County | | | | |
| Alan P. Linton, Jr. Emergency Shelter Site | | 50,000 | <u>50,000</u> | Soft (1) |
| Subtotal | | | \$50,000 | |
| Garrett County | | | | |
| Adventure Sports Center International | 250,000 | | 250,000 | Hard |
| Maryland Salem Children's Trust, Inc. | | 100,000 | <u>100,000</u> | Hard |
| Subtotal | | | \$350,000 | |
| Harford County | | | | |
| Citizens Care and Rehabilitation Center | | 100,000 | <u>100,000</u> | Soft (2,3) |
| Subtotal | | | \$100,000 | |
| Howard County | | | | |
| Grassroots Crisis Intervention Center | | 450,000 | 450,000 | Soft (all) |
| Living Farm Heritage Museum | 150,000 | | 150,000 | Soft (all) |
| North Laurel Community Center | 300,000 | | <u>300,000</u> | Hard |
| Subtotal | | | \$900,000 | |
| Kent County | | | | |
| Chesapeake Fields' Millington Project | 100,000 | | <u>100,000</u> | Soft (2,3) |
| Subtotal | | | \$100,000 | |
| Montgomery County | | | | |
| Agriculture Activity Center Expansion | | 75,000 | 75,000 | Hard |
| Blackrock Center for the Arts | | 50,000 | 50,000 | Soft (1,3) |
| Blair Baseball Field Improvements | 50,000 | | 50,000 | Soft (3) |
| Circle Manor | | 150,000 | 150,000 | Soft (3) Hist. Ease. |
| Easter Seals Inter-Generational Center | | 450,000 | 450,000 | Soft (1) |
| Gaithersburg Olde Towne Youth Center | 150,000 | 150,000 | 300,000 | Hard |
| Germantown Life Sciences Incubator | | 250,000 | 250,000 | Hard |
| Glen Echo Park | 100,000 | 375,000 | 475,000 | Hard |
| Historic Takoma | 125,000 | 85,000 | 210,000 | Soft (all) |
| Jubilee Association of Maryland | 75,000 | 75,000 | 150,000 | Hard |
| King Farm Dairy MOOseum | | 150,000 | 150,000 | Hard |
| Metropolitan Center for the Visual Arts | | 5,000 | 5,000 | |
| Montgomery Village Foundation | | 250,000 | 250,000 | Hard |
| Montrose Center for Children and Families | 100,000 | 100,000 | 200,000 | Hard |

| <u>Project Title</u> | <u>House Funding</u> | <u>Senate Funding</u> | <u>Total Funding</u> | <u>Match/Requirements</u> |
|---|----------------------|-----------------------|----------------------|---------------------------|
| Olney Boys and Girls Club Community Park | 200,000 | 200,000 | 400,000 | Soft (2, 3) Hist. Ease. |
| Olney Theatre Center Campus | | 250,000 | 250,000 | Grant |
| Our House Youth Home | 250,000 | 175,000 | 425,000 | Hard Hist. Ease. |
| Poolesville Town Hall | 150,000 | | 150,000 | Hard |
| Rockville Community Center | 125,000 | 125,000 | 250,000 | Hard |
| Sandy Spring Museum Library and Archives | 125,000 | 75,000 | 200,000 | Soft (2,3) |
| Strathmore Hall | 300,000 | 250,000 | 550,000 | Soft (3) |
| Takoma Park Community Learning Center | 250,000 | 110,000 | 360,000 | Soft (all) |
| Uncle Tom's Cabin | 50,000 | | 50,000 | Soft (all) Hist. Ease. |
| Wheaton Multi-Service Youth Facility | 350,000 | | 350,000 | Hard |
| YMCA Bethesda – Chevy Chase | 50,000 | 50,000 | <u>100,000</u> | Hard |
| Subtotal | | | \$5,850,000 | |
| Prince George's County | | | | |
| Accokeek Foundation | | 125,000 | 125,000 | Hard |
| Bowie City Parks and Grounds Building | | 150,000 | 150,000 | Hard |
| Business Development and Assistance Center | | 50,000 | 50,000 | Soft (all) |
| CASA Multi-Cultural Service Center | 300,000 | | 300,000 | Soft (2) |
| College Park City Hall | 400,000 | | 400,000 | Hard |
| Colmar Manor Municipal Center | 75,000 | | 75,000 | Hard |
| Concord Historic Site | 100,000 | 150,000 | 250,000 | Hard; Hist. Ease. |
| DeMatha Catholic High School Streetscape | 75,000 | | 75,000 | Hard |
| Ebenezer Community Life Center | | 150,000 | 150,000 | Soft (all) |
| Family Life & Wellness Intergenerational Center | 100,000 | 150,000 | 250,000 | Soft (all) |
| Forest Heights Municipal Building | 150,000 | | 150,000 | Grant |
| Glenarden City Hall Renovation | 150,000 | | 150,000 | Soft (U,2) |
| Grace Center for Community & Economic Devel. | | 120,000 | 120,000 | Soft (all) |
| Hard Bargain Farm Environmental Center | 225,000 | | 225,000 | Soft (all) Hist. Ease. |
| Henson Valley Montessori School | 200,000 | | 200,000 | Hard |
| Historic Laurel Mill Ruins | | 50,000 | 50,000 | Grant |
| Lake Arbor Foundation | | 50,000 | 50,000 | Grant |
| Laurel Armory Anderson Murphy Comm. Ctr. | 100,000 | | 100,000 | Soft (3) Hist. Ease. |
| Laurel Boys and Girls Club | | 50,000 | 50,000 | Soft (1, 3) Hist. Ease. |
| Laurel Senior Center | | 150,000 | 150,000 | Soft (1,2) |

| <u>Project Title</u> | <u>House Funding</u> | <u>Senate Funding</u> | <u>Total Funding</u> | <u>Match/Requirements</u> |
|---|----------------------|-----------------------|----------------------|---------------------------|
| McGuire House Sr. Public Housing Development | 450,000 | | 450,000 | Grant |
| Mt. Rainier Multi-Use Facility | 150,000 | | 150,000 | Soft (1,2) |
| New Revival Center of Renewal | 80,000 | 100,000 | 180,000 | Hard |
| North Brentwood Town Hall & Recreation Facility | 125,000 | | 125,000 | Hard |
| Ridgely Rosenwald School | | 120,000 | 120,000 | Grant |
| Suitland Technology Ctr. – Office Support Zone | 100,000 | | 100,000 | Soft (3) |
| University Community Partnership Center | | 240,000 | 240,000 | Soft (all) |
| Walker Mill Day Care Center | | 100,000 | 100,000 | Soft (1,2) |
| White Rose Foundation Service Center | | 375,000 | 375,000 | Grant |
| YMCA Renaissance Square | 200,000 | | <u>200,000</u> | Hard |
| Subtotal | | | \$5,110,000 | |
| Queen Anne's County | | | | |
| Chesapeake Marine Trade School | | 100,000 | 100,000 | Soft (2,3) |
| Subtotal | | | \$100,000 | |
| Somerset County | | | | |
| Agricultural and Civic Center | | 20,000 | <u>20,000</u> | Hard |
| Subtotal | | | \$20,000 | |
| St. Mary's County | | | | |
| Hospice House | | 125,000 | 125,000 | Soft (1,2) |
| Sotterley Plantation | 50,000 | | 50,000 | Soft (2) Hist. Ease. |
| St. Clement's Island Lighthouse | | 125,000 | 125,000 | Soft (2,3) |
| St. Mary's College Amphitheater | 250,000 | | <u>250,000</u> | Soft (1,3) |
| Subtotal | | | \$550,000 | |
| Talbot County | | | | |
| Chesapeake Bay Maritime Museum | 150,000 | 50,000 | <u>200,000</u> | Soft (1) |
| Subtotal | | | \$200,000 | |
| Washington County | | | | |
| Discovery Station at Hagerstown | | 50,000 | 50,000 | Soft (2,3,U) |
| Hagerstown Police Athletic League Equipment | | 50,000 | 50,000 | Hard (U) |
| Rural Heritage Transportation Museum | | 100,000 | <u>100,000</u> | Hard |
| Subtotal | | | \$200,000 | |

| <u>Project Title</u> | <u>House Funding</u> | <u>Senate Funding</u> | <u>Total Funding</u> | <u>Match/Requirements</u> |
|---|----------------------|-----------------------|----------------------|---------------------------|
| Wicomico County | | | | |
| Community Foundation of the Eastern Shore | 200,000 | | <u>200,000</u> | Hard |
| Subtotal | | | \$200,000 | |
| Worcester County | | | | |
| Delmarva Discovery Sta. on the Pocomoke River | | 150,000 | 150,000 | Hard |
| Germantown School | 150,000 | | 150,000 | Hard |
| Rackliffe House | 150,000 | | <u>150,000</u> | Hard |
| Subtotal | | | \$450,000 | |
| Statewide | | | | |
| American Veterans Disabled for Life Memorial | 250,000 | 250,000 | 500,000 | Hard |
| Capital Area Food Bank | 500,000 | | <u>500,000</u> | Soft (all) |
| Subtotal | | | \$1,000,000 | |
| Total Senate and House Local Initiatives | \$15,000,000 | \$15,000,000 | | |

Match Key: 1=real property; 2= in kind contributions; 3=prior expenditure; U=unequal

Debt Affordability

As shown in **Exhibit A-2.5**, the long-range plan adopted by the Capital Debt Affordability Committee (CDAC) in September 2005 provides for a total of over \$3.6 billion in authorizations from 2006 to 2011. This is an increase of \$270 million over the amount recommended by the CDAC in September 2004 for the same five-year period. For the 2006 session, CDAC recommended \$690 million of GO bond authorizations to support the capital program. While general obligation debt totaling \$712.7 million is authorized in the Maryland Consolidated Capital Bond Loan of 2006 (MCCBL) *Senate Bill 370 (passed)*, this is offset by \$22.7 million in deauthorizations to previously authorized debt bringing the total amount of new debt authorized to \$690 million. This is consistent with the level of general obligation bond debt recommended by CDAC. Included in the \$690 million of net new debt is \$1.6 million authorized in the Southern Maryland Regional Strategy-Action Plan for Agriculture Loan of 2001 for the Tobacco Transition Program as amended by the 2006 MCCBL and \$30 million for local legislative initiatives requested through the submission of individual bond bills.

Exhibit A-2.5
**Capital Debt Affordability Committee Recommended Levels of General
 Obligation Bond Authorizations**
2006 – 2010 Legislative Sessions
 (\$ in Millions)

| <u>Session</u> | <u>2004 Report Recommended Authorizations</u> | <u>2005 Report Recommended Authorizations</u> | <u>Increased Authorization</u> |
|----------------|---|---|------------------------------------|
| 2006 | \$685 | \$690 | \$5 |
| 2007 | 700 | 710 | 10 |
| 2008 | 715 | 730 | 15 |
| 2009 | 630 | 745 | 115 |
| 2010 | 645 | 770 | 125 |
| Total | \$3,375 | \$3,645 | \$270 |

Source: *Report of the Capital Debt Affordability Committee on Recommended Debt Authorizations*, September 2004 and 2005

The General Assembly adopted several public debt management measures that increase the 2006 capital program and reduce out-year debt service costs. They include the following:

- The 2006 MCCBL includes the deauthorization of \$20.8 million in previously authorized debt that would require the issuance of taxable bonds. This includes \$2.5 million authorized for the Maryland Technology Development Corporation, \$5.0 million for Maryland Department of the Environment Water Quality and Hazardous Substance

Removal programs, \$7.9 million for the Department of Housing and Community Development (DHCD) Community Legacy Program debt, and \$5.4 million for the DHCD Rental Housing Program. Rather than incurring the additional debt service costs associated with the issuance of taxable bonds, the General Assembly reprogrammed PAYGO general funds in the fiscal 2007 operating budget to fund most of what was deauthorized.

- The 2006 MCCBL earmarks \$49.0 million of bond premiums collected by the State from the July 2005 and March 2006 sale of GO bonds for five Department of Public Safety and Correctional Services (DPSCS) projects originally intended to be funded with GO bonds. This measure essentially expands the capital program by allowing the DPSCS projects to be funded with PAYGO from the Annuity Bond Fund. The capital program also provides for the use of \$16 million of anticipated bond premiums from the July and, if necessary, the March 2007 bond sales to fund additional school construction projects.
- As an option to reducing that State property tax rate for fiscal 2007, the General Assembly included a provision in the 2006 MCCBL that requires the issuance of \$75 million of one-year short-term debt that would require the payment of interest and principal by June 30, 2007. Should this option be chosen, debt service costs would be reduced by approximately \$30 million over 15 years.

Higher Education

The fiscal 2007 capital program for all segments of higher education is \$278.3 million, including general obligation bonds, academic revenue bonds, and general funds. Of the total funding, four-year public institutions receive \$213.7 million and independent colleges receive \$9 million. Community colleges receive \$55.6 million in fiscal 2007, the highest funding level in a single year for community colleges. The *Capital Improvement Program* (CIP), after legislative changes to the fiscal 2007 capital budget, shows \$101 billion in capital spending for higher education projects from fiscal 2007 through 2011. **Exhibit A-2.6** shows the fiscal 2006 and 2007 legislative appropriations for higher education capital projects and the funds anticipated in the CIP for fiscal 2008 through 2011. **Exhibit A-2.7** shows the fiscal 2007 capital funding by institution.

Exhibit A-2.6
Higher Education Fiscal 2006 – 2011
Authorized and Planned Out-year Capital Funding
(\$ in Thousands)

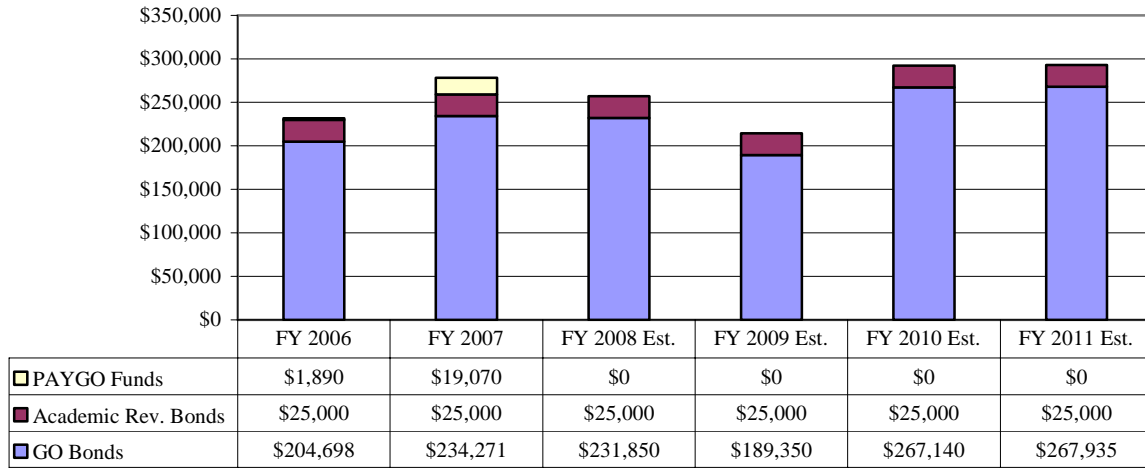


Exhibit A-2.7
Higher Education Fiscal 2007 Capital Funding by Institution
(\$ in Thousands)

| <u>Institution</u> | <u>Fiscal 2007 Capital Funding</u> |
|---|------------------------------------|
| University of Maryland, Baltimore | \$9,200 |
| University of Maryland, College Park | 20,715 |
| Bowie State University | 2,725 |
| Towson University | 45,235 |
| University of Maryland University College | 13,815 |
| Frostburg State University | 4,900 |
| Coppin State University | 21,328 |
| Salisbury University | 51,289 |
| University of Maryland Baltimore County | 4,950 |
| University of Maryland Center for Environmental Science | 391 |
| University System of Maryland – Facility Renewal | 15,000 |
| University System of Maryland – Shady Grove | 1,000 |
| St. Mary's College of Maryland | 9,650 |
| Community Colleges | 55,588 |
| Morgan State University | 13,555 |
| Independent Colleges | 9,000 |
| Total | \$278,341 |

Public School Construction Funding Remains a High Priority for the General Assembly

The capital budget contains \$322.7 million for public school construction in fiscal 2007, including \$43.4 million added to the Governor’s proposal by the General Assembly. This is the highest level of funding for public school construction since the program began in 1971. The final fiscal 2007 budget increases school construction funding by \$68.9 million, a 27.2 percent increase over the fiscal 2006 level. Included in the \$322.7 million total are \$284.7 million in General Obligation (GO) bonds (\$25.8 million added by the General Assembly), \$18.4 million in special fund PAYGO (\$2.4 million in Stadium Authority funds and \$16.0 million in bond premiums added by the General Assembly), and \$19.6 million in the contingency fund from unexpended amounts for projects budgeted in prior years. The capital budget bill details the distribution of the \$322.7 million in fiscal 2007 school construction funds. A total of \$644.4 million in projects that are ready to go (A or B) was requested by local jurisdictions, with the General Assembly funding on average 71 percent of those projects. For additional information on school construction, see *Part L – Education, Subpart – Primary and Secondary Education*. (Exhibit L-2 shows the allocations made to the 24 local jurisdictions.)

Transfer Tax

The property transfer tax is the primary funding source for State land conservation programs. The fiscal 2007 budget allocates the full amount of estimated transfer tax revenue to programs as required in statute, resulting in significant increase in State funding for land conservation programs. A total of \$358.0 million will be available for local and State land conservation projects, as shown in **Exhibit A-2.8**. The fiscal 2007 legislative appropriation provides a \$238.6 million increase over fiscal 2006 in transfer tax revenue for land conservation programs.

Exhibit A-2.8
Land Conservation and Property Transfer Tax

| | <u>Fiscal 2006 Legislative Appropriation</u> | <u>Fiscal 2007 Legislative Appropriation</u> |
|--|---|---|
| Program Open Space (POS) | \$89,506,232 | \$268,298,580 |
| POS Local | 44,753,116 | 134,149,290 |
| POS State | 44,753,116 | 134,149,290 |
| Additional State Land Acquisition | 1,204,341 | 3,610,094 |
| Maryland Agricultural Land Preservation Program (MALPP) | 20,534,015 | 61,552,106 |
| Rural Legacy* | 6,021,705 | 18,050,471 |
| Heritage Conservation Fund | 2,167,814 | 6,498,170 |
| Total | \$119,434,107 | \$358,009,421 |

Note: POS and MALPP receive funding from other sources (federal funds, agricultural transfer tax, and matching funds from local jurisdictions).

*The fiscal 2006 and 2007 legislative appropriations earmark \$8.0 million in State POS funds for the Rural Legacy Program.

State Aid to Local Governments

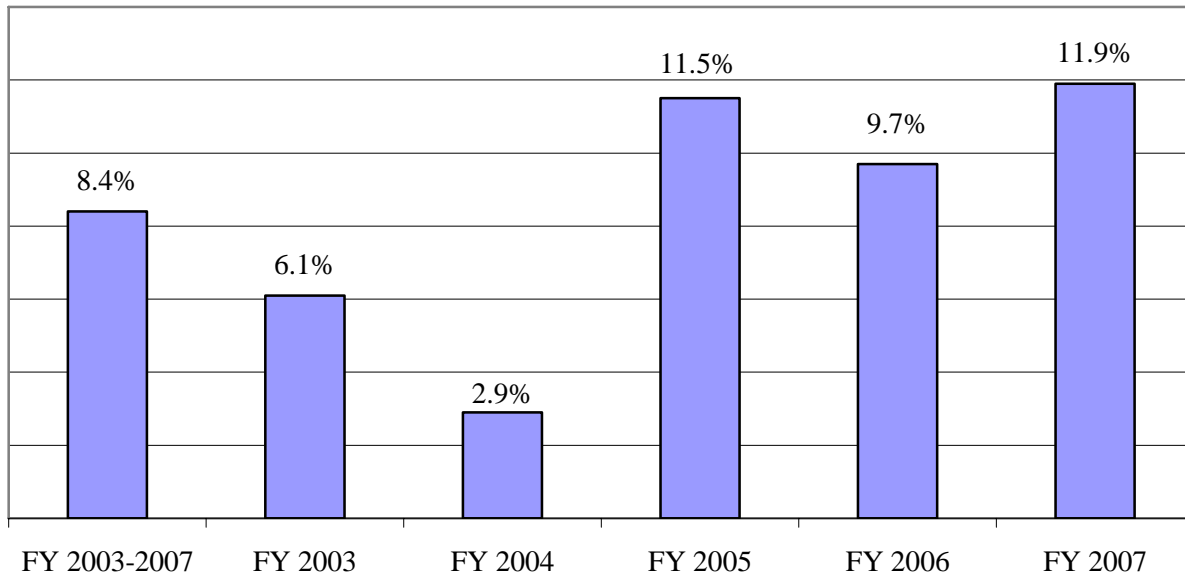
Overview

The State budget provides record support for local programs and services in fiscal 2007. Mandatory State aid programs are fully funded and public school construction projects will receive a significant influx of new State funds. Local highway and land preservation grants are restored to statutory funding levels after several years of budgetary reductions. The General Assembly also passed several initiatives affecting State funding for local programs in future years including benefit enhancements for State paid teachers' retirement; and formula enhancements for local community college grants, the aging schools program, adult education and literacy services, and police aid.

Record Increases in State Aid to Local Governments

State aid to local governments will total \$5.8 billion in fiscal 2007 – a \$616.8 million, or 11.9 percent increase over the prior year. This represents the largest annual increase in recent years. For comparison purposes, State aid increased by 11.5 percent in fiscal 2005 and 9.7 percent in fiscal 2006. State aid continues to be one of the largest and fastest growing components of the State budget. In fiscal 2007, State aid will account for 37.7 percent of general fund expenditures and 26.7 percent of State funded expenditures. The growth in State aid to local governments exceeds most other State programs; the annual growth in fiscal 2007 is 7.2 percent for entitlement programs and 8.4 percent for State agencies. In the last five years (fiscal 2003 through 2007), the State has provided local governments with almost \$2 billion in additional State aid, with public schools receiving an additional \$1.6 billion and counties/municipalities receiving an additional \$275 million. **Exhibit A-3.1** shows the annual increase in State aid over the last five years.

Exhibit A-3.1
Annual Growth in State Aid to Local Governments



Source: Department of Legislative Services

Public Schools Receive the Largest Increase in State Aid

Most State aid to local governments (77.4 percent) goes to support local school systems with counties and municipalities receiving 17 percent of the aid. Public schools will receive \$4.5 billion in fiscal 2007 – a \$462.7 million, or 11.5 percent increase over the prior year. Counties and municipalities will receive \$986.4 million – a \$133.8 million, or 15.7 percent increase over the prior year. The remaining 6 percent of State aid is distributed to local libraries, community colleges, and local health departments. These entities will receive an additional \$20.3 million in aid. **Exhibit A-3.2** shows the increase in State aid in fiscal 2007 by governmental entity.

Reliance on State Aid

State aid is the largest revenue source for most county governments in Maryland, accounting for 26.5 percent of total county revenues. In five counties (Anne Arundel, Baltimore, Queen Anne's, Talbot, and Worcester), State aid is the second largest revenue source after property taxes. In Howard and Montgomery counties, State aid is the third largest revenue source after both property and income taxes.

Exhibit A-3.2
State Aid to Local Governments in Fiscal 2006 and 2007
(\$ in Millions)

| | <u>FY 2006</u> | <u>FY 2007</u> | <u>Difference</u> | <u>% Difference</u> |
|--------------------|------------------|------------------|-------------------|---------------------|
| Public Schools | \$4,016.8 | \$4,479.5 | \$462.7 | 11.5% |
| Libraries | 50.6 | 55.4 | 4.8 | 9.5% |
| Community Colleges | 191.6 | 205.9 | 14.3 | 7.5% |
| Health | 61.9 | 63.1 | 1.2 | 2.0% |
| County/Municipal | 852.6 | 986.4 | 133.8 | 15.7% |
| Total | \$5,173.6 | \$5,790.3 | \$616.8 | 11.9% |

Source: Department Legislative Services

Dependence on State aid varies. Less affluent jurisdictions rely on State aid as their primary revenue source while more affluent jurisdictions rely more heavily on local property and income taxes. For example, State aid accounts for 16 percent of total revenues in Montgomery County but 50 percent in Caroline County. This difference is due to the fact that 65 percent of State aid is distributed inversely to local wealth. Utilizing local wealth measures to distribute State aid attempts to offset the inequalities in the revenue capacity among local jurisdictions.

State aid is the third largest revenue source for municipalities, representing 8.5 percent of total revenues. As with counties, the reliance on State aid varies for municipalities, ranging from 2.1 percent of total revenues for municipalities in Talbot County to 27.9 percent for municipalities in Garrett and Kent counties. State aid to municipalities is targeted primarily to highway maintenance, police and fire services, and parks and recreation. Municipalities receive approximately 70 percent of their State aid through four programs: highway user revenues, police and fire aid formulas, and Program Open Space.

Changes by Program

The increase in State aid in fiscal 2007 ranges from 6.5 percent in Dorchester County to 15.8 percent in Washington County. The increase in seven counties will exceed 14 percent. **Exhibit A-3.3** summarizes the distribution of direct aid by governmental unit and shows the estimated State retirement payments for local government employees. Costs associated with enhanced retirement benefits for teachers and librarians will not appear until the fiscal 2008 budget. **Exhibit A-3.4** compares total State aid in fiscal 2006 and 2007 by program.

Exhibit A-3.3
State Assistance to Local Governments
Fiscal 2007 Legislative Appropriation
(\$ in Thousands)

| County | County - Municipal | Community Colleges | Direct State Aid | | | | Subtotal | Retirement | Total | Change Over FY 2006 | Percent Change |
|-----------------|-----------------------|-----------------------|--------------------|-----------------|-----------------|--------------------|------------------|--------------------|------------------|---------------------------|-------------------|
| | | | Public Schools | Libraries | Health | | | | | | |
| Allegany | \$18,074 | \$5,257 | \$69,803 | \$697 | \$1,514 | \$95,346 | \$5,721 | \$101,066 | \$13,256 | 15.1% | |
| Anne Arundel | 66,406 | 24,431 | 237,303 | 1,844 | 5,320 | 335,304 | 37,766 | 373,070 | 46,489 | 14.2% | |
| Baltimore City | 343,571 | 0 | 742,819 | 6,061 | 11,276 | 1,103,727 | 45,327 | 1,149,054 | 89,702 | 8.5% | |
| Baltimore | 77,034 | 34,041 | 441,608 | 4,684 | 7,331 | 564,699 | 59,059 | 623,758 | 79,341 | 14.6% | |
| Calvert | 15,758 | 1,473 | 73,310 | 386 | 636 | 91,563 | 9,440 | 101,004 | 9,615 | 10.5% | |
| Caroline | 8,573 | 1,216 | 37,125 | 241 | 893 | 48,048 | 2,861 | 50,908 | 6,600 | 14.9% | |
| Carroll | 20,901 | 6,196 | 125,176 | 886 | 2,070 | 155,228 | 14,254 | 169,482 | 19,013 | 12.6% | |
| Cecil | 11,545 | 4,291 | 85,703 | 615 | 1,358 | 103,513 | 8,264 | 111,777 | 13,169 | 13.4% | |
| Charles | 18,139 | 6,422 | 128,931 | 764 | 1,679 | 155,936 | 12,469 | 168,405 | 21,765 | 14.8% | |
| Dorchester | 9,018 | 900 | 25,733 | 215 | 715 | 36,581 | 2,550 | 39,131 | 2,402 | 6.5% | |
| Frederick | 27,040 | 6,613 | 168,029 | 1,013 | 2,546 | 205,240 | 19,346 | 224,586 | 22,954 | 11.4% | |
| Garrett | 10,442 | 2,718 | 23,385 | 158 | 727 | 37,430 | 2,658 | 40,088 | 3,711 | 10.2% | |
| Harford | 27,009 | 8,764 | 185,776 | 1,384 | 2,926 | 225,858 | 19,205 | 245,063 | 28,706 | 13.3% | |
| Howard | 30,408 | 10,971 | 156,847 | 694 | 2,070 | 200,990 | 31,351 | 232,341 | 27,793 | 13.6% | |
| Kent | 4,074 | 474 | 9,594 | 90 | 557 | 14,788 | 1,451 | 16,240 | 1,200 | 8.0% | |
| Montgomery | 91,685 | 32,918 | 341,170 | 2,396 | 5,208 | 473,377 | 97,571 | 570,948 | 68,093 | 13.5% | |
| Prince George's | 105,833 | 19,813 | 782,926 | 6,049 | 8,513 | 923,134 | 67,187 | 990,321 | 97,719 | 10.9% | |
| Queen Anne's | 7,841 | 1,366 | 26,466 | 127 | 700 | 36,500 | 3,775 | 40,275 | 4,413 | 12.3% | |
| St. Mary's | 11,288 | 2,028 | 78,897 | 571 | 1,359 | 94,142 | 8,054 | 102,197 | 11,008 | 12.1% | |
| Somerset | 9,178 | 659 | 21,283 | 251 | 712 | 32,083 | 1,586 | 33,669 | 4,094 | 13.8% | |
| Talbot | 6,710 | 1,267 | 10,301 | 91 | 551 | 18,919 | 2,415 | 21,335 | 1,845 | 9.5% | |
| Washington | 17,965 | 6,176 | 111,583 | 993 | 2,313 | 139,031 | 10,325 | 149,355 | 20,411 | 15.8% | |
| Wicomico | 13,062 | 3,878 | 90,087 | 684 | 1,587 | 109,297 | 7,812 | 117,109 | 15,492 | 15.2% | |
| Worcester | 10,547 | 1,598 | 16,099 | 127 | 531 | 28,903 | 4,305 | 33,208 | 3,545 | 12.0% | |
| Unallocated | 22,474 | 4,823 | 43,437 | 15,220 | 0 | 85,955 | 0 | 85,955 | 4,451 | 5.5% | |
| Total | \$984,575 | \$188,294 | \$4,033,391 | \$46,240 | \$63,092 | \$5,315,591 | \$474,751 | \$5,790,342 | \$616,788 | 11.9% | |

Note: County/Municipal includes the municipal share of police aid, highway user revenue, and fire aid.

State Assistance to Local Governments
Dollar Difference Between Fiscal 2007 Legislative Appropriation and Fiscal 2006 Working Appropriation
(\$ in Thousands)

| County | <i>Direct State Aid</i> | | | | | | Subtotal | Retirement | Total |
|-----------------|-------------------------|-----------------------|-------------------|----------------|----------------|------------------|-----------------|------------------|-------|
| | County - Municipal | Community Colleges | Public Schools | Libraries | Health | | | | |
| Allegany | \$2,941 | \$365 | \$9,350 | \$71 | \$11 | \$12,737 | \$519 | \$13,256 | |
| Anne Arundel | 13,788 | 1,376 | 27,766 | 108 | 102 | 43,140 | 3,349 | 46,489 | |
| Baltimore City | 26,453 | 0 | 58,380 | 633 | 240 | 85,706 | 3,997 | 89,702 | |
| Baltimore | 16,181 | 1,897 | 55,351 | 476 | 177 | 74,083 | 5,258 | 79,341 | |
| Calvert | 1,699 | 176 | 6,832 | 56 | 18 | 8,781 | 834 | 9,615 | |
| Caroline | 890 | 41 | 5,391 | 20 | 3 | 6,345 | 255 | 6,600 | |
| Carroll | 3,782 | 576 | 13,279 | 96 | 26 | 17,759 | 1,254 | 19,013 | |
| Cecil | 1,991 | 405 | 9,942 | 81 | 18 | 12,437 | 732 | 13,169 | |
| Charles | 3,167 | 623 | 16,756 | 86 | 26 | 20,657 | 1,108 | 21,765 | |
| Dorchester | 394 | 30 | 1,730 | 16 | 5 | 2,175 | 227 | 2,402 | |
| Frederick | 4,358 | 381 | 16,383 | 83 | 35 | 21,240 | 1,714 | 22,954 | |
| Garrett | 1,364 | 115 | 1,982 | 9 | 4 | 3,474 | 238 | 3,711 | |
| Harford | 5,148 | 483 | 21,173 | 153 | 41 | 26,997 | 1,708 | 28,706 | |
| Howard | 7,883 | 901 | 16,121 | 59 | 49 | 25,013 | 2,780 | 27,793 | |
| Kent | 580 | 16 | 469 | 4 | 1 | 1,071 | 129 | 1,200 | |
| Montgomery | 20,620 | 2,956 | 35,574 | 191 | 183 | 59,524 | 8,569 | 68,093 | |
| Prince George's | 23,765 | 763 | 66,471 | 552 | 213 | 91,764 | 5,955 | 97,719 | |
| Queen Anne's | 1,197 | 46 | 2,814 | 14 | 7 | 4,077 | 336 | 4,413 | |
| St. Mary's | 1,951 | 247 | 8,015 | 66 | 14 | 10,294 | 713 | 11,008 | |
| Somerset | 1,375 | 48 | 2,501 | 25 | 5 | 3,954 | 140 | 4,094 | |
| Talbot | 1,141 | 42 | 433 | 8 | 6 | 1,629 | 216 | 1,845 | |
| Washington | 3,036 | 552 | 15,779 | 104 | 22 | 19,493 | 919 | 20,411 | |
| Wicomico | 798 | 280 | 13,637 | 69 | 16 | 14,799 | 693 | 15,492 | |
| Worcester | 1,917 | 116 | 1,111 | 8 | 11 | 3,163 | 382 | 3,545 | |
| Unallocated | -12,799 | 0 | 16,214 | 1,037 | 0 | 4,451 | 0 | 4,451 | |
| Total | \$133,619 | \$12,433 | \$423,454 | \$4,025 | \$1,233 | \$574,763 | \$42,025 | \$616,788 | |

Note: County/Municipal includes the municipal share of police aid, highway user revenue, and fire aid.

State Assistance to Local Governments
Percent Change: Fiscal 2007 Legislative Appropriation over Fiscal 2006 Working Appropriation

| County | <i>Direct State Aid</i> | | | | | | Retirement | Total |
|-----------------|-------------------------|-----------------------|-------------------|-----------|--------|----------|------------|-------|
| | County - Municipal | Community Colleges | Public Schools | Libraries | Health | Subtotal | | |
| Allegany | 19.4% | 7.5% | 15.5% | 11.3% | 0.7% | 15.4% | 10.0% | 15.1% |
| Anne Arundel | 26.2% | 6.0% | 13.3% | 6.2% | 2.0% | 14.8% | 9.7% | 14.2% |
| Baltimore City | 8.3% | n/a | 8.5% | 11.7% | 2.2% | 8.4% | 9.7% | 8.5% |
| Baltimore | 26.6% | 5.9% | 14.3% | 11.3% | 2.5% | 15.1% | 9.8% | 14.6% |
| Calvert | 12.1% | 13.5% | 10.3% | 16.9% | 2.9% | 10.6% | 9.7% | 10.5% |
| Caroline | 11.6% | 3.5% | 17.0% | 8.9% | 0.4% | 15.2% | 9.8% | 14.9% |
| Carroll | 22.1% | 10.3% | 11.9% | 12.1% | 1.3% | 12.9% | 9.6% | 12.6% |
| Cecil | 20.8% | 10.4% | 13.1% | 15.2% | 1.3% | 13.7% | 9.7% | 13.4% |
| Charles | 21.2% | 10.7% | 14.9% | 12.7% | 1.6% | 15.3% | 9.8% | 14.8% |
| Dorchester | 4.6% | 3.5% | 7.2% | 8.1% | 0.7% | 6.3% | 9.8% | 6.5% |
| Frederick | 19.2% | 6.1% | 10.8% | 8.9% | 1.4% | 11.5% | 9.7% | 11.4% |
| Garrett | 15.0% | 4.4% | 9.3% | 6.3% | 0.5% | 10.2% | 9.8% | 10.2% |
| Harford | 23.6% | 5.8% | 12.9% | 12.4% | 1.4% | 13.6% | 9.8% | 13.3% |
| Howard | 35.0% | 8.9% | 11.5% | 9.3% | 2.4% | 14.2% | 9.7% | 13.6% |
| Kent | 16.6% | 3.5% | 5.1% | 4.2% | 0.3% | 7.8% | 9.8% | 8.0% |
| Montgomery | 29.0% | 9.9% | 11.6% | 8.7% | 3.7% | 14.4% | 9.6% | 13.5% |
| Prince George's | 29.0% | 4.0% | 9.3% | 10.0% | 2.6% | 11.0% | 9.7% | 10.9% |
| Queen Anne's | 18.0% | 3.5% | 11.9% | 12.5% | 1.0% | 12.6% | 9.8% | 12.3% |
| St. Mary's | 20.9% | 13.9% | 11.3% | 13.1% | 1.1% | 12.3% | 9.7% | 12.1% |
| Somerset | 17.6% | 7.8% | 13.3% | 11.1% | 0.6% | 14.1% | 9.7% | 13.8% |
| Talbot | 20.5% | 3.5% | 4.4% | 9.4% | 1.0% | 9.4% | 9.8% | 9.5% |
| Washington | 20.3% | 9.8% | 16.5% | 11.7% | 1.0% | 16.3% | 9.8% | 15.8% |
| Wicomico | 6.5% | 7.8% | 17.8% | 11.1% | 1.0% | 15.7% | 9.7% | 15.2% |
| Worcester | 22.2% | 7.8% | 7.4% | 7.0% | 2.2% | 12.3% | 9.7% | 12.0% |
| Unallocated | -36.3% | 0.0% | 59.6% | 7.3% | n/a | 5.5% | n/a | 5.5% |
| Total | 15.7% | 7.1% | 11.7% | 9.5% | 2.0% | 12.1% | 9.7% | 11.9% |

Note: County/Municipal includes the municipal share of police aid, highway user revenue, and fire aid.

Exhibit A-3.4
State Assistance to Local Governments by Program

| <u>Program</u> | <u>FY 2006</u> | <u>FY 2007</u> | <u>Difference</u> |
|--|------------------------|------------------------|----------------------|
| Foundation Aid | \$2,308,307,556 | \$2,493,221,111 | \$184,913,555 |
| Compensatory Education | 600,353,936 | 726,652,649 | 126,298,713 |
| Student Transportation – Regular | 165,837,330 | 179,393,974 | 13,556,644 |
| Student Transportation – Special Education | 21,286,400 | 22,683,600 | 1,397,200 |
| Special Education – Formula | 191,285,179 | 231,829,152 | 40,543,973 |
| Special Education – Nonpublic Placements | 107,467,728 | 116,485,735 | 9,018,007 |
| Special Education – Infants and Toddlers | 5,199,999 | 5,810,782 | 610,783 |
| Limited English Proficiency Grants | 67,782,664 | 88,834,043 | 21,051,379 |
| Extended Elementary | 16,854,691 | 19,262,500 | 2,407,809 |
| Baltimore City Partnership | 14,093,016 | 0 | -14,093,016 |
| Aging Schools | 12,061,000 | 15,148,001 | 3,087,001 |
| Teacher Quality Incentives | 7,550,000 | 7,550,000 | 0 |
| Adult Education | 3,433,622 | 5,433,622 | 2,000,000 |
| Food Service | 6,264,669 | 7,468,669 | 1,204,000 |
| Gifted and Talented Grants | 534,829 | 534,829 | 0 |
| Out-of-county Placements | 7,674,999 | 8,075,001 | 400,002 |
| Headstart | 3,000,000 | 3,000,000 | 0 |
| School Reconstitution | 14,279,600 | 11,779,600 | -2,500,000 |
| Judy Hoyer Centers | 10,575,000 | 10,575,000 | 0 |
| Guaranteed Tax Base | 38,743,204 | 60,498,363 | 21,755,159 |
| Other Programs | 7,352,251 | 19,154,699 | 11,802,448 |
| Total Primary and Secondary Education | \$3,609,937,673 | \$4,033,391,330 | \$423,453,657 |
| Library Formula | 28,031,991 | 31,019,681 | 2,987,690 |
| Library Network | 14,183,089 | 15,219,970 | 1,036,881 |
| Total Libraries | \$42,215,080 | \$46,239,651 | \$4,024,571 |
| Community College Formula | 154,142,706 | 164,829,605 | 10,686,899 |
| Grants for ESOL Programs | 2,499,999 | 2,499,999 | 0 |
| Optional Retirement | 9,719,998 | 10,012,000 | 292,002 |
| Small College Grant/Allegany and Garrett Grant | 3,099,999 | 3,200,210 | 100,211 |
| Statewide Programs | 6,398,481 | 7,751,917 | 1,353,436 |
| Total Community Colleges | \$175,861,183 | \$188,293,731 | \$12,432,548 |
| Highway User Revenue | 541,943,725 | 584,911,160 | 42,967,435 |
| Elderly and Handicapped Transportation Aid | 4,315,789 | 4,315,789 | 0 |
| Paratransit | 2,806,000 | 2,806,000 | 0 |
| Total Transportation | \$549,065,514 | \$592,032,949 | \$42,967,435 |

| <u>Program</u> | <u>FY 2006</u> | <u>FY 2007</u> | <u>Difference</u> |
|---------------------------------------|------------------------|------------------------|----------------------|
| Police Aid | 63,885,135 | 64,861,903 | 976,768 |
| Fire And Rescue Aid | 10,000,000 | 10,000,000 | 0 |
| Vehicle Theft Prevention | 1,288,844 | 2,037,578 | 748,734 |
| 9-1-1 Grants | 13,550,000 | 13,550,000 | 0 |
| Community Policing | 1,900,000 | 2,000,000 | 100,000 |
| Foot Patrol/Drug Enforcement Grants | 4,362,500 | 4,462,500 | 100,000 |
| Law Enforcement Training Grants | 100,000 | 100,000 | 0 |
| Stop Gun Violence Grants | 955,500 | 955,500 | 0 |
| Violent Crime Grants | 4,361,445 | 4,841,858 | 480,413 |
| Baltimore City State's Attorney Grant | 1,835,000 | 1,985,000 | 150,000 |
| Domestic Violence Grants | 200,000 | 200,000 | 0 |
| War Room | 729,982 | 729,982 | 0 |
| School Vehicle Safety Grant | 550,000 | 550,000 | 0 |
| Body Armor | 50,000 | 50,000 | 0 |
| Total Public Safety | \$103,768,406 | \$106,324,321 | \$2,555,915 |
| Program Open Space | 46,253,117 | 135,649,292 | 89,396,175 |
| Critical Area Grants | 742,500 | 742,500 | 0 |
| Total Recreation/Environment | \$46,995,617 | \$136,391,792 | \$89,396,175 |
| Local Health Formula | \$61,858,988 | \$63,091,607 | \$1,232,619 |
| Utility Property Tax Grant | \$30,615,201 | \$30,615,201 | \$0 |
| Disparity Grant | 96,578,133 | 109,450,399 | 12,872,266 |
| Horse Racing Impact Aid | 1,341,400 | 1,341,400 | 0 |
| Payments in Lieu of Taxes | 1,604,472 | 1,005,222 | -599,250 |
| Security Interest Filing Fees | 3,150,000 | 3,125,000 | -25,000 |
| Senior Citizens Activities Center | 150,000 | 500,000 | 350,000 |
| Statewide Voting Systems | 17,687,047 | 3,788,874 | -13,898,173 |
| Total Other Direct Aid | \$23,932,919 | \$9,760,496 | -\$14,172,423 |
| Total Direct Aid | \$4,740,828,714 | \$5,315,591,477 | \$574,762,763 |
| Retirement – Teachers | 406,876,425 | 446,142,300 | 39,265,875 |
| Retirement – Libraries | 8,413,415 | 9,176,199 | 762,784 |
| Retirement – Community Colleges | 15,743,564 | 17,589,481 | 1,845,917 |
| Retirement – Local Employees | 1,692,545 | 1,843,023 | 150,478 |
| Total Payments-in-behalf | \$432,725,949 | \$474,751,003 | \$42,025,054 |
| Total State Assistance | \$5,173,554,663 | \$5,790,342,480 | \$616,787,817 |

Source: Department of Legislative Services

Primary and Secondary Education

State funding for public schools remains a high priority. Over the last five years, State funding for public schools has increased by almost \$1.6 billion, even though the State government was confronted with major fiscal challenges during most of this period. On a per pupil basis, State funding has increased from \$3,432 in fiscal 2002 to \$5,385 in fiscal 2007, a 56.9 percent increase. Moreover, local school systems will receive record increases in State funding in fiscal 2007, both for operating programs and school construction projects. In fiscal 2007, local school systems will receive \$4.5 billion in State funding – a \$462.7 million, or 11.5 percent increase. In addition, funding for public school construction projects will total \$322.7 million, a 27.1 percent increase over the prior year. In addition, over the last five years, State funding for public school construction has totaled almost \$1 billion. These increases represent the State's financial commitment to adequately fund public schools and to provide a quality educational program for all children throughout the State.

Foundation Program: The foundation program is the basic State education funding mechanism for public schools which ensures a minimum per pupil funding level and requires county governments to provide a local match. The formula is calculated based on a per pupil foundation amount and student enrollment. Less affluent school systems, as measured by assessable base and net taxable income, receive relatively more aid per pupil than wealthier school systems. State aid under the foundation program will total \$2.5 billion in fiscal 2007 – a \$184.9 million, or 8.0 percent increase over the prior year. The per pupil foundation amount for fiscal 2007 is set at \$5,959, and the student enrollment count used for the program totals 827,596 students. Enrollment for the formula is based on the September 30, 2005, full-time equivalent student enrollment count.

Compensatory Education: The compensatory education program provides additional funding based on the number of economically disadvantaged students. The formula recognizes disparities in local wealth by adjusting the grants per eligible student by local wealth. The formula is calculated based on 97 percent of the annual per pupil amount used in the foundation program and the number of students eligible for free and reduced price meals. State aid under the compensatory education program will total \$726.7 million in fiscal 2007 – a \$126.3 million, or 21.0 percent increase over the prior year. The per pupil funding amount for fiscal 2007 is set at \$2,659 and the student enrollment count used for the program totals 261,088.

Special Education: State aid for special education recognizes the additional costs associated with providing programs for students with disabilities. Most special education students receive services in the public schools; however, if an appropriate program is not available in the public schools, students may be placed in a private school offering more specialized services. The State and local school systems share the costs of these nonpublic placements. The special education formula is calculated based on 74 percent of the annual per pupil foundation amount and the number of special education students from the prior fiscal year. State funding for public special education programs will total \$231.8 million in fiscal 2007, representing a \$40.5 million, or 21.2 percent increase over the prior year. Funding for nonpublic

placements will total \$116.5 million in fiscal 2007 – a \$9.0 million, or 8.4 percent increase over the prior year.

Student Transportation: The State provides grants to assist local school systems with the cost of transporting students to and from school. The grants consist of three components: regular student ridership funds; special education student ridership funds; and additional enrollment funds. The regular student ridership funds are based on the local school system's grant in the previous year increased by inflation; increases cannot exceed 8.0 percent or be less than 3.0 percent. Local school systems with enrollment increases receive additional funds. The special education student ridership funds are based on a \$900 per student grant for transporting disabled students. The fiscal 2007 budget includes \$179.4 million for regular transportation services and \$22.7 million for special transportation services. This represents a \$15.0 million, or 7.4 percent increase from the prior year.

Limited English Proficiency: The State provides grants to support programs for non- and limited-English proficient (LEP) students using a definition consistent with federal guidelines. The LEP formula is based on 99 percent of the annual per pupil foundation amount. The fiscal 2007 grant per LEP student is \$2,714. State funding for the program will total \$88.8 million in fiscal 2007, representing a \$21.1 million, or 31.1 percent increase over the prior year. The number of LEP students in Maryland totals 31,429 for the 2005-2006 school year.

Guaranteed Tax Base Program: The Bridge to Excellence in Public Schools Act included an add-on grant for jurisdictions with less than 80 percent of statewide per pupil wealth that contributed more than the minimum required local share under the foundation program in the prior year. The grant equals the difference between actual and required spending per pupil, up to 20 percent of the per pupil foundation amount. The grants are phased in, beginning at 25 percent in fiscal 2005 and ending at 100 percent in fiscal 2008. Eight jurisdictions qualified for grants totaling \$19.1 million in fiscal 2005 and 10 jurisdictions qualified for grants totaling \$38.7 million in fiscal 2006. In fiscal 2007, 10 jurisdictions will qualify for grants totaling \$60.5 million.

Extended Elementary Education Program: As part of the Bridge to Excellence in Public Schools Act of 2002, certain mandated State aid programs are phased out by fiscal 2008, while other programs with enhanced funding that distribute State aid to local school systems based on student enrollments and local wealth are phased in. One of the programs to be eliminated is the Extended Elementary Education Program, which funds pre-kindergarten programs for students identified as having a high risk of failure in school. The program is fully funded at \$19.3 million in fiscal 2007 but would not be funded in fiscal 2008 and subsequent years.

Aging Schools Program: The Aging Schools program provides State funding to local school systems for improvements, repairs, and deferred maintenance of public school buildings. These repairs are generally not covered by the capital school construction program and are necessary to maintain older public schools. State funding for the Aging Schools program will total \$15.1 million in fiscal 2007. A provision in the fiscal 2005 capital budget indicates that the

intent of the General Assembly is that a county will receive in fiscal 2007 at least 50 percent of the funding provided in fiscal 2005. The special grant is phased out after fiscal 2008. The special hold harmless grant totals \$1.1 million in fiscal 2007.

The General Assembly approved legislation, *Senate Bill 432/House Bill 705 (both passed)*, that requires funding for the Aging Schools program to be adjusted annually for inflation beginning in fiscal 2008. Under current law, State funding for this program is set in statute and does not increase from one fiscal year to the next.

Judy Hoyer and Head Start Programs: These programs provide financial support for the establishment of centers that provide full-day, comprehensive, early education programs, and family support services that will assist in preparing children to enter school ready to learn. This program also provides funding to support childhood educators, and statewide implementation of an early childhood assessment system. The fiscal 2007 State budget includes \$7.6 million for Judy Center grants, \$3.0 million for school readiness and program accreditation, and \$3.0 million for head start programs.

School Improvement Grants: Grants are provided to schools and local school systems that are low-performing in meeting adequate yearly progress targets. Schools and local school systems receiving grants may be categorized in three stages – in improvement, corrective action, or restructuring. State funding for school improvement grants will total \$11.8 million in fiscal 2007, a \$2.5 million decrease from the prior year. The Maryland State Department of Education (MSDE) added \$2.5 million to the fiscal 2006 appropriation from excess Compensatory Education funding. The grants support technical assistance and professional development for school personnel to improve school performance.

Teacher Quality Incentives: The State provides salary enhancements for teachers obtaining national certification, a signing bonus for teachers graduating in the top of their class, and a stipend for teachers and other non-administrative certificated school employees working in low-performing schools. The fiscal 2007 State budget includes \$7.6 million for these teacher quality incentives and \$100,000 for the Governor’s Teacher Excellence Award Program which is a new program designed to distribute financial awards to teachers for outstanding performance.

Food and Nutrition Services: The fiscal 2007 State budget includes \$7.5 million for food and nutrition services, a \$1.2 million increase over the prior year. The increase in funding supports the expansion of the Classroom Breakfast Pilot in the Maryland Meals for Achievement Program. Elementary schools are eligible for the program if they participate in the federal School Breakfast program and at least 40 percent of their enrollment is approved for free and reduced priced meals. Schools are selected for the program on a competitive basis, and, once selected, offer free breakfast in classrooms every morning, regardless of family income.

Infants and Toddlers Program: This program involves a statewide community-based interagency system of comprehensive early intervention services for eligible children who are less than three years old. Eligible children include those who have developmental delays or disabilities. State funding for infants and toddlers programs will total \$5.8 million in fiscal 2007, a \$0.6 million increase over the prior year.

Adult Education: The State provides funding for adult education services through four programs: adult general education, external diploma program, literacy works grant, and adult education and literacy works. The State budget includes \$5.4 million for adult education programs in fiscal 2007, a \$2 million increase over the prior year.

The General Assembly approved legislation, **House Bill 1130 (passed)**, that requires the Governor to include in the fiscal 2008 State budget an appropriation for adult education equal to an increase of \$1.5 million over the fiscal 2007 appropriation. MSDE must distribute the funding as Literacy Works Grants for adult education and literacy services. To leverage the additional funding, local expenditures would increase by \$500,000 to meet the required 25 percent local match on State aid.

Challenge Grants: These grants are distributed to schools where the average daily attendance is low, the dropout rate is high, and student scores on State tests are low. State funding for the program totals \$3.8 million in fiscal 2007. The program was not funded in fiscal 2006.

School Based Health Centers: The fiscal 2007 State budget includes \$2.9 million for school-based health centers. The funding for these centers has been transferred from the Subcabinet Fund to MSDE in fiscal 2007. An increase of \$700,000 over the fiscal 2006 appropriation in the Subcabinet Fund is included in the State budget. This restores funding for school-based health centers to the fiscal 2005 funding level.

Science and Math Initiative: The fiscal 2007 State budget includes \$2.6 million for this program, including a new \$2 million grant that will support the development of Science, Technology, Engineering, and Mathematics Academies, a concept that emerged from the Governor's summit on Math, Technology, Science, and Engineering Education in Maryland. The summit was a recommendation of the Governor's Commission on Quality Education in Maryland. The curriculum in the academies will be highly specialized and give students exposure to the professional scientific community and advanced technology.

Environmental Education: The fiscal 2007 State budget includes \$1.7 million for environmental education programs, a \$1.5 million increase over the prior year. The increase is allocated to student participation in an outdoor education program that opened in August 2005 at North Bay in Cecil County. The program, which can serve 11,000 students per year, is structured as a four-night stay for sixth graders that provides an outdoor education experience aligned with the State curriculum. The program received \$200,000 in fiscal 2006.

Principal Development Program: Chapter 408, Acts of 2005 established a statewide Principal Fellowship and Leadership Development Program. The program provides incentive payments for distinguished principals to work in low-performing schools. Funding for this program will total \$96,000 in fiscal 2007.

Teachers' Retirement Payments: The State pays 100 percent of the employer's share of retirement costs for local school system employees in the Teachers' Retirement and Pension Systems maintained by the State. Rather than distributing the aid to the local boards of education and billing them for the retirement contributions, the State appropriates a lump-sum payment to the retirement system "on behalf of" the local boards. The appropriation is calculated by increasing the second prior year's salary base by 5 percent and applying the contribution rate established by the retirement system's actuary. Teachers' retirement payments will total \$446.1 million in fiscal 2007, representing a 9.7 percent increase over fiscal 2006 due to an increase in the salary base and pension contribution rate.

The General Assembly approved legislation, *Senate Bill 1019/House Bill 1737 (both passed)*, that enhances pension benefits for all members of the Teachers' Pension System and the Employees' Pension System. The benefit multiplier increases from 1.4 percent to 1.8 percent for service credit retroactive to 1998. Employee and teacher contribution rate increases are phased in over three years, rising from the current rate of 2 to 5 percent by July 1, 2008.

Local Libraries

Local libraries receive over 20 percent of their funding from the State government. In fiscal 2007, State aid to local libraries will total \$55.4 million, representing a \$4.8 million, or 9.5 percent increase over the prior year. Local libraries benefited from significant increases in State aid in fiscal 2007 due to legislation enacted last year at the 2005 session, which enhanced the funding formulas for the minimum per capita library program and the regional resource centers. This year, at the 2006 session, the General Assembly approved legislation that will provide additional funding for library capital projects.

Minimum Per Capita Library Program: The State provides assistance to public libraries through a formula that determines the State and local shares of a minimum per capita library program. The minimum library program is specified in statute. For fiscal 2007, the program is based on a \$13 per capita grant. Overall, the State provides 40 percent of the minimum program, and the counties provide 60 percent. However, the State/local share of the minimum program varies by county depending on local wealth. In fiscal 2007, State funding for the library program will total \$31.0 million, representing a \$3.0 million, or 10.7 percent increase over the prior year.

State Library Network: The network consists of the Central Library of the Enoch Pratt Free Library System in Baltimore City, three regional resource centers, and metropolitan cooperative service programs. The Enoch Pratt Free Library operates as the designated State Library Resource Center. It will receive \$10.3 million in State funding in fiscal 2007, which equals \$1.85 per State resident. In addition to the State center, regional resource centers serve Western Maryland (Hagerstown), Southern Maryland (Charlotte Hall), and the Eastern Shore (Salisbury). The regional centers will receive \$4.9 million in fiscal 2007, which equates to \$5.50 per resident in the region served.

Retirement Payments: The State pays 100 percent of the employer's share of retirement costs for local library employees in the Teachers' Retirement and Pension Systems maintained

by the State. State funding for library retirement payments will total \$9.2 million in fiscal 2007, a \$0.8 million increase from the prior year.

Legislative Action: While the State provides local governments with funding to operate public libraries, the State does not have a program to aid library systems with capital projects. To address this issue, the General Assembly approved legislation, *Senate Bill 709/House Bill 1380 (both passed)*, that establishes a State grant program for public library capital projects to provide a uniform and objective analysis of proposed capital projects and to support projects that address library needs in the State. The program must be administered by the Division of Library Development and Services within MSDE. Beginning in fiscal 2008, the Governor must include \$5 million annually in the State operating or capital budget for the program. The State Board of Education must adopt regulations to implement the program.

Community Colleges

Local community colleges receive about 25 percent of their funding from the State government. In fiscal 2007, State aid to local community colleges will total \$205.9 million – a \$14.3 million, or 7.5 percent increase from the prior year. Baltimore City Community College, which is operated by the State, will receive a State appropriation of \$35.0 million in fiscal 2007.

Senator John A. Cade Funding Formula: State funding under the formula will total \$164.8 million in fiscal 2007 – a \$10.7 million, or 6.9 percent increase from the prior year. The fiscal 2007 formula is based on a student enrollment count of 83,178 and a per student funding amount of \$1,982. Student enrollment increases by 2.8 percent over the prior year and per student funding increases by 4.0 percent.

The General Assembly approved legislation, *Senate Bill 356/House Bill 586 (both passed)*, that alters the calculation of the community college funding formula by phasing in a higher funding level from fiscal 2008 to 2012. Under current law, the formula distributes per pupil aid equal to 25 percent of the per pupil funding provided to certain public four-year institutions of higher education during the previous fiscal year. Under the new legislation, the per pupil funding level will increase to 25.5 percent in fiscal 2008 and to 30 percent by fiscal 2013.

Special Programs: State funding will total \$2.6 million for the small college grants and \$0.6 million for the Allegany/Garrett counties unrestricted grants. Funding for statewide and regional programs will total \$4.8 million. State funding for the English as a Second Language program will remain at \$2.5 million in fiscal 2007. The Innovative Partnership for Technology program will receive \$2.9 million in funding, a \$1.3 million increase from the prior year.

The General Assembly approved legislation, *Senate Bill 575 (passed)*, that increases to \$6 million per year the maximum State funding for English for speakers of other languages (ESOL) programs at local community colleges. Under current law, local community colleges receive \$800 per ESOL student enrolled in the colleges; however, the annual State appropriation for the programs is limited to \$2.5 million. State funding for the ESOL program has been at the limit since fiscal 2004, meaning colleges have received less than the full \$800 per ESOL student.

The fiscal 2007 State budget includes \$2.5 million for the grants, or approximately \$656 per ESOL student.

Retirement Payments: The State pays 100 percent of the employer's share of retirement costs for community college faculty in the Teachers' Retirement and Pension Systems maintained by the State. State funding for community college retirement payments will total \$17.6 million in fiscal 2007 – a \$1.8 million, or 11.7 percent increase. In addition, State funding for the optional retirement program will total \$10.0 million in fiscal 2007, representing a \$0.3 million, or 3.0 percent increase.

Local Health Departments

The State provides funds to support the delivery of public health services in each of Maryland's 24 jurisdictions. Support for this program is formula-driven, with increases based on inflation and population growth. State aid for local health departments will total \$63.1 million in fiscal 2007, representing a \$1.2 million, or 2.0 percent increase.

County and Municipal Governments

Approximately 17 percent of State aid goes to county and municipal governments. State funding for counties and municipalities will total \$986.4 million in fiscal 2007, representing a \$133.8 million, or 15.7 percent increase over the prior year. State aid to county and municipal governments is targeted primarily to highway maintenance, police and fire services, and parks and recreation. The State also provides disparity grants to less affluent counties to address the differences in the abilities of counties to raise revenues from the local income tax.

Highway User Revenues: State funding for local transportation projects is fully funded in fiscal 2007. Local governments will receive \$584.9 million in local highway user revenues in fiscal 2007, representing a \$43.0 million increase from the prior year. In addition, local governments will receive \$25.8 million in one-time grants specified by the General Assembly at the 2005 session to partially offset a \$48.5 million reduction to fiscal 2006 highway user revenues. The Administration did not release the funds but provided a \$15 million fiscal 2006 deficiency appropriation and a \$10.8 million budget amendment for the same purpose.

Other Transportation Aid: State funding for elderly/disabled transportation grants will remain at \$4.3 million in fiscal 2007, and funding for paratransit grants will remain at \$2.8 million.

Police Aid Formula: Maryland's counties and municipalities receive grants for police protection through the police aid formula. The police aid formula allocates funds on a per capita basis, and jurisdictions with a higher population density receive greater per capita grants. Municipalities receive additional grants based on the number of sworn officers. The Budget Reconciliation and Financing Act of 2003, directs the Maryland State Police to recover 30 percent of the State crime laboratories costs relating to evidence-testing services from local jurisdictions. After the crime laboratory adjustment, police aid will total \$64.9 million in fiscal 2007, representing a \$1.0 million, or 1.5 percent increase from the prior year.

The General Assembly approved legislation, *Senate Bill 642/House Bill 1115 (both passed)*, that alters the calculation of the police aid formula by increasing State funding to subdivisions bordering the District of Columbia by an amount equal to \$0.50 for each person living in Maryland within one mile of the border between Maryland and the District of Columbia. Accordingly, State aid to Montgomery and Prince George's counties will increase by approximately \$83,300 beginning in fiscal 2008.

Public Safety Grants: State funding for targeted public safety grants will total \$13.9 million in fiscal 2007. These grants include violent crime grants for Baltimore City and Prince George's County, police foot patrol and community policing grants for Baltimore City, a drug enforcement grant for Prince George's County, S.T.O.P. gun violence grants, school bus traffic enforcement grants, domestic violence grants, law enforcement and correctional officers training grants, Baltimore City war room, and the body armor grants. In addition, the Baltimore City State's Attorney Office will receive \$2.0 million in fiscal 2007 to assist in the prosecution of gun offenses and repeat violent offenders.

Vehicle Theft Prevention Program: This program provides grants to law enforcement agencies, prosecutors' offices, local governments, and community organizations for vehicle theft prevention, deterrence, and educational programs. Funds are used to enhance the prosecution and adjudication of vehicle theft crimes. Funding for the program is provided through the Vehicle Theft Prevention Fund, a non-lapsing dedicated fund that receives up to \$2.0 million a year from penalties collected for lapsed or terminated insurance coverage. Additional funds are received from inspection fees collected for salvaged vehicle verification. State funding for this program will total \$2.0 million in fiscal 2007.

Fire, Rescue, and Ambulance Services: The State provides formula grants to the counties, Baltimore City, and qualifying municipalities for local and volunteer fire, rescue, and ambulance services. The grants are for equipment and renovation projects, not operating costs. The program is funded through the Maryland Emergency Medical System Operations Fund. The grant level is set at \$10.0 million in fiscal 2007.

9-1-1 Emergency Systems Grant: The State imposes a 25 cent fee per month on telephone subscribers that is deposited into a trust fund that provides reimbursements to counties for improvements and enhancements to their 9-1-1 systems. Counties may only use the trust fund money to supplement their spending, not to supplant it. State funding to local 9-1-1 emergency systems will remain at \$13.6 million in fiscal 2007.

Program Open Space Grants: Under Program Open Space (POS), the State provides grants to local governments for land acquisition and the development of parks and recreation facilities. The State property transfer tax funds POS and related programs. For several years, a portion of this funding was eliminated due to the State's fiscal situation. Between fiscal 2003 and 2006, over \$151 million in local Program Open Space funds were transferred to the State's general fund in order to help close significant budgetary shortfalls. Due to the improvement in the State's fiscal outlook, local governments will receive full funding of POS grants in fiscal 2007. Local POS grants will total \$134.1 million in fiscal 2007, an \$89.4 million increase from

the prior year. In addition, the General Assembly agreed to continue providing Baltimore City with a \$1.5 million special POS grant.

Disparity Grants: Disparity grants address the differences in the abilities of counties to raise revenues from the local income tax, which is the third largest revenue source for counties after State aid and property taxes. Counties with per capita local income tax revenues less than 75 percent of the State's average receive grants, assuming all counties impose a 2.54 percent local income tax rate. Aid received by a county equals the dollar amount necessary to raise the county's per capita income tax revenues to 75 percent of the State average. In fiscal 2007, Baltimore City and six counties (Allegany, Caroline, Dorchester, Garrett, Prince George's, and Somerset) qualify for disparity grants. The fiscal 2007 State budget includes \$109.5 million for disparity grants, a \$12.9 million increase from the prior year. The fiscal 2007 grant under the statute is based on population estimates for July 2004 and calendar 2004 local income tax revenues raised from a 2.54 percent local income tax rate.

Utility Property Tax Grant: Legislation restructuring Maryland's electric utility tax system was enacted in 1999 (Chapters 5 and 6, Acts of 1999). Beginning with fiscal 2001, the legislation phases in over two years a 50 percent personal property tax exemption for machinery and equipment used to generate electricity for sale. To partially offset the revenue losses, the legislation provides \$30.6 million in grants to the 11 jurisdictions impacted by the exemption. The fiscal 2007 State budget includes full funding for these grants.

Local Voting Grants: State funding for local boards of education will total \$17.7 million in fiscal 2006 and \$3.8 million in fiscal 2007. Approximately \$13.4 million of the funds provided in fiscal 2006 is to cover the additional costs associated with early voting as set forth in Chapter 5 of the 2006 session.

State Assumed Functions in Baltimore City

The State assumption of functions or responsibilities performed by local governments is another aspect of State/local fiscal relationships. There was considerable activity in this area in the 1970s when the State assumed the responsibility for several programs including the District Court, Medical Assistance, public assistance, and property assessments. During the 1990s, the State assumed several local government functions in Baltimore City to help reduce the city's fiscal pressures. These services included the local community college, city detention center, and the central booking facility. The cost for these assumed functions will total \$156.9 million in fiscal 2007 – an \$11.2 million, or 7.7 percent increase from the prior year.

County Level Detail

This section includes information for each county on State aid, State funding of selected services, and capital projects in the county. The three parts included under each county are described below.

Direct Aid and Retirement Payments

Direct Aid: The State distributes aid or shares revenue with the counties, municipalities, and Baltimore City through over 40 different programs. The fiscal 2007 State budget includes \$5.3 billion to fund these programs. Part A, section 1 of each county's statistical tables compares aid distributed to the county in fiscal 2006 and 2007.

Retirement Payments: County teachers, librarians, and community college faculty are members of either the teachers' retirement or pension systems maintained and operated by the State. The State pays the employer share of the retirement costs on behalf of the counties for these local employees as well as certain elected local officials such as sheriffs and State's attorneys. These payments total \$474.8 million in fiscal 2007. Although these funds are not paid to the local governments, each county's allocation is estimated from salary information collected by the State retirement systems. These estimates are presented in Part A, section 2 of each county.

Estimated State Spending on Health and Social Services

The State funds the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. Part B of each county shows fiscal 2007 allocation estimates of general and special fund appropriations for health services, social services, and senior citizen services.

Health Services: The Department of Health and Mental Hygiene, through its various administrations, funds in whole or part community health programs that are provided in the local subdivisions. These programs are described below. General fund spending totals \$842.7 million statewide for these programs in fiscal 2007. In addition, \$63.3 million from the Cigarette Restitution Fund will also be spent on these programs in fiscal 2007. This does not include spending at the State mental health hospitals, developmental disability facilities, or chronic disease centers.

- **Alcohol and Drug Abuse:** The Alcohol and Drug Abuse Administration funds community-based programs that include primary and emergency care, intermediate care facilities, halfway houses and long-term care programs, outpatient care, and prevention programs. The fiscal 2007 budget includes \$80.4 million in general funds and \$17.2 million in special funds for these programs. In addition, the budget includes \$29.8 million in federal funds for addiction treatment services.

- ***Family Health and Primary Care Services:*** The Family Health Administration funds community-based programs through the local health departments in each of the subdivisions. These programs include maternal health (family planning, pregnancy testing, prenatal and perinatal care, etc.) and infant and child health (disease prevention, child health clinics, specialty services, etc.). Primary care services are funded for those people who previously received State-only Medical Assistance. Fiscal 2007 funding for these family health programs totals \$22.5 million in general funds and \$25.0 million in federal funds.
- ***Geriatric and Children's Services:*** The Medical Care Programs Administration provides funding for community-based programs that serve senior citizens and children. The geriatric services include operating grants to adult day care centers and an evaluation program administered by the local health departments to assess the physical and mental health needs of elderly individuals. The children's services include the Early, Periodic Screening Diagnosis and Treatment program and the Adolescent Case Coordinator program that assures at risk or pregnant teenagers receive needed health services. The data in this report also includes transportation services for Medicaid recipients in non-emergency situations. The fiscal 2007 funding for these programs totals \$26.5 million in general funds and \$24.7 million in federal funds.
- ***Mental Health:*** The Mental Hygiene Administration oversees a wide range of community mental health services that are developed and monitored at the local level by Core Service Agencies. The Core Service Agencies have the clinical, fiscal, and administrative responsibility to develop a coordinated network of services for all public mental health clients of any age within a given jurisdiction. These services include inpatient hospital and residential treatment facility stays, outpatient treatment, psychiatric rehabilitation services, counseling and targeted case management services. The fiscal 2007 budget includes \$326.1 million in general funds and \$245.4 million in federal funds for mental health services.
- ***Prevention and Disease Control:*** The Community Health Administration and the Family Health Administration are responsible for chronic and hereditary disease prevention (cancer, heart disease, diabetes, etc.). They also provide for the promotion of safe and effective immunization practices, the investigation of disease outbreaks, and continuous disease surveillance and monitoring with the support of local health departments and the medical community. General fund appropriations in fiscal 2007 total \$6.4 million. In addition, the budget includes \$46.1 million from the Cigarette Restitution Fund for tobacco use prevention and cessation and for cancer prevention and screening at the local level.

- ***Developmental Disabilities:*** The Developmental Disabilities Administration's community-based programs include residential services, day programs, transportation services, summer recreation for children, individual and family support services, including respite care, individual family care, behavioral support services, and community-supported living arrangements. The fiscal 2007 budget includes \$371.9 million in general funds and \$237.6 in federal funds for these programs.
- ***AIDS:*** The AIDS Administration funds counseling, testing, education, and risk reduction services through the local health departments. Fiscal 2007 funds for these services total \$2.0 million in general funds. The budget for the AIDS Administration also includes \$18.8 million in federal funds for these services.

Social Services: The Department of Human Resources provides funding for various social and community services in the subdivisions. Part B of each county's statistical tables shows fiscal 2007 estimates of funding for those programs that were available by subdivision. Note that fiscal 2007 funding for homeless and women's services is allocated among the subdivisions on the basis of each jurisdiction's share of fiscal 2006 funding and may change.

- ***Homeless Services:*** The Community Services Administration funds programs which provide emergency and transitional housing, food, and transportation for homeless families and individuals. Funding is available by county for the housing counselor, service-linked housing and emergency and transitional housing programs. The fiscal 2007 budget includes \$5.2 million in general funds for these programs.
- ***Women's Services:*** The Community Services Administration provides funding for a variety of community-based programs for women. These include the battered spouse program, rape crisis centers, displaced homemakers program, and crime victims' services. Total fiscal 2007 funding for these programs equals \$5.7 million in general funds. In addition, the fiscal 2007 budget includes \$8.9 million in federal funds for women's services.
- ***Adult Services:*** The State social services departments in each of the subdivisions provide a variety of services to disabled, elderly, neglected, and exploited adults. Services include information and referral, crisis intervention, case management, protective services, in-home aid, and respite care for families. The fiscal 2007 budget includes \$7.7 million in general funds and \$34.0 million in federal funds for adult services.
- ***Child Welfare Services:*** The State social services departments in each of the subdivisions offer programs to support the healthy development of families, assist families and children in need, and protect abused and neglected children. Services include adoptive services, foster care programs, family preservation programs, and child protective services. The fiscal 2007 budget includes \$87.8 million in general funds and \$92.0 million in federal funds.

Senior Citizen Services: The Department of Aging funds a variety of services for senior citizens mostly through local agencies on aging. In Part B of each county, these programs have been combined into two broad categories: long-term care and community services. The total fiscal 2007 funding is \$13.4 million in general funds and \$23.1 million in federal funds. In this report the fiscal 2007 general funds are allocated among the subdivisions on the basis of each jurisdiction's share of fiscal 2006 funding and may change.

- **Long-term Care:** This category includes the following programs: frail and vulnerable elderly, senior care, senior guardianship, the ombudsman program, and the innovations in aging program. The total fiscal 2007 funding is \$9.7 million in general funds.
- **Community Services:** Included in this category are the senior information and assistance program, the senior nutrition program, and the insurance counseling program. Also included is a hold harmless grant for certain counties that received less federal funding under the Older Americans Act when 2000 census population figures were factored into the funding formula. Fiscal 2007 funding for these programs totals \$3.7 million in general funds.

Capital Grants and Capital Projects for State Facilities

Selected State Grants for Capital Projects: The State provides capital grants for public schools, community colleges, local jails, community health facilities, adult day care centers, water quality projects, waterway improvements, homeless shelters, and other cultural, historical, and economic development projects. Projects are funded from either bond sales or current revenues. Part C lists projects in the counties authorized by the fiscal 2007 State operating and capital budgets. Projects at regional community colleges are shown for each county that the college serves. The projects listed for the various loan programs are those currently anticipated for fiscal 2007. The actual projects funded and/or the amount of funding for specific projects could change depending on which projects are ready to move forward and final costs. For the federally qualified health centers grant program, funding was not provided for all requested projects. Since it is not known which projects will be funded, all requested projects for this program are shown in this report.

The fiscal 2007 budget includes \$316.6 million in new funding for local school construction: \$2.4 million in special funds, \$19.6 million from the program's contingency fund, \$284.7 million in general obligation bonds, and \$9.9 million in expected bond premium revenues from the July 2006 State bond sale. An additional \$6.1 million in bond premium revenue is not included in this report because it will be used to replace fiscal 2006 funding that was incorrectly re-allocated. As of the publication of this report, \$220.6 million of the total fiscal 2007 funding has been allocated to specific projects. Another \$96.0 million has been allocated to specific jurisdictions but not to particular projects. These projects are listed in part C for each county.

Capital Projects for State Facilities Located in the County: Part D for each county shows capital projects, authorized by the fiscal 2007 operating and capital budgets, at State facilities and public colleges and universities by the county in which the facility is located. For facilities that are located in more than one county, such as a State park, the total amount of the capital project is shown for all relevant counties. For each capital project, the total authorized amount is given, regardless of funding source although federally funded projects are generally shown separately. For the universities, projects funded from both academic and auxiliary revenue bonds are included. This report does not include transportation projects.

Allegany County

A. Direct Aid and Retirement Payments

1. Direct Aid

| | <u>FY 2006</u> | <u>FY 2007</u> | <u>\$ Diff.</u> | <u>% Diff.</u> |
|------------------------------------|-------------------|-----------------|-----------------|----------------|
| | (\$ in Thousands) | | | |
| Foundation Aid | \$36,040 | \$39,625 | \$3,585 | 9.9 |
| Compensatory Education | 13,156 | 16,056 | 2,900 | 22.0 |
| Student Transportation | 3,359 | 3,609 | 249 | 7.4 |
| Special Education | 4,656 | 5,385 | 728 | 15.6 |
| Limited English Proficiency Grants | 30 | 33 | 2 | 8.1 |
| Guaranteed Tax Base | 1,793 | 3,553 | 1,760 | 98.1 |
| Extended Elementary | 305 | 348 | 44 | 14.3 |
| Aging Schools | 308 | 319 | 11 | 3.7 |
| Other Education Aid | 806 | 876 | 70 | 8.6 |
| Primary & Secondary Education | 60,454 | 69,803 | 9,350 | 15.5 |
| Libraries | 627 | 697 | 71 | 11.3 |
| Community Colleges | 4,892 | 5,257 | 365 | 7.5 |
| Health Formula Grant | 1,503 | 1,514 | 11 | 0.7 |
| * Transportation | 7,445 | 8,136 | 691 | 9.3 |
| * Police and Public Safety | 861 | 871 | 9 | 1.1 |
| * Fire and Rescue Aid | 228 | 228 | 0 | 0.0 |
| Recreation and Natural Resources | 498 | 1,493 | 996 | 200.1 |
| Disparity Grant | 6,100 | 7,345 | 1,245 | 20.4 |
| Total Direct Aid | \$82,608 | \$95,346 | \$12,737 | 15.4 |
| Aid Per Capita (\$) | 1,116 | 1,295 | 178 | 16.0 |
| Property Tax Equivalent (\$) | 2.94 | 3.25 | 0.31 | 10.5 |

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and State's Attorneys. Fiscal 2007 State payments for Allegany County for teachers, librarians, community college faculty, and local officials are estimated to be \$5,721,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2007 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2006) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

| | |
|-----------------------------------|-------------|
| Alcohol and Drug Abuse | \$1,796,000 |
| Family Health and Primary Care | 187,000 |
| Geriatric and Children's Services | 688,000 |
| Mental Health | 4,992,000 |
| Prevention and Disease Control | 503,000 |
| Developmental Disabilities | 4,941,000 |

Social Services

| | |
|------------------------|-----------|
| Homeless Services | 101,000 |
| Women's Services | 147,000 |
| Adult Services | 184,000 |
| Child Welfare Services | 1,899,000 |

Senior Citizen Services

| | |
|--------------------|---------|
| Long-term Care | 327,000 |
| Community Services | 176,000 |

C. Selected State Grants for Capital Projects**Public Schools**

| | |
|---|-------------|
| Allegany High School – construction | \$8,391,000 |
| Mountain Ridge High School – construction | 10,250,000 |

Allegany Community College

| | |
|----------------------|---------|
| Library – renovation | 220,000 |
|----------------------|---------|

Community Parks and Playgrounds

| | |
|------------------------------|---------|
| Barton Meadow Park | 100,000 |
| Cresaptown School Park | 80,000 |
| Lonaconing Iron Furnace Park | 92,525 |
| Springdale Park | 100,000 |

Chesapeake Bay Water Quality Projects

| | |
|--|-----------|
| Braddock Run – stream restoration | 500,000 |
| Cumberland Combined Sewer – overflow improvements | 500,000 |
| Frostburg Combined Sewer – overflow improvements | 200,000 |
| George's Creek WWTP – nutrient removal | 2,933,000 |
| Jennings Run/Woodcock Hollow – stream restoration | 500,000 |
| Westernport Combined Sewer – overflow improvements | 350,000 |

Chesapeake Bay Restoration Fund

| | |
|------------------------------------|-----------|
| Cumberland – sewer rehabilitation | 1,300,000 |
| Frostburg – sewer rehabilitation | 300,000 |
| Westernport – sewer rehabilitation | 800,000 |

Water Supply Financial Assistance Program

| | |
|-----------------------------------|---------|
| LaVale – water line replacement | 500,000 |
| Lonaconing – water improvements | 300,000 |
| Ridgedale – reservoir replacement | 255,000 |

Waterway Improvement

| | |
|---|--------|
| Mason Recreation Complex – install ADA dock | 25,000 |
|---|--------|

Other Projects

| | |
|---|---------|
| La Vale Boulevard Area Storm Drain System | 100,000 |
|---|---------|

D. Capital Projects for State Facilities in the County**Department of Natural Resources**

| | |
|--|-----------|
| Western Maryland Rail Trail – Phase IV | 2,450,000 |
| Western Maryland Rail Trail – Phase IV (federal funds) | 2,150,000 |

Department of Public Safety & Corrections

| | |
|--|------------|
| North Branch Correctional Institution – housing unit/support services building | 30,272,000 |
|--|------------|

University System of Maryland

| | |
|---|-----------|
| Frostburg State – Center for Communication and Information Technology | 2,200,000 |
| Frostburg State – Lane Center renovation/addition | 1,285,000 |
| Frostburg State – property acquisition | 2,700,000 |

Anne Arundel County

A. Direct Aid and Retirement Payments

1. Direct Aid

| | <u>FY 2006</u> | <u>FY 2007</u> | <u>\$ Diff.</u> | <u>% Diff.</u> |
|------------------------------------|-------------------|------------------|-----------------|----------------|
| | (\$ in Thousands) | | | |
| Foundation Aid | \$146,391 | \$158,119 | \$11,728 | 8.0 |
| Compensatory Education | 19,980 | 29,656 | 9,676 | 48.4 |
| Student Transportation | 15,664 | 16,882 | 1,218 | 7.8 |
| Special Education | 21,894 | 25,076 | 3,182 | 14.5 |
| Limited English Proficiency Grants | 2,099 | 3,003 | 904 | 43.1 |
| Extended Elementary | 1,133 | 1,295 | 162 | 14.3 |
| Aging Schools | 859 | 1,161 | 302 | 35.2 |
| Challenge Grants | 0 | 876 | 876 | n/a |
| Other Education Aid | 1,517 | 1,235 | (282) | (18.6) |
| Primary & Secondary Education | 209,537 | 237,303 | 27,766 | 13.3 |
| Libraries | 1,736 | 1,844 | 108 | 6.2 |
| Community Colleges | 23,055 | 24,431 | 1,376 | 6.0 |
| Health Formula Grant | 5,218 | 5,320 | 102 | 2.0 |
| * Transportation | 31,533 | 34,480 | 2,947 | 9.3 |
| * Police and Public Safety | 6,556 | 6,652 | 95 | 1.5 |
| * Fire and Rescue Aid | 817 | 812 | (5) | (0.7) |
| Recreation and Natural Resources | 5,397 | 16,147 | 10,750 | 199.2 |
| Utility Property Tax Grants | 7,820 | 7,820 | 0 | 0.0 |
| * Other Direct Aid | 495 | 495 | 0 | 0.0 |
| Total Direct Aid | \$292,164 | \$335,304 | \$43,140 | 14.8 |
| Aid Per Capita (\$) | 575 | 656 | 82 | 14.2 |
| Property Tax Equivalent (\$) | 0.56 | 0.55 | (0.01) | (1.2) |

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and State's Attorneys. Fiscal 2007 State payments for Anne Arundel County for teachers, librarians, community college faculty, and local officials are estimated to be \$37,766,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2007 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2006) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

| | |
|-----------------------------------|-------------|
| Alcohol and Drug Abuse | \$2,686,000 |
| Family Health and Primary Care | 623,000 |
| Geriatric and Children's Services | 1,289,000 |
| Mental Health | 19,244,000 |
| Prevention and Disease Control | 1,487,000 |
| Developmental Disabilities | 34,017,000 |

Social Services

| | |
|------------------------|-----------|
| Homeless Services | 206,000 |
| Women's Services | 419,000 |
| Adult Services | 174,000 |
| Child Welfare Services | 4,668,000 |

Senior Citizen Services

| | |
|--------------------|---------|
| Long-term Care | 651,000 |
| Community Services | 158,000 |

C. Selected State Grants for Capital Projects**Public Schools**

| | |
|---|-----------|
| Crofton Meadows Elementary School – renovations (HVAC) | \$490,000 |
| George Fox Middle School – renovations (HVAC) | 397,000 |
| Harman Elementary School – construction | 2,276,000 |
| Meade High School – science facilities | 2,426,000 |
| Millersville Elementary School – renovations (electric) | 55,000 |
| North County High School – construction | 272,000 |
| Oakwood Elementary School – renovations (electric) | 55,000 |
| R.H. Lee Elementary School – renovations (HVAC) | 779,000 |
| Seven Oaks Elementary School – construction | 4,024,000 |
| Severn Elementary School – renovations (HVAC) | 364,000 |
| Southern High School – renovations (HVAC) | 1,846,000 |
| Tracy's Elementary School – construction | 1,700,000 |
| Windsor Farms Elementary School – renovations (HVAC) | 490,000 |
| Unspecified additional funding | 7,501,000 |

Anne Arundel Community College

| | |
|----------------------------------|---------|
| Administrative Services Building | 313,000 |
|----------------------------------|---------|

Community Mental Health/Addictions/Dev. Disabilities

| | |
|----------------------------|-----------|
| Opportunity Builders, Inc. | 1,600,000 |
|----------------------------|-----------|

Community Parks and Playgrounds

| | |
|---------------------|---------|
| Freetown Park | 110,000 |
| Primrose Acres Park | 140,000 |

Chesapeake Bay Restoration Fund

| | |
|--|------------|
| Cox Creek WWTP – enhanced nutrient removal | 11,845,000 |
|--|------------|

Waterway Improvement

| | |
|---|---------|
| Annapolis – public boating facilities | 99,000 |
| Annapolis Fire Department – fire/rescue boats | 50,000 |
| Annapolis Harbor – replace bulkhead, slips, and walkway | 950,000 |
| Anne Arundel County Fire Department – fire/rescue and EMS equipment | 149,000 |
| Dredging Projects – countywide studies and design | 250,000 |
| Edwin Raynor – reclaim dredge material placement site | 125,000 |
| Locust Cove – channel dredging | 100,000 |
| Parish Creek – channel dredging | 525,000 |
| Parker Creek – channel dredging | 262,500 |
| Pooles Gut – channel dredging | 359,000 |
| Town Point – dredge material site additional storage | 800,000 |
| Whitehall Creek – channel dredging | 135,000 |

Hazardous Substance Cleanup Program

| | |
|----------------------|---------|
| Harundale Well Field | 100,000 |
|----------------------|---------|

Other Projects

| | |
|--|---------|
| Annapolis and Anne Arundel County Conference and Visitors Bureau | 250,000 |
| Annapolis Maritime Museum | 250,000 |
| Anne Arundel Medical Center | 250,000 |
| Chesapeake Children's Museum | 115,000 |
| Children's Theater of Annapolis | 125,000 |
| City of Annapolis – underground utility wiring | 600,000 |
| Community Center at Woods | 225,000 |
| Hancock's Resolution Visitor Center | 100,000 |
| Historic Annapolis Foundation | 250,000 |
| James Brice House | 400,000 |
| Jessup Community Hall | 50,000 |
| Linthicum Walks | 50,000 |
| Maryland Hall for the Creative Arts | 350,000 |
| Opportunity Builders, Inc. | 585,000 |
| Women's Club of Linthicum Heights | 50,000 |

D. Capital Projects for State Facilities in the County

General Government

| | |
|--|-----------|
| Annapolis – Beautification and Safety Improvements | 2,000,000 |
| Annapolis – Legislative Facilities – Old House Chamber | 1,000,000 |

Department of Natural Resources

| | |
|--|---------|
| Annapolis Harbor State Dock – replace bulkhead | 100,000 |
| Sandy Point State Park – replace timber bulkhead | 189,350 |

Maryland Veterans Administration

| | |
|---|-----------|
| Crownsville Veterans Cemetery – expansion (federal funds) | 3,108,000 |
|---|-----------|

Baltimore City

A. Direct Aid and Retirement Payments

1. Direct Aid

| | <u>FY 2006</u> | <u>FY 2007</u> | <u>\$ Diff.</u> | <u>% Diff.</u> |
|------------------------------------|--------------------|--------------------|-----------------|----------------|
| | (\$ in Thousands) | | | |
| Foundation Aid | \$345,754 | \$365,803 | \$20,049 | 5.8 |
| Compensatory Education | 200,152 | 234,131 | 33,979 | 17.0 |
| Student Transportation | 15,477 | 15,842 | 365 | 2.4 |
| Special Education | 69,486 | 79,132 | 9,646 | 13.9 |
| Limited English Proficiency Grants | 5,010 | 6,715 | 1,705 | 34.0 |
| Guaranteed Tax Base | 20,572 | 30,240 | 9,668 | 47.0 |
| Extended Elementary | 3,618 | 4,135 | 517 | 14.3 |
| Baltimore City Partnership | 14,093 | 0 | (14,093) | -100.0 |
| Aging Schools | 2,356 | 3,185 | 829 | 35.2 |
| Other Education Aid | 7,920 | 3,634 | (4,286) | (54.1) |
| Primary & Secondary Education | 684,439 | 742,819 | 58,380 | 8.5 |
| Libraries | 5,427 | 6,061 | 633 | 11.7 |
| Health Formula Grant | 11,036 | 11,276 | 240 | 2.2 |
| Transportation | 226,403 | 239,219 | 12,816 | 5.7 |
| Police and Public Safety | 9,267 | 10,103 | 836 | 9.0 |
| Fire and Rescue Aid | 976 | 965 | (11) | (1.2) |
| Recreation and Natural Resources | 5,059 | 12,189 | 7,130 | 140.9 |
| Disparity Grant | 69,695 | 76,002 | 6,307 | 9.0 |
| Utility Property Tax Grants | 453 | 453 | 0 | 0.0 |
| Other Direct Aid | 5,264 | 4,640 | (624) | (11.9) |
| Total Direct Aid | \$1,018,021 | \$1,103,727 | \$85,706 | 8.4 |
| Aid Per Capita (\$) | 1,586 | 1,736 | 150 | 9.5 |
| Property Tax Equivalent (\$) | 4.38 | 4.32 | (0.06) | (1.4) |

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and State's Attorneys. Fiscal 2007 State payments for Baltimore City for teachers, librarians, community college faculty, and local officials are estimated to be \$45,327,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2007 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2006) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

| | |
|-----------------------------------|--------------|
| Alcohol and Drug Abuse | \$37,965,000 |
| Family Health and Primary Care | 3,891,000 |
| Geriatric and Children's Services | 2,135,000 |
| Mental Health | 110,934,000 |
| Prevention and Disease Control | 1,270,000 |
| Developmental Disabilities | 42,657,000 |
| AIDS | 410,000 |

Social Services

| | |
|------------------------|------------|
| Homeless Services | 2,159,000 |
| Women's Services | 738,000 |
| Adult Services | 1,048,000 |
| Child Welfare Services | 35,911,000 |

Senior Citizen Services

| | |
|--------------------|-----------|
| Long-term Care | 1,872,000 |
| Community Services | 880,000 |

C. Selected State Grants for Capital Projects**Public Schools**

| | |
|--|-------------|
| Arundel Elementary/Middle School #164 – renovations (window) | \$1,094,000 |
| Baltimore City College #480 – renovations (ATC) | 1,271,000 |
| Baltimore City College #481 – renovations (elevator) | 358,000 |
| Beechfield Elementary School #246 – renovations (windows) | 777,000 |
| Carver Vo-Tech High School #454 – construction | 500,000 |
| Collington Square Elementary/Middle School #97 – renovations (windows) | 865,000 |
| Garrison Middle School #42 – renovations (electric) | 201,000 |
| George McMechen Middle School #177 – renovations (ATC) | 468,000 |
| Hamilton Middle School #41 – renovations (windows/door) | 1,528,000 |
| Hazelwood Elementary/Middle School – renovations (windows/door) | 1,003,000 |
| Hazelwood Elementary/Middle School – renovations (ATC) | 306,000 |
| Highlandtown Elementary/Middle School #237 – construction | 3,900,000 |
| John Ruhrah Elementary School #228 – renovations (cooling) | 180,000 |
| Matthew Henson Elementary School – renovations (boiler) | 331,000 |
| Matthew Henson Elementary School – renovations (roof) | 1,402,000 |
| Northeast Middle School #49 – renovations (ATC) | 534,000 |
| Northwestern High School #401 – renovations (ATC) | 1,428,000 |
| Northwestern High School #401 – renovations (boiler) | 1,227,000 |
| Sinclair Lane Elementary School #248 – renovations (elevator) | 358,000 |
| Sinclair Lane Elementary School #248 – renovations (windows) | 706,000 |
| Unspecified additional funding | 20,999,000 |

Juvenile Justice Bond Program

| | |
|---------------------------|---------|
| TuTTie's Place Chelsea II | 957,000 |
|---------------------------|---------|

Community Mental Health/Addictions/Dev. Disabilities

| | |
|-----------|---------|
| Man Alive | 800,000 |
|-----------|---------|

Federally Qualified Health Centers Grant Program

| | |
|------------------------------------|-----------|
| Baltimore Medical System, Inc. | 1,200,000 |
| Family Health Centers of Baltimore | 700,000 |

Senior Citizen Activity Centers

| | |
|----------------------|---------|
| Waxter Senior Center | 600,000 |
|----------------------|---------|

Shelter & Transitional Facilities

| | |
|---------------|---------|
| House of Hope | 725,000 |
|---------------|---------|

Community Parks and Playgrounds

| | |
|--------------------------------|---------|
| Carroll Cook Recreation Center | 140,000 |
| Mund Park | 135,000 |
| Roosevelt Park Swimming Pool | 200,000 |
| St. Helena Park | 70,506 |

Chesapeake Bay Water Quality Projects

| | |
|---------------------------------------|-----------|
| Maiden Choice – stormwater management | 263,000 |
| Patapsco WWTP – nutrient removal | 5,208,000 |

Chesapeake Bay Restoration Fund

| | |
|---|------------|
| Back River WWTP – enhanced nutrient removal | 10,000,000 |
| Baltimore City – sewer rehabilitation | 1,300,000 |
| Patapsco WWTP – enhanced nutrient removal | 8,000,000 |

Waterway Improvement

| | |
|---|-----------|
| City Fire Department – boats and equipment | 50,000 |
| Fort Armistead Park – replace wave screen | 99,000 |
| Inner Harbor – improve electrical service to piers | 29,000 |
| Inner Harbor Marina – replace slips, piers, utilities | 1,575,000 |
| Inner Harbor Sailing Center – construct boating facility | 99,000 |
| Inner Harbor/Key Highway – marina services and harbor master building | 30,500 |

Other Projects

| | |
|--|------------|
| Assisted Living on the Green | 500,000 |
| Baltimore Child Abuse Center | 250,000 |
| Baltimore Clayworks | 200,000 |
| Baltimore Museum of Art | 250,000 |
| Baltimore Zoo – elephant facilities | 500,000 |
| Baltimore Zoo – facilities renewal | 760,000 |
| Catholic Charities – Our Daily Bread | 2,000,000 |
| Diakon Housing and Development | 350,000 |
| Dorothy M. Higgins Community Center | 25,000 |
| East Baltimore Biotechnology Park | 5,000,000 |
| Forest Park Clubhouse | 500,000 |
| Forest Park Senior Center | 100,000 |
| Gaudenzia at Woodland Avenue | 100,000 |
| Gay Street One/Madison Square | 125,000 |
| Great Blacks in Wax Museum | 1,000,000 |
| Hearing and Speech Agency | 100,000 |
| Helping Up Mission | 1,000,000 |
| Herring Run Watershed Center | 100,000 |
| Historic East Baltimore Community Action Coalition | 300,000 |
| Institute of Notre Dame | 75,000 |
| Johns Hopkins Health System – Cardiovascular and Critical Care Tower | 12,500,000 |
| Johns Hopkins Health System – Pediatric Trauma Center | 15,000,000 |
| Johns Hopkins Medical Institutions | 5,000,000 |
| Johns Hopkins University – School of Nursing Facility | 3,000,000 |
| Kennedy Kreiger Institute | 2,000,000 |
| L.A.M.B. Community Resource Center | 125,000 |
| Legends Park | 25,000 |
| Library Square Revitalization | 250,000 |
| Lloyd Street Synagogue | 440,000 |
| Lutheran Hospital Site – demolition | 250,000 |
| Lyric Opera House | 1,000,000 |
| Maryland Historical Society | 1,500,000 |
| Morgan Christian Center | 200,000 |
| Mt. Washington Pediatric Hospital | 750,000 |
| National Aquarium in Baltimore | 2,500,000 |
| Notre Dame/Loyola College – library renovations and expansion | 3,000,000 |
| Paul's Place | 250,000 |
| Peale Museum | 250,000 |
| Port Discovery | 300,000 |
| Powerhouse | 250,000 |

| | |
|-----------------------------------|-----------|
| Sandi's Learning Center | 300,000 |
| School 33 Art Center | 125,000 |
| Walters Art Museum | 250,000 |
| Waxter Center for Senior Citizens | 250,000 |
| WestSide Revitalization Project | 5,000,000 |
| Winchester Street Potter's House | 125,000 |
| Zion Christian Middle School | 150,000 |

D. Capital Projects for State Facilities in the City**General Government**

| | |
|--|-----------|
| 2100 Guilford Avenue – addition and renovation | 1,800,000 |
| 6 St. Paul Place – elevators | 2,313,000 |

Department of Health & Mental Hygiene

| | |
|--|-----------|
| Forensic Medical Center – construction | 2,945,000 |
|--|-----------|

Department of Public Safety & Corrections

| | |
|--|-----------|
| Baltimore City Detention Center – property acquisition | 3,000,000 |
|--|-----------|

Morgan State University

| | |
|---|-----------|
| Campuswide – site improvements | 2,840,000 |
| Campuswide – utility upgrades | 7,010,000 |
| Center for the Built Environment and Infrastructure Studies | 1,664,704 |
| Lillie Carroll Jackson Museum – renovation | 240,000 |
| Northwood Shopping Center – demolition | 1,800,000 |

University System of Maryland

| | |
|--|------------|
| Coppin State – Health and Human Services Building | 6,370,000 |
| Coppin State – Lutheran Hospital site demolition | 2,237,000 |
| Coppin State – Physical Education Complex | 2,331,000 |
| Coppin State – utilities/security systems improvements | 10,390,000 |
| UMD at Baltimore – campus center | 17,450,000 |
| UMD at Baltimore – Dental School Building construction | 7,000,000 |
| UMD at Baltimore – Pharmacy Hall addition and renovation | 2,200,000 |

Other

| | |
|--|-----------|
| UMD Medical System – ambulatory care center | 2,500,000 |
| UMD Medical System – diagnostic and treatment facility | 2,500,000 |

Baltimore County

A. Direct Aid and Retirement Payments

1. Direct Aid

| | <u>FY 2006</u> | <u>FY 2007</u> | <u>\$ Diff.</u> | <u>% Diff.</u> |
|------------------------------------|-------------------|------------------|-----------------|----------------|
| | (\$ in Thousands) | | | |
| Foundation Aid | \$266,323 | \$295,037 | \$28,714 | 10.8 |
| Compensatory Education | 50,701 | 68,694 | 17,993 | 35.5 |
| Student Transportation | 20,591 | 22,217 | 1,626 | 7.9 |
| Special Education | 31,422 | 36,911 | 5,488 | 17.5 |
| Limited English Proficiency Grants | 5,092 | 6,736 | 1,644 | 32.3 |
| Extended Elementary | 1,041 | 1,190 | 149 | 14.3 |
| Aging Schools | 2,576 | 2,734 | 158 | 6.2 |
| Other Education Aid | 8,510 | 8,088 | (421) | (5.0) |
| Primary & Secondary Education | 386,257 | 441,608 | 55,351 | 14.3 |
| Libraries | 4,208 | 4,684 | 476 | 11.3 |
| Community Colleges | 32,144 | 34,041 | 1,897 | 5.9 |
| Health Formula Grant | 7,154 | 7,331 | 177 | 2.5 |
| Transportation | 42,080 | 46,058 | 3,978 | 9.5 |
| Police and Public Safety | 9,661 | 9,750 | 89 | 0.9 |
| Fire and Rescue Aid | 1,195 | 1,195 | 0 | 0.0 |
| Recreation and Natural Resources | 6,072 | 18,186 | 12,115 | 199.5 |
| Utility Property Tax Grants | 1,795 | 1,795 | 0 | 0.0 |
| Other Direct Aid | 50 | 50 | 0 | 0.0 |
| Total Direct Aid | \$490,616 | \$564,699 | \$74,083 | 15.1 |
| Aid Per Capita (\$) | 628 | 718 | 90 | 14.4 |
| Property Tax Equivalent (\$) | 0.88 | 0.90 | 0.02 | 2.2 |

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and State's Attorneys. Fiscal 2007 State payments for Baltimore County for teachers, librarians, community college faculty, and local officials are estimated to be \$59,059,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2007 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2006) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

| | |
|-----------------------------------|-------------|
| Alcohol and Drug Abuse | \$5,006,000 |
| Family Health and Primary Care | 227,000 |
| Geriatric and Children's Services | 6,645,000 |
| Mental Health | 46,319,000 |
| Prevention and Disease Control | 2,401,000 |
| Developmental Disabilities | 52,226,000 |

Social Services

| | |
|------------------------|-----------|
| Homeless Services | 229,000 |
| Women's Services | 536,000 |
| Adult Services | 310,000 |
| Child Welfare Services | 5,766,000 |

Senior Citizen Services

| | |
|--------------------|-----------|
| Long-term Care | 1,489,000 |
| Community Services | 250,000 |

C. Selected State Grants for Capital Projects**Public Schools**

| | |
|---|------------|
| Bear Creek Elementary School – renovations (windows) | \$452,000 |
| Bedford Elementary School – renovations (roof) | 401,000 |
| Glenmar Elementary School – renovations (windows) | 336,000 |
| Hampton Elementary School – renovations (windows) | 357,000 |
| Hebbsville Elementary School – renovations (roof) | 488,000 |
| Holabird Middle School – construction | 8,320,000 |
| Johnnycake Elementary School – renovations (windows) | 574,000 |
| Loch Raven Middle School – construction | 2,950,000 |
| Perry Hall Elementary School – renovations (chillers) | 212,000 |
| Perry Hall High School – renovations (boilers) | 250,000 |
| Pine Grove Middle School – renovations (roof) | 1,217,000 |
| Pleasant Plains Elementary School – renovations (windows) | 333,000 |
| Sandalwood Elementary School – renovations (boilers) | 224,000 |
| Southwest Academy – construction | 353,000 |
| Timonium Elementary School – renovations (windows) | 431,000 |
| Windsor Mill Middle School – construction | 811,000 |
| Woodmoor Elementary School – renovations (windows) | 343,000 |
| Unspecified additional funding | 17,001,000 |

Baltimore Community College

| | |
|--|-----------|
| Essex – Science/Allied Health Building | 2,596,000 |
|--|-----------|

Community Parks and Playgrounds

| | |
|------------------|---------|
| Belmont Park | 75,000 |
| Chesterwood Park | 200,000 |
| Stevenswood Park | 150,000 |

Waterway Improvement

| | |
|--|---------|
| Bear Creek – design for dredging | 40,000 |
| Chesterwood Park – construct derelict boat storage | 99,000 |
| Duck Creek and Deep Creek – dredging | 310,000 |
| Jones Creek/North Point Creek – design for dredging | 30,000 |
| Middle River Ambulance Team – acquire safety equipment | 25,000 |
| Seneca Creek/Goose Harbor – channel dredging | 450,000 |
| Seneca Creek/Middle River – channel dredging | 300,000 |
| Southwest Area Park – signage and paving | 99,000 |
| Submerged aquatic vegetation monitoring – countywide | 75,000 |
| Wilson Point Park – construct new boating facility | 350,000 |

Other Projects

| | |
|---|-----------|
| Athletic Facilities – renovations and enhancements | 100,000 |
| Banneker Historical Park and Museum | 400,000 |
| Blind Industries and Services of Maryland – expansion | 1,000,000 |
| Catonsville – artificial turf field | 400,000 |
| Fire Museum of Maryland | 100,000 |
| Irvine Nature Center | 500,000 |
| Maryland Food Bank | 150,000 |
| Maryland State Fairgrounds | 500,000 |
| Mental Health Community Rehabilitation Center | 300,000 |
| Northwest Hospital Center | 400,000 |
| Perry Hall Mansion | 225,000 |
| Randallstown Community Center | 1,152,415 |
| Sheppard Pratt Hospital | 1,000,000 |
| Todd's Inheritance | 275,000 |
| Towson Family Branch YMCA | 500,000 |
| Towson Roundabout Park | 175,000 |
| Western Family Branch YMCA | 500,000 |

D. Capital Projects for State Facilities in the County**Department of Natural Resources**

| | |
|---|-----------|
| Gunpowder Falls State Park – dredging | 425,000 |
| Gunpowder Falls State Park – Dundee Creek Marina | 50,000 |
| Gunpowder Falls State Park – Hammerman Beach Service Building | 2,165,000 |

Aid to Local Government – Baltimore County

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| | |
|--|---------|
| Gunpowder Falls State Park – Hart-Miller Island improvements | 45,000 |
| Patapsco Valley State Park – Bloede Dam rehabilitation | 300,000 |
| Patapsco Valley State Park – Daniels Dam rehabilitation | 340,000 |

Military

| | |
|---|-----------|
| Dundalk Armory – field maintenance shop | 1,200,000 |
| Dundalk Armory – field maintenance shop (federal funds) | 4,912,000 |

Maryland Veterans Administration

| | |
|---|---------|
| Garrison Forest Veterans Cemetery – expansion | 530,000 |
|---|---------|

University System of Maryland

| | |
|--|------------|
| Baltimore County – Dining Hall HVAC upgrades | 500,000 |
| Baltimore County – Fine Arts and Humanities Building | 4,950,000 |
| Baltimore County – Hillcrest demolition/parking lot | 1,250,000 |
| Baltimore County – recreation and athletic facilities | 2,500,000 |
| Baltimore County – residence hall renovations | 1,200,000 |
| Baltimore County – surface lots | 750,000 |
| Towson University – campuswide infrastructure improvements | 1,300,000 |
| Towson University – College of Liberal Arts Complex | 43,935,000 |
| Towson University – Residence Tower window wall upgrade | 1,200,000 |
| Towson University – Towson Center Arena improvements | 5,000,000 |

Calvert County

A. Direct Aid and Retirement Payments

1. Direct Aid

| | <u>FY 2006</u> | <u>FY 2007</u> | <u>\$ Diff.</u> | <u>% Diff.</u> |
|------------------------------------|-------------------|-----------------|-----------------|----------------|
| | (\$ in Thousands) | | | |
| Foundation Aid | \$52,016 | \$56,585 | \$4,570 | 8.8 |
| Compensatory Education | 4,454 | 5,250 | 796 | 17.9 |
| Student Transportation | 4,120 | 4,463 | 343 | 8.3 |
| Special Education | 4,491 | 5,437 | 945 | 21.0 |
| Limited English Proficiency Grants | 277 | 375 | 98 | 35.3 |
| Extended Elementary | 397 | 454 | 57 | 14.3 |
| Aging Schools | 65 | 88 | 23 | 35.2 |
| Other Education Aid | 657 | 658 | 1 | 0.1 |
| Primary & Secondary Education | 66,477 | 73,310 | 6,832 | 10.3 |
| Libraries | 330 | 386 | 56 | 16.9 |
| Community Colleges | 1,298 | 1,473 | 176 | 13.5 |
| Health Formula Grant | 618 | 636 | 18 | 2.9 |
| * Transportation | 6,467 | 7,065 | 598 | 9.2 |
| * Police and Public Safety | 754 | 777 | 23 | 3.1 |
| * Fire and Rescue Aid | 200 | 200 | 0 | 0.0 |
| Recreation and Natural Resources | 541 | 1,620 | 1,078 | 199.1 |
| Utility Property Tax Grants | 6,097 | 6,097 | 0 | 0.0 |
| Total Direct Aid | \$82,782 | \$91,563 | \$8,781 | 10.6 |
| Aid Per Capita (\$) | 959 | 1,041 | 82 | 8.6 |
| Property Tax Equivalent (\$) | 0.99 | 0.95 | (0.03) | (3.2) |

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and State's Attorneys. Fiscal 2007 State payments for Calvert County for teachers, librarians, community college faculty, and local officials are estimated to be \$9,440,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2007 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2006) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

| | |
|-----------------------------------|-----------|
| Alcohol and Drug Abuse | \$735,000 |
| Family Health and Primary Care | 121,000 |
| Geriatric and Children's Services | 344,000 |
| Mental Health | 2,404,000 |
| Prevention and Disease Control | 480,000 |
| Developmental Disabilities | 5,784,000 |

Social Services

| | |
|------------------------|---------|
| Homeless Services | 33,000 |
| Women's Services | 101,000 |
| Adult Services | 60,000 |
| Child Welfare Services | 851,000 |

Senior Citizen Services

| | |
|--------------------|---------|
| Long-term Care | 125,000 |
| Community Services | 25,000 |

C. Selected State Grants for Capital Projects**Public Schools**

| | |
|---|-----------|
| Calvert Elementary School – kindergarten/pre-k addition | \$499,000 |
| Dowell Elementary School – kindergarten/pre-k addition | 431,000 |
| Mt. Harmony Elementary School – kindergarten/pre-k addition | 431,000 |
| Mutual Elementary School – kindergarten/pre-k addition | 431,000 |
| Southern Middle School – renovations (roof) | 500,000 |
| Windy Hill Elementary School – kindergarten/pre-k addition | 431,000 |

College of Southern Maryland

| | |
|---|-----------|
| La Plata – Classroom/Office Building renovation/expansion | 1,185,000 |
| La Plata – Science and Technology Building | 1,988,000 |

Waterway Improvement

| | |
|--|---------|
| Chesapeake Beach – transient boat tie-ups | 50,000 |
| North Beach – rehabilitate stone breakwaters | 250,000 |

Other Projects

| | |
|--|---------|
| Annmarie Garden | 150,000 |
| Friends of Jefferson Patterson Park and Museum | 150,000 |
| United Way of Calvert County | 145,000 |
| Volunteer Fire Department Training Center at North Beach | 200,000 |

Caroline County

A. Direct Aid and Retirement Payments

1. Direct Aid

| | <u>FY 2006</u> | <u>FY 2007</u> | <u>\$ Diff.</u> | <u>% Diff.</u> |
|------------------------------------|-------------------|-----------------|-----------------|----------------|
| | (\$ in Thousands) | | | |
| Foundation Aid | \$19,703 | \$22,327 | \$2,625 | 13.3 |
| Compensatory Education | 6,605 | 8,093 | 1,488 | 22.5 |
| Student Transportation | 1,859 | 2,036 | 177 | 9.5 |
| Special Education | 1,843 | 2,238 | 395 | 21.4 |
| Limited English Proficiency Grants | 297 | 482 | 186 | 62.6 |
| Guaranteed Tax Base | 438 | 614 | 176 | 40.1 |
| Extended Elementary | 308 | 351 | 44 | 14.3 |
| Aging Schools | 85 | 115 | 30 | 35.2 |
| Other Education Aid | 596 | 867 | 271 | 45.4 |
| Primary & Secondary Education | 31,733 | 37,125 | 5,391 | 17.0 |
| Libraries | 221 | 241 | 20 | 8.9 |
| Community Colleges | 1,175 | 1,216 | 41 | 3.5 |
| Health Formula Grant | 890 | 893 | 3 | 0.4 |
| * Transportation | 5,038 | 5,507 | 469 | 9.3 |
| * Police and Public Safety | 319 | 320 | 1 | 0.4 |
| * Fire and Rescue Aid | 200 | 200 | 0 | 0.0 |
| Recreation and Natural Resources | 236 | 707 | 471 | 199.3 |
| Disparity Grant | 1,889 | 1,838 | (51) | (2.7) |
| Total Direct Aid | \$41,702 | \$48,048 | \$6,345 | 15.2 |
| Aid Per Capita (\$) | 1,341 | 1,510 | 168 | 12.6 |
| Property Tax Equivalent (\$) | 2.33 | 2.40 | 0.06 | 2.7 |

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and State's Attorneys. Fiscal 2007 State payments for Caroline County for teachers, librarians, community college faculty, and local officials are estimated to be \$2,861,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2007 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2006) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

| | |
|-----------------------------------|-----------|
| Alcohol and Drug Abuse | \$428,000 |
| Family Health and Primary Care | 160,000 |
| Geriatric and Children's Services | 481,000 |
| Mental Health | 2,687,000 |
| Prevention and Disease Control | 385,000 |
| Developmental Disabilities | 2,077,000 |

Social Services

| | |
|------------------------|---------|
| Homeless Services | 59,000 |
| Women's Services | 170,000 |
| Adult Services | 74,000 |
| Child Welfare Services | 671,000 |

Senior Citizen Services

| | |
|--------------------|---------|
| Long-term Care | 570,000 |
| Community Services | 151,000 |

Note: A portion of women's services funding supports services in Caroline, Dorchester, Kent, Queen Anne's, and Talbot counties. Senior citizen services funding supports services in Caroline, Kent, and Talbot counties.

C. Selected State Grants for Capital Projects**Public Schools**

| | |
|--|-----------|
| Colonel Richardson High School – renovations (roof) | \$547,000 |
| Colonel Richardson Middle School – construction | 2,246,000 |
| Colonel Richardson Middle School – relocatable classroom | 142,000 |

Chesapeake College

| | |
|--------------------------------------|-----------|
| Talbot Science Building – renovation | 3,810,000 |
|--------------------------------------|-----------|

Community Parks and Playgrounds

| | |
|-------------------------------|--------|
| Hillsboro Park | 63,000 |
| James T. Wright Memorial Park | 40,600 |
| Marina Park | 30,000 |
| Martin Sutton Park | 15,000 |

Chesapeake Bay Water Quality Projects

| | |
|---|---------|
| Federalsburg WWTP – nutrient removal | 170,000 |
| Lockerman Street Lift Station – upgrade | 165,000 |

Chesapeake Bay Restoration Fund

| | |
|--|-----------|
| Federalsburg WWTP – enhanced nutrient removal | 2,000,000 |
| Lockerman Street Lift Station – sewer rehabilitation | 100,000 |

Water Supply Financial Assistance Program

| | |
|--|---------|
| Federalsburg – water tower replacement | 185,000 |
|--|---------|

Waterway Improvement

| | |
|---|---------|
| Denton – Crouse Park boat basin dredging | 315,000 |
| Denton – Crouse Park bulkhead replacement | 79,500 |
| Federalsburg – shoreline stabilization and boat ramp improvements | 50,000 |
| Public Boating Facilities – countywide maintenance | 99,000 |

Other Projects

| | |
|---|---------|
| Benedictine School | 500,000 |
| Denton National Guard Armory | 50,000 |
| Girl Scouts of the Chesapeake Bay Council, Inc. – Camp Todd | 50,000 |

D. Capital Projects for State Facilities in the County**Department of Natural Resources**

| | |
|--|---------|
| Martinak State Park – parking and boat pier improvements | 150,000 |
|--|---------|

Carroll County

A. Direct Aid and Retirement Payments

1. Direct Aid

| | <u>FY 2006</u> | <u>FY 2007</u> | <u>\$ Diff.</u> | <u>% Diff.</u> |
|------------------------------------|-------------------|------------------|-----------------|----------------|
| | (\$ in Thousands) | | | |
| Foundation Aid | \$88,993 | \$98,057 | \$9,065 | 10.2 |
| Compensatory Education | 5,229 | 6,923 | 1,694 | 32.4 |
| Student Transportation | 7,120 | 7,759 | 640 | 9.0 |
| Special Education | 9,185 | 10,850 | 1,665 | 18.1 |
| Limited English Proficiency Grants | 266 | 410 | 144 | 54.0 |
| Extended Elementary | 150 | 172 | 21 | 14.3 |
| Aging Schools | 347 | 391 | 44 | 12.7 |
| Other Education Aid | 607 | 613 | 6 | 1.0 |
| Primary & Secondary Education | 111,897 | 125,176 | 13,279 | 11.9 |
| Libraries | 790 | 886 | 96 | 12.1 |
| Community Colleges | 5,620 | 6,196 | 576 | 10.3 |
| Health Formula Grant | 2,044 | 2,070 | 26 | 1.3 |
| * Transportation | 14,086 | 15,415 | 1,330 | 9.4 |
| * Police and Public Safety | 1,552 | 1,581 | 29 | 1.9 |
| * Fire and Rescue Aid | 265 | 264 | (1) | (0.2) |
| Recreation and Natural Resources | 1,216 | 3,640 | 2,423 | 199.2 |
| Total Direct Aid | \$137,469 | \$155,228 | \$17,759 | 12.9 |
| Aid Per Capita (\$) | 826 | 921 | 95 | 11.5 |
| Property Tax Equivalent (\$) | 1.02 | 1.02 | (0.01) | (0.8) |

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and State's Attorneys. Fiscal 2007 State payments for Carroll County for teachers, librarians, community college faculty, and local officials are estimated to be \$14,254,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2007 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2006) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

| | |
|-----------------------------------|-------------|
| Alcohol and Drug Abuse | \$1,284,000 |
| Family Health and Primary Care | 173,000 |
| Geriatric and Children's Services | 607,000 |
| Mental Health | 6,550,000 |
| Prevention and Disease Control | 715,000 |
| Developmental Disabilities | 11,114,000 |

Social Services

| | |
|------------------------|-----------|
| Homeless Services | 91,000 |
| Women's Services | 156,000 |
| Adult Services | 105,000 |
| Child Welfare Services | 1,458,000 |

Senior Citizen Services

| | |
|--------------------|---------|
| Long-term Care | 286,000 |
| Community Services | 66,000 |

C. Selected State Grants for Capital Projects**Public Schools**

| | |
|--|-------------|
| Ebb Valley Elementary School – construction | \$1,300,000 |
| Hampstead Elementary School – kindergarten/pre-k addition | 1,104,000 |
| Manchester Elementary School – kindergarten/pre-k addition | 1,375,000 |
| Mechanicsville Elementary School – kindergarten/pre-k addition | 1,035,000 |
| Robert Moton Elementary School – renovations (HVAC) | 1,520,000 |
| Runnymede Elementary School – kindergarten/pre-k addition | 1,212,000 |
| Westminster West Middle School – renovations (HVAC) | 736,000 |

Carroll Community College

| | |
|--------------------------|-----------|
| Classroom Building No. 4 | 1,251,000 |
|--------------------------|-----------|

Juvenile Justice Bond Program

| | |
|--|--------|
| Carroll County Youth Services Bureau, Inc. | 82,000 |
|--|--------|

Senior Citizen Activity Centers

| | |
|-----------------------------|---------|
| South Carroll Senior Center | 426,000 |
|-----------------------------|---------|

Community Parks and Playgrounds

| | |
|--------------|--------|
| Freedom Park | 40,000 |
| Lions Park | 41,500 |

Waterway Improvement

| | |
|---|--------|
| Piney Run Park – ADA dock modifications | 26,000 |
|---|--------|

Other Projects

| | |
|-------------------------------|---------|
| Danele Shipley Memorial Arena | 150,000 |
| Friendship School | 150,000 |
| Union Street Community Center | 50,000 |

D. Capital Projects for State Facilities in the County

Department of Environment

| | |
|---|---------|
| Springfield Hospital – hazardous substance clean-up | 100,000 |
|---|---------|

Maryland Environmental Service

| | |
|---|---------|
| O'Farrell Youth Center – water tower improvements | 200,000 |
|---|---------|

Cecil County

A. Direct Aid and Retirement Payments

1. Direct Aid

| | <u>FY 2006</u> | <u>FY 2007</u> | <u>\$ Diff.</u> | <u>% Diff.</u> |
|------------------------------------|-------------------|------------------|-----------------|----------------|
| | (\$ in Thousands) | | | |
| Foundation Aid | \$54,091 | \$59,570 | \$5,479 | 10.1 |
| Compensatory Education | 9,430 | 11,608 | 2,178 | 23.1 |
| Student Transportation | 3,753 | 4,031 | 278 | 7.4 |
| Special Education | 5,804 | 6,950 | 1,145 | 19.7 |
| Limited English Proficiency Grants | 338 | 394 | 56 | 16.6 |
| Guaranteed Tax Base | 702 | 1,444 | 742 | 105.6 |
| Extended Elementary | 708 | 810 | 101 | 14.3 |
| Aging Schools | 307 | 316 | 9 | 3.1 |
| Other Education Aid | 627 | 581 | (47) | (7.4) |
| Primary & Secondary Education | 75,761 | 85,703 | 9,942 | 13.1 |
| Libraries | 534 | 615 | 81 | 15.2 |
| Community Colleges | 3,887 | 4,291 | 405 | 10.4 |
| Health Formula Grant | 1,340 | 1,358 | 18 | 1.3 |
| * Transportation | 7,819 | 8,553 | 733 | 9.4 |
| * Police and Public Safety | 902 | 908 | 5 | 0.6 |
| * Fire and Rescue Aid | 205 | 205 | 0 | 0.0 |
| Recreation and Natural Resources | 628 | 1,880 | 1,252 | 199.4 |
| Total Direct Aid | \$91,076 | \$103,513 | \$12,437 | 13.7 |
| Aid Per Capita (\$) | 953 | 1,058 | 105 | 11.0 |
| Property Tax Equivalent (\$) | 1.31 | 1.31 | (0.01) | (0.4) |

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and State's Attorneys. Fiscal 2007 State payments for Cecil County for teachers, librarians, community college faculty, and local officials are estimated to be \$8,264,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2007 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2006) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

| | |
|-----------------------------------|-------------|
| Alcohol and Drug Abuse | \$1,073,000 |
| Family Health and Primary Care | 170,000 |
| Geriatric and Children's Services | 499,000 |
| Mental Health | 5,896,000 |
| Prevention and Disease Control | 484,000 |
| Developmental Disabilities | 6,389,000 |
| AIDS | 15,000 |

Social Services

| | |
|------------------------|-----------|
| Homeless Services | 40,000 |
| Women's Services | 192,000 |
| Adult Services | 117,000 |
| Child Welfare Services | 1,653,000 |

Senior Citizen Services

| | |
|--------------------|---------|
| Long-term Care | 134,000 |
| Community Services | 48,000 |

C. Selected State Grants for Capital Projects**Public Schools**

| | |
|---|-------------|
| Elkton High School – construction | \$3,171,000 |
| Perryville Middle School – construction | 4,100,000 |
| Unspecified additional funding | 1,000,000 |

Cecil Community College

| | |
|-----------------------------|---------|
| Land Acquisition – phase II | 752,000 |
|-----------------------------|---------|

Community Parks and Playgrounds

| | |
|--------------------|---------|
| Cecilton Park | 54,650 |
| Charleston Park | 22,500 |
| Meadow Park | 175,000 |
| Rice Park | 7,754 |
| Spot and Rock Park | 33,777 |

Chesapeake Bay Water Quality Projects

| | |
|-------------------------------------|---------|
| Elkton WWTP – nutrient removal | 800,000 |
| Rising Sun – sewer main replacement | 100,000 |

Chesapeake Bay Restoration Fund

| | |
|---|-----------|
| Elkton WWTP – enhanced nutrient removal | 3,600,000 |
| Perryville WWTP – enhanced nutrient removal | 3,355,000 |
| Port Deposit – sewer rehabilitation | 200,000 |

Water Supply Financial Assistance Program

| | |
|--------------------------------------|---------|
| Port Deposit – water supply upgrades | 200,000 |
|--------------------------------------|---------|

Waterway Improvement

| | |
|---|--------|
| Charlestown – boat ramp dredging | 50,000 |
| Chesapeake City – construct floating docks and boat slips | 99,000 |
| Fredericktown – boat ramp repairs | 25,000 |
| North East – ADA pier modifications | 99,000 |
| Perryville – install comfort station utilities | 99,000 |
| Port Deposit – Marina Park construct concrete abutments | 50,000 |
| Port Deposit – fire/rescue boat and equipment | 50,000 |

Hazardous Substance Cleanup Program

| | |
|--|---------|
| Mill Creek – perchlorate contamination | 200,000 |
|--|---------|

Other Projects

| | |
|-------------------------------------|---------|
| Boys and Girls Club of Cecil County | 150,000 |
| Ray of Hope Mission Center | 100,000 |

D. Capital Projects for State Facilities in the County**Maryland Environmental Service**

| | |
|--|---------|
| Elk Neck State Park – wastewater treatment plant upgrade | 352,000 |
| Elk Neck State Park – water tower improvement | 205,000 |

Charles County

A. Direct Aid and Retirement Payments

1. Direct Aid

| | <u>FY 2006</u> | <u>FY 2007</u> | <u>\$ Diff.</u> | <u>% Diff.</u> |
|------------------------------------|-------------------|------------------|-----------------|----------------|
| | (\$ in Thousands) | | | |
| Foundation Aid | \$83,564 | \$92,971 | \$9,407 | 11.3 |
| Compensatory Education | 12,191 | 16,627 | 4,435 | 36.4 |
| Student Transportation | 7,328 | 8,014 | 686 | 9.4 |
| Special Education | 6,121 | 6,902 | 781 | 12.8 |
| Limited English Proficiency Grants | 416 | 464 | 48 | 11.6 |
| Guaranteed Tax Base | 412 | 1,574 | 1,162 | 282.0 |
| Extended Elementary | 936 | 1,070 | 134 | 14.3 |
| Aging Schools | 85 | 115 | 30 | 35.2 |
| Other Education Aid | 1,123 | 1,195 | 73 | 6.5 |
| Primary & Secondary Education | 112,175 | 128,931 | 16,756 | 14.9 |
| Libraries | 678 | 764 | 86 | 12.7 |
| Community Colleges | 5,799 | 6,422 | 623 | 10.7 |
| Health Formula Grant | 1,653 | 1,679 | 26 | 1.6 |
| * Transportation | 9,932 | 10,850 | 918 | 9.2 |
| * Police and Public Safety | 1,183 | 1,215 | 31 | 2.6 |
| * Fire and Rescue Aid | 231 | 231 | 0 | 0.0 |
| Recreation and Natural Resources | 1,103 | 3,320 | 2,217 | 200.9 |
| Utility Property Tax Grants | 2,523 | 2,523 | 0 | 0.0 |
| Total Direct Aid | \$135,278 | \$155,936 | \$20,657 | 15.3 |
| Aid Per Capita (\$) | 997 | 1,123 | 126 | 12.7 |
| Property Tax Equivalent (\$) | 1.20 | 1.18 | (0.02) | (1.3) |

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and State's Attorneys. Fiscal 2007 State payments for Charles County for teachers, librarians, community college faculty, and local officials are estimated to be \$12,469,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2007 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2006) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

| | |
|-----------------------------------|-------------|
| Alcohol and Drug Abuse | \$1,837,000 |
| Family Health and Primary Care | 217,000 |
| Geriatric and Children's Services | 471,000 |
| Mental Health | 4,412,000 |
| Prevention and Disease Control | 565,000 |
| Developmental Disabilities | 9,084,000 |

Social Services

| | |
|------------------------|-----------|
| Homeless Services | 80,000 |
| Women's Services | 128,000 |
| Adult Services | 117,000 |
| Child Welfare Services | 1,967,000 |

Senior Citizen Services

| | |
|--------------------|---------|
| Long-term Care | 195,000 |
| Community Services | 24,000 |

C. Selected State Grants for Capital Projects**Public Schools**

| | |
|--|-----------|
| Berry Elementary School – relocatable classrooms | \$112,000 |
| C. Paul Barnhart Elementary School – kindergarten/pre-k addition | 851,000 |
| Eva Turner Elementary School – relocatable classrooms | 112,000 |
| Indian Head Elementary School – relocatable classrooms | 112,000 |
| Mt. Hope/Nanjemoy Elementary School – renovations (wastewater) | 502,000 |
| North Point High School – construction | 878,000 |
| Theodore G. Davis Middle School – construction | 5,300,000 |
| Walter J. Mitchell Elementary School – relocatable classrooms | 56,000 |
| William B. Wade Elementary School – relocatable classrooms | 112,000 |
| Unspecified additional funding | 2,165,000 |

College of Southern Maryland

| | |
|---|-----------|
| La Plata – Classroom/Office Building renovation/expansion | 1,185,000 |
| La Plata – Science and Technology Building | 1,988,000 |

Community Mental Health/Addictions/Dev. Disabilities

| | |
|------------|---------|
| Jude House | 139,000 |
|------------|---------|

Senior Citizen Activity Centers

| | |
|-----------------------------|---------|
| Richard Clark Senior Center | 367,000 |
|-----------------------------|---------|

Community Parks and Playgrounds

| | |
|----------------|--------|
| Meekins Park | 60,000 |
| Pinefield Park | 80,000 |

Chesapeake Bay Water Quality Projects

| | |
|--|---------|
| Indian Head WWTP – nutrient removal | 200,000 |
| Mt. Carmel Woods WWTP – system upgrade | 250,000 |

Chesapeake Bay Restoration Fund

| | |
|--|-----------|
| Indian Head WWTP – enhanced nutrient removal | 2,500,000 |
|--|-----------|

Waterway Improvement

| | |
|--|---------|
| Charles County Dive Rescue Team – purchase sonar system | 20,000 |
| Port Tobacco – main channel dredging | 748,000 |
| Slavin's Pier/Mattingly Park – construct auxiliary parking | 99,000 |

Other Projects

| | |
|--|-----------|
| Bel Alton High School Community Development Center | 450,000 |
| Black Box Theatre | 55,000 |
| Charles County Veterans Memorial Museum | 50,000 |
| Mattawoman Creek Art Center | 15,000 |
| Potomac Heights Housing Complex | 50,000 |
| Southern Maryland Stadium | 2,300,000 |

D. Capital Projects for State Facilities in the County**Department of Natural Resources**

| | |
|---|---------|
| Smallwood State Park – miscellaneous improvements | 225,000 |
|---|---------|

Dorchester County

A. Direct Aid and Retirement Payments

1. Direct Aid

| | <u>FY 2006</u> | <u>FY 2007</u> | <u>\$ Diff.</u> | <u>% Diff.</u> |
|------------------------------------|-------------------|-----------------|-----------------|----------------|
| | (\$ in Thousands) | | | |
| Foundation Aid | \$14,989 | \$15,745 | \$756 | 5.0 |
| Compensatory Education | 4,932 | 5,599 | 667 | 13.5 |
| Student Transportation | 1,716 | 1,846 | 130 | 7.6 |
| Special Education | 1,076 | 1,182 | 106 | 9.8 |
| Limited English Proficiency Grants | 200 | 269 | 69 | 34.3 |
| Guaranteed Tax Base | 56 | 0 | (56) | (100.0) |
| Extended Elementary | 360 | 412 | 51 | 14.3 |
| Aging Schools | 65 | 88 | 23 | 35.2 |
| Other Education Aid | 609 | 593 | (17) | (2.7) |
| Primary & Secondary Education | 24,004 | 25,733 | 1,730 | 7.2 |
| Libraries | 199 | 215 | 16 | 8.1 |
| Community Colleges | 869 | 900 | 30 | 3.5 |
| Health Formula Grant | 710 | 715 | 5 | 0.7 |
| * Transportation | 5,632 | 6,153 | 521 | 9.3 |
| * Police and Public Safety | 355 | 356 | 2 | 0.5 |
| * Fire and Rescue Aid | 216 | 216 | 0 | 0.0 |
| Recreation and Natural Resources | 203 | 612 | 410 | 202.1 |
| Disparity Grant | 2,033 | 1,494 | (539) | (26.5) |
| Utility Property Tax Grants | 187 | 187 | 0 | 0.0 |
| Total Direct Aid | \$34,406 | \$36,581 | \$2,175 | 6.3 |
| Aid Per Capita (\$) | 1,110 | 1,165 | 55 | 5.0 |
| Property Tax Equivalent (\$) | 1.60 | 1.49 | (0.11) | (7.0) |

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and State's Attorneys. Fiscal 2007 State payments for Dorchester County for teachers, librarians, community college faculty, and local officials are estimated to be \$2,550,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2007 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2006) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

| | |
|-----------------------------------|-------------|
| Alcohol and Drug Abuse | \$1,568,000 |
| Family Health and Primary Care | 119,000 |
| Geriatric and Children's Services | 480,000 |
| Mental Health | 4,168,000 |
| Prevention and Disease Control | 460,000 |
| Developmental Disabilities | 2,068,000 |
| AIDS | 136,000 |

Social Services

| | |
|------------------------|---------|
| Homeless Services | 39,000 |
| Women's Services | 119,000 |
| Adult Services | 128,000 |
| Child Welfare Services | 784,000 |

Senior Citizen Services

| | |
|--------------------|---------|
| Long-term Care | 638,000 |
| Community Services | 464,000 |

Note: A portion of women's services funding supports services in Caroline, Dorchester, Kent, Queen Anne's, and Talbot counties. Senior citizen services funding supports services in Dorchester, Somerset, Wicomico, and Worcester counties.

C. Selected State Grants for Capital Projects

Public Schools

| | |
|--|-----------|
| North Dorchester High School – renovations (roof) | \$209,000 |
| South Dorchester School – renovations (windows/door) | 540,000 |
| Warwick Elementary School – relocatable classrooms | 123,000 |

Chesapeake College

| | |
|--------------------------------------|-----------|
| Talbot Science Building – renovation | 3,810,000 |
|--------------------------------------|-----------|

Local Jail Loan

| | |
|--|--------|
| County Detention Center – master control panel | 63,000 |
|--|--------|

Community Parks and Playgrounds

| | |
|------------------|--------|
| Christ Rock Park | 46,000 |
|------------------|--------|

Chesapeake Bay Water Quality Projects

| | |
|--|---------|
| Cambridge Combined Sewer – overflow improvements | 200,000 |
| Hurlock WWTP – nutrient removal | 300,000 |
| Secretary – inflow/infiltration reduction | 200,000 |

Chesapeake Bay Restoration Fund

| | |
|----------------------------------|---------|
| Secretary – sewer rehabilitation | 200,000 |
|----------------------------------|---------|

Waterway Improvement

| | |
|---|---------|
| Cambridge – Trenton Street boat slip construction | 99,000 |
| Cambridge Municipal Marina – expand and improve | 800,000 |
| Crocheron Wharf – repair boat ramp and pave parking lot | 35,000 |

| | |
|---|--------|
| Ellicott's Island – Wharf Road boat ramp improvements | 80,000 |
| Great Marsh Park – boat ramp and breakwater | 99,000 |
| Hoopers Island – public boat ramp parking | 75,000 |
| Secretary – boating access pier construction | 35,000 |
| Vienna – waterfront park improvements | 99,000 |
| Wingate – pave boat ramp parking lot | 50,000 |

Other Projects

| | |
|-------------------------------|---------|
| Dorchester County Family YMCA | 250,000 |
|-------------------------------|---------|

D. Capital Projects for State Facilities in the County

Department of Natural Resources

| | |
|--|-----------|
| Cambridge Marine Terminal – replace bulkhead | 1,000,000 |
|--|-----------|

University System of Maryland

| | |
|--|---------|
| Center for Environmental Science – Horn Point Oyster Production Facility | 391,000 |
|--|---------|

Frederick County

A. Direct Aid and Retirement Payments

1. Direct Aid

| | <u>FY 2006</u> | <u>FY 2007</u> | <u>\$ Diff.</u> | <u>% Diff.</u> |
|------------------------------------|-------------------|------------------|-----------------|----------------|
| | (\$ in Thousands) | | | |
| Foundation Aid | \$119,013 | \$129,325 | \$10,312 | 8.7 |
| Compensatory Education | 11,128 | 12,972 | 1,844 | 16.6 |
| Student Transportation | 8,402 | 9,269 | 866 | 10.3 |
| Special Education | 9,501 | 11,672 | 2,171 | 22.8 |
| Limited English Proficiency Grants | 1,618 | 2,773 | 1,155 | 71.4 |
| Extended Elementary | 711 | 812 | 102 | 14.3 |
| Aging Schools | 310 | 419 | 109 | 35.2 |
| Other Education Aid | 963 | 787 | (177) | (18.3) |
| Primary & Secondary Education | 151,646 | 168,029 | 16,383 | 10.8 |
| Libraries | 930 | 1,013 | 83 | 8.9 |
| Community Colleges | 6,231 | 6,613 | 381 | 6.1 |
| Health Formula Grant | 2,511 | 2,546 | 35 | 1.4 |
| * Transportation | 18,858 | 20,600 | 1,742 | 9.2 |
| * Police and Public Safety | 2,177 | 2,230 | 52 | 2.4 |
| * Fire and Rescue Aid | 360 | 361 | 1 | 0.3 |
| Recreation and Natural Resources | 1,287 | 3,849 | 2,563 | 199.2 |
| Total Direct Aid | \$184,000 | \$205,240 | \$21,240 | 11.5 |
| Aid Per Capita (\$) | 846 | 930 | 84 | 9.9 |
| Property Tax Equivalent (\$) | 0.97 | 0.94 | (0.03) | (3.2) |

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and State's Attorneys. Fiscal 2007 State payments for Frederick County for teachers, librarians, community college faculty, and local officials are estimated to be \$19,346,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2007 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2006) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

| | |
|-----------------------------------|-------------|
| Alcohol and Drug Abuse | \$1,861,000 |
| Family Health and Primary Care | 225,000 |
| Geriatric and Children's Services | 528,000 |
| Mental Health | 11,897,000 |
| Prevention and Disease Control | 722,000 |
| Developmental Disabilities | 14,558,000 |
| AIDS | 46,000 |

Social Services

| | |
|------------------------|-----------|
| Homeless Services | 210,000 |
| Women's Services | 232,000 |
| Adult Services | 154,000 |
| Child Welfare Services | 2,176,000 |

Senior Citizen Services

| | |
|--------------------|---------|
| Long-term Care | 250,000 |
| Community Services | 80,000 |

C. Selected State Grants for Capital Projects**Public Schools**

| | |
|---|-------------|
| Centerville Elementary School – construction | \$3,787,000 |
| Earth Space Science Lab – construction | 500,000 |
| Frederick High School – renovations (roof) | 336,000 |
| Middletown Primary School – construction | 5,810,000 |
| Myersville Elementary School – renovations (roof) | 338,000 |
| Oakdale High School – construction | 1,996,000 |
| Parkway Elementary School – renovations (boiler) | 133,000 |
| Tuscarora Elementary School – construction | 1,169,000 |
| Unspecified additional funding | 3,873,000 |

Community Mental Health/Addictions/Dev. Disabilities

| | |
|---------------------------|---------|
| Main Street Housing, Inc. | 440,000 |
|---------------------------|---------|

Community Parks and Playgrounds

| | |
|--------------------------|--------|
| East West Park | 25,000 |
| Overlook Park | 42,000 |
| Silo Hill Park | 20,138 |
| Wenner Park | 10,800 |
| Woodsboro Community Park | 22,050 |

Chesapeake Bay Water Quality Projects

| | |
|-----------------------------------|---------|
| Brunswick WWTP – nutrient removal | 100,000 |
| Emmitsburg – sewer rehabilitation | 300,000 |

Chesapeake Bay Restoration Fund

| | |
|--|-----------|
| Brunswick WWTP – enhanced nutrient removal | 1,400,000 |
| Emmitsburg – sewer rehabilitation | 300,000 |
| Frederick WWTP – enhanced nutrient removal | 9,800,000 |

Other Projects

| | |
|--|-----------|
| Alan P. Linton, Jr. Emergency Shelter Site | 50,000 |
| Harry Grove Stadium | 1,000,000 |

D. Capital Projects for State Facilities in the County**Department of Natural Resources**

| | |
|--|--------|
| National Park Service C&O Canal – emergency response improvements | 99,000 |
| National Park Service C&O Canal – parkwide ramp maintenance | 50,000 |
| National Park Service C&O Canal – provide parkwide toilet facilities | 50,000 |

Other

| | |
|--|------------|
| School for the Deaf – elementary/family education/support services complex | 24,605,000 |
|--|------------|

Garrett County

A. Direct Aid and Retirement Payments

1. Direct Aid

| | <u>FY 2006</u> | <u>FY 2007</u> | <u>\$ Diff.</u> | <u>% Diff.</u> |
|----------------------------------|-------------------|-----------------|-----------------|----------------|
| | (\$ in Thousands) | | | |
| Foundation Aid | \$13,554 | \$14,591 | \$1,038 | 7.7 |
| Compensatory Education | 3,600 | 4,160 | 560 | 15.6 |
| Student Transportation | 2,141 | 2,305 | 164 | 7.7 |
| Special Education | 1,169 | 1,327 | 159 | 13.6 |
| Extended Elementary | 273 | 311 | 39 | 14.3 |
| Aging Schools | 65 | 88 | 23 | 35.2 |
| Other Education Aid | 602 | 602 | 1 | 0.1 |
| Primary & Secondary Education | 21,403 | 23,385 | 1,982 | 9.3 |
| Libraries | 149 | 158 | 9 | 6.3 |
| Community Colleges | 2,603 | 2,718 | 115 | 4.4 |
| Health Formula Grant | 723 | 727 | 4 | 0.5 |
| * Transportation | 6,333 | 6,926 | 593 | 9.4 |
| * Police and Public Safety | 241 | 238 | (2) | (0.9) |
| * Fire and Rescue Aid | 200 | 200 | 0 | 0.0 |
| Recreation and Natural Resources | 253 | 758 | 505 | 200.0 |
| Disparity Grant | 2,040 | 2,307 | 268 | 13.1 |
| Utility Property Tax Grants | 12 | 12 | 0 | 0.0 |
| Total Direct Aid | \$33,956 | \$37,430 | \$3,474 | 10.2 |
| Aid Per Capita (\$) | 1,130 | 1,251 | 121 | 10.7 |
| Property Tax Equivalent (\$) | 1.18 | 1.15 | (0.03) | (2.9) |

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and State's Attorneys. Fiscal 2007 State payments for Garrett County for teachers, librarians, community college faculty, and local officials are estimated to be \$2,658,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2007 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2006) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

| | |
|-----------------------------------|-----------|
| Alcohol and Drug Abuse | \$695,000 |
| Family Health and Primary Care | 128,000 |
| Geriatric and Children's Services | 585,000 |
| Mental Health | 2,164,000 |
| Prevention and Disease Control | 400,000 |
| Developmental Disabilities | 2,015,000 |

Social Services

| | |
|------------------------|---------|
| Homeless Services | 79,000 |
| Women's Services | 165,000 |
| Adult Services | 31,000 |
| Child Welfare Services | 774,000 |

Senior Citizen Services

| | |
|--------------------|---------|
| Long-term Care | 143,000 |
| Community Services | 73,000 |

C. Selected State Grants for Capital Projects**Public Schools**

| | |
|--|-----------|
| Crellin Elementary School – renovations (roof) | \$158,000 |
| Hickory Environmental Center – renovations (water) | 42,000 |
| Northern Middle School – renovations (water) | 80,000 |
| Southern High School – renovations (roof) | 45,000 |
| Southern Middle School – renovations (boiler) | 910,000 |

Garrett Community College

| | |
|--------------------------|---------|
| Learning Resource Center | 242,000 |
|--------------------------|---------|

Local Jail Loan

| | |
|--|---------|
| Garrett County Detention Center – new facility | 518,000 |
|--|---------|

Federally Qualified Health Centers Grant Program

| | |
|--|-----------|
| Western Maryland Health Care Corporation | 1,200,000 |
|--|-----------|

Community Parks and Playgrounds

| | |
|----------------------------|---------|
| Broadford Lake Park | 199,000 |
| Grantsville Community Park | 112,500 |
| Town Park West | 16,933 |

Water Supply Financial Assistance Program

| | |
|--------------------------------------|---------|
| Grantsville – water main replacement | 130,000 |
| Table Rock – water system | 350,000 |

Waterway Improvement

| | |
|---|--------|
| Broadford Park Recreation Area – construct ADA modification | 99,000 |
| Friendsville Community Park – comfort station/pavilion/parking improvements | 40,000 |

Other Projects

Adventure Sports Center International
Salem School

1,000,000
100,000

Harford County

A. Direct Aid and Retirement Payments

1. Direct Aid

| | <u>FY 2006</u> | <u>FY 2007</u> | <u>\$ Diff.</u> | <u>% Diff.</u> |
|------------------------------------|-------------------|------------------|-----------------|----------------|
| | (\$ in Thousands) | | | |
| Foundation Aid | \$124,102 | \$136,960 | \$12,858 | 10.4 |
| Compensatory Education | 15,035 | 19,445 | 4,410 | 29.3 |
| Student Transportation | 8,904 | 9,676 | 773 | 8.7 |
| Special Education | 13,853 | 16,561 | 2,708 | 19.6 |
| Limited English Proficiency Grants | 845 | 1,234 | 389 | 46.0 |
| Extended Elementary | 744 | 850 | 106 | 14.3 |
| Aging Schools | 369 | 499 | 130 | 35.2 |
| Other Education Aid | 751 | 550 | (201) | (26.7) |
| Primary & Secondary Education | 164,604 | 185,776 | 21,173 | 12.9 |
| Libraries | 1,231 | 1,384 | 153 | 12.4 |
| Community Colleges | 8,281 | 8,764 | 483 | 5.8 |
| Health Formula Grant | 2,885 | 2,926 | 41 | 1.4 |
| * Transportation | 16,168 | 17,688 | 1,520 | 9.4 |
| * Police and Public Safety | 2,664 | 2,695 | 32 | 1.2 |
| * Fire and Rescue Aid | 371 | 374 | 3 | 0.9 |
| Recreation and Natural Resources | 1,797 | 5,391 | 3,593 | 199.9 |
| Utility Property Tax Grants | 861 | 861 | 0 | 0.0 |
| Total Direct Aid | \$198,861 | \$225,858 | \$26,997 | 13.6 |
| Aid Per Capita (\$) | 845 | 944 | 99 | 11.7 |
| Property Tax Equivalent (\$) | 1.15 | 1.15 | 0.01 | 0.5 |

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and State's Attorneys. Fiscal 2007 State payments for Harford County for teachers, librarians, community college faculty, and local officials are estimated to be \$19,205,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2007 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2006) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

| | |
|-----------------------------------|-------------|
| Alcohol and Drug Abuse | \$1,605,000 |
| Family Health and Primary Care | 215,000 |
| Geriatric and Children's Services | 825,000 |
| Mental Health | 9,816,000 |
| Prevention and Disease Control | 910,000 |
| Developmental Disabilities | 15,758,000 |
| AIDS | 32,000 |

Social Services

| | |
|------------------------|-----------|
| Homeless Services | 103,000 |
| Women's Services | 340,000 |
| Adult Services | 137,000 |
| Child Welfare Services | 2,126,000 |

Senior Citizen Services

| | |
|--------------------|---------|
| Long-term Care | 362,000 |
| Community Services | 72,000 |

C. Selected State Grants for Capital Projects

Public Schools

| | |
|---|-----------|
| C. Milton Wright High School – renovations (roof) | \$943,000 |
| Dublin Elementary School – renovations (roof) | 226,000 |
| North Harford High School – construction | 4,260,000 |
| North Harford Middle School – renovations (HVAC) | 3,567,000 |
| Patterson Mill Middle/High School – construction | 2,100,000 |

Harford Community College

| | |
|--|-----------|
| Aberdeen Hall – addition and renovations | 5,710,000 |
|--|-----------|

Local Jail Loan

| | |
|---|---------|
| Harford County Detention Center – expansion | 853,000 |
|---|---------|

Community Parks and Playgrounds

| | |
|-------------------------------|---------|
| Hall's Crossroads School Park | 200,000 |
|-------------------------------|---------|

Waterway Improvement

| | |
|---|-----------|
| Broad Creek Landing – bulkhead, pier, launching ramp improvements | 30,000 |
| Otter Point Creek/Bush River – dredging and improvements | 1,700,000 |
| Tydings Island – add capacity to dredge material site | 30,000 |
| Tydings Island – shoreline protection for dredge site | 550,000 |
| Willoughby Beach – renovate piers, boat ramp, bulkhead | 60,000 |

Other Projects

| | |
|--|---------|
| Citizens Care and Rehabilitation Center | 600,000 |
| Ripken Youth Baseball Academy – Camden Yards Replica | 500,000 |

D. Capital Projects for State Facilities in the County

Department of Natural Resources

| | |
|--|-----------|
| Madonna Ranger Station – multipurpose building | 1,755,000 |
| Susquehanna State Park – boating facility improvements | 138,000 |

Howard County

A. Direct Aid and Retirement Payments

1. Direct Aid

| | <u>FY 2006</u> | <u>FY 2007</u> | <u>\$ Diff.</u> | <u>% Diff.</u> |
|------------------------------------|-------------------|------------------|-----------------|----------------|
| | (\$ in Thousands) | | | |
| Foundation Aid | \$107,724 | \$117,998 | \$10,275 | 9.5 |
| Compensatory Education | 8,009 | 10,452 | 2,443 | 30.5 |
| Student Transportation | 10,983 | 11,952 | 969 | 8.8 |
| Special Education | 9,586 | 11,171 | 1,585 | 16.5 |
| Limited English Proficiency Grants | 2,925 | 3,619 | 693 | 23.7 |
| Extended Elementary | 223 | 255 | 32 | 14.3 |
| Aging Schools | 149 | 201 | 52 | 35.2 |
| Other Education Aid | 1,127 | 1,199 | 72 | 6.4 |
| Primary & Secondary Education | 140,726 | 156,847 | 16,121 | 11.5 |
| Libraries | 634 | 694 | 59 | 9.3 |
| Community Colleges | 10,071 | 10,971 | 901 | 8.9 |
| Health Formula Grant | 2,021 | 2,070 | 49 | 2.4 |
| Transportation | 15,835 | 17,291 | 1,456 | 9.2 |
| Police and Public Safety | 3,013 | 3,088 | 75 | 2.5 |
| Fire and Rescue Aid | 385 | 386 | 1 | 0.4 |
| Recreation and Natural Resources | 3,187 | 9,538 | 6,351 | 199.2 |
| Other Direct Aid | 105 | 105 | 0 | 0.0 |
| Total Direct Aid | \$175,977 | \$200,990 | \$25,013 | 14.2 |
| Aid Per Capita (\$) | 660 | 746 | 86 | 13.0 |
| Property Tax Equivalent (\$) | 0.57 | 0.56 | (0.01) | (1.2) |

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and State's Attorneys. Fiscal 2007 State payments for Howard County for teachers, librarians, community college faculty, and local officials are estimated to be \$31,351,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2007 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2006) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

| | |
|-----------------------------------|-------------|
| Alcohol and Drug Abuse | \$1,465,000 |
| Family Health and Primary Care | 134,000 |
| Geriatric and Children's Services | 462,000 |
| Mental Health | 7,125,000 |
| Prevention and Disease Control | 773,000 |
| Developmental Disabilities | 17,841,000 |

Social Services

| | |
|------------------------|-----------|
| Homeless Services | 116,000 |
| Women's Services | 202,000 |
| Adult Services | 67,000 |
| Child Welfare Services | 1,825,000 |

Senior Citizen Services

| | |
|--------------------|---------|
| Long-term Care | 277,000 |
| Community Services | 21,000 |

C. Selected State Grants for Capital Projects**Public Schools**

| | |
|---|-----------|
| Atholton Elementary School – kindergarten/pre-k addition | \$169,000 |
| Clemens Crossing Elementary School – kindergarten/pre-k addition | 439,000 |
| Cradlerock Elementary/Middle School – kindergarten/pre-k addition | 190,000 |
| Gorman Crossing Elementary School – kindergarten/pre-k addition | 439,000 |
| Hammond Elementary School – kindergarten/pre-k addition | 169,000 |
| Ilchester Elementary School – kindergarten/pre-k addition | 339,000 |
| New Northeastern Elementary School – construction | 7,631,000 |
| New Western Elementary School – construction | 2,052,000 |
| Northfield Elementary School – kindergarten/pre-k addition | 190,000 |
| Phelps Luck Elementary School – kindergarten/pre-k addition | 190,000 |
| Rockburn Elementary School – kindergarten/pre-k addition | 439,000 |
| Waterloo Elementary School – kindergarten/pre-k addition | 190,000 |
| Worthington Elementary School – kindergarten/pre-k addition | 339,000 |
| Unspecified additional funding | 5,032,000 |

Howard Community College

| | |
|--|-----------|
| Administration Building/Smith Theatre – renovation | 4,887,000 |
| Athletic Fields and Nature Trail | 400,000 |
| Student Services Building | 1,020,000 |

Shelter & Transitional Facilities

| | |
|--------------------------|---------|
| Grassroots Crisis Center | 275,000 |
|--------------------------|---------|

Community Parks and Playgrounds

| | |
|-------------|---------|
| Lisbon Park | 109,295 |
|-------------|---------|

Chesapeake Bay Water Quality Projects

| | |
|--|---------|
| Rockburn Commons – stormwater management | 187,000 |
|--|---------|

Waterway Improvement

| | |
|---|--------|
| Centennial Lake – renovate boat launch/fishing pier | 99,000 |
|---|--------|

Other Projects

| | |
|---------------------------------------|---------|
| Grassroots Crisis Intervention Center | 450,000 |
| Howard County General Hospital | 325,000 |
| Living Farm Heritage Museum | 150,000 |
| North Laurel Community Center | 300,000 |

D. Capital Projects for State Facilities in the County**Department of Health & Mental Hygiene**

| | |
|--|-----------|
| Perkins Hospital – new maximum security wing | 137,000 |
| Public Health Laboratory – construction | 9,424,000 |

Department of Public Safety & Corrections

| | |
|---|-----------|
| Patuxent Institution – electrical service upgrade | 6,545,000 |
| Patuxent Institution – fire safety improvements | 7,900,000 |

Kent County

A. Direct Aid and Retirement Payments

1. Direct Aid

| | <u>FY 2006</u> | <u>FY 2007</u> | <u>\$ Diff.</u> | <u>% Diff.</u> |
|------------------------------------|-------------------|-----------------|-----------------|----------------|
| | (\$ in Thousands) | | | |
| Foundation Aid | \$4,783 | \$4,644 | (\$139) | (2.9) |
| Compensatory Education | 1,422 | 1,849 | 428 | 30.1 |
| Student Transportation | 1,146 | 1,233 | 88 | 7.6 |
| Special Education | 490 | 575 | 86 | 17.5 |
| Limited English Proficiency Grants | 110 | 163 | 53 | 48.1 |
| Extended Elementary | 245 | 280 | 35 | 14.3 |
| Aging Schools | 65 | 88 | 23 | 35.2 |
| Other Education Aid | 864 | 761 | (103) | (11.9) |
| Primary & Secondary Education | 9,124 | 9,594 | 469 | 5.1 |
| Libraries | 86 | 90 | 4 | 4.2 |
| Community Colleges | 458 | 474 | 16 | 3.5 |
| Health Formula Grant | 555 | 557 | 1 | 0.3 |
| * Transportation | 2,941 | 3,210 | 269 | 9.2 |
| * Police and Public Safety | 194 | 202 | 8 | 4.2 |
| * Fire and Rescue Aid | 206 | 206 | 0 | 0.0 |
| Recreation and Natural Resources | 153 | 456 | 303 | 198.7 |
| Total Direct Aid | \$13,718 | \$14,788 | \$1,071 | 7.8 |
| Aid Per Capita (\$) | 694 | 743 | 49 | 7.1 |
| Property Tax Equivalent (\$) | 0.72 | 0.69 | (0.03) | (3.7) |

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and State's Attorneys. Fiscal 2007 State payments for Kent County for teachers, librarians, community college faculty, and local officials are estimated to be \$1,451,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2007 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2006) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

| | |
|-----------------------------------|-------------|
| Alcohol and Drug Abuse | \$1,689,000 |
| Family Health and Primary Care | 116,000 |
| Geriatric and Children's Services | 381,000 |
| Mental Health | 1,150,000 |
| Prevention and Disease Control | 357,000 |
| Developmental Disabilities | 1,310,000 |

Social Services

| | |
|------------------------|---------|
| Homeless Services | 2,000 |
| Women's Services | 96,000 |
| Adult Services | 43,000 |
| Child Welfare Services | 348,000 |

Senior Citizen Services

| | |
|--------------------|---------|
| Long-term Care | 570,000 |
| Community Services | 151,000 |

Note: A portion of women's services funding supports services in Caroline, Dorchester, Kent, Queen Anne's, and Talbot counties. Senior citizen services funding supports services in Caroline, Kent, and Talbot counties.

C. Selected State Grants for Capital Projects

Public Schools

Kent County High School – construction \$3,479,000

Chesapeake College

Talbot Science Building – renovation 3,810,000

Chesapeake Bay Water Quality Projects

Chestertown WWTP – nutrient removal 165,000

Chesapeake Bay Restoration Fund

Chestertown WWTP – enhanced nutrient removal 1,800,000

Water Supply Financial Assistance Program

Edesville – water tower project 100,000

Waterway Improvement

Bayside Public Boating Facility – pave parking lot 99,000

Cannon Street – repair bulkhead 50,000

Wilmer Park – repair bulkhead 99,000

Other Projects

Chesapeake Fields Institute – Millington Project 100,000

Washington College – Fine Arts Academic Center 3,000,000

Montgomery County

A. Direct Aid and Retirement Payments

1. Direct Aid

| | <u>FY 2006</u> | <u>FY 2007</u> | <u>\$ Diff.</u> | <u>% Diff.</u> |
|------------------------------------|-------------------|------------------|-----------------|----------------|
| | (\$ in Thousands) | | | |
| Foundation Aid | \$172,961 | \$179,886 | \$6,925 | 4.0 |
| Compensatory Education | 45,921 | 58,125 | 12,204 | 26.6 |
| Student Transportation | 25,920 | 28,298 | 2,378 | 9.2 |
| Special Education | 32,913 | 40,474 | 7,561 | 23.0 |
| Limited English Proficiency Grants | 22,672 | 28,356 | 5,684 | 25.1 |
| Extended Elementary | 1,108 | 1,266 | 158 | 14.3 |
| Aging Schools | 1,023 | 1,383 | 360 | 35.2 |
| Other Education Aid | 3,078 | 3,381 | 303 | 9.8 |
| Primary & Secondary Education | 305,596 | 341,170 | 35,574 | 11.6 |
| Libraries | 2,205 | 2,396 | 191 | 8.7 |
| Community Colleges | 29,962 | 32,918 | 2,956 | 9.9 |
| Health Formula Grant | 5,024 | 5,208 | 183 | 3.7 |
| * Transportation | 44,123 | 48,298 | 4,175 | 9.5 |
| * Police and Public Safety | 14,761 | 15,026 | 265 | 1.8 |
| * Fire and Rescue Aid | 1,304 | 1,305 | 1 | 0.1 |
| Recreation and Natural Resources | 8,112 | 24,291 | 16,179 | 199.5 |
| Utility Property Tax Grants | 2,766 | 2,766 | 0 | 0.0 |
| Total Direct Aid | \$413,853 | \$473,377 | \$59,524 | 14.4 |
| Aid Per Capita (\$) | 449 | 510 | 61 | 13.6 |
| Property Tax Equivalent (\$) | 0.33 | 0.32 | (0.01) | (3.3) |

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and State's Attorneys. Fiscal 2007 State payments for Montgomery County for teachers, librarians, community college faculty, and local officials are estimated to be \$97,571,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2007 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2006) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

| | |
|-----------------------------------|-------------|
| Alcohol and Drug Abuse | \$3,604,000 |
| Family Health and Primary Care | 313,000 |
| Geriatric and Children's Services | 2,734,000 |
| Mental Health | 28,746,000 |
| Prevention and Disease Control | 2,062,000 |
| Developmental Disabilities | 61,649,000 |
| AIDS | 202,000 |

Social Services

| | |
|------------------------|-----------|
| Homeless Services | 373,000 |
| Women's Services | 179,000 |
| Adult Services | 609,000 |
| Child Welfare Services | 4,307,000 |

Senior Citizen Services

| | |
|--------------------|-----------|
| Long-term Care | 1,010,000 |
| Community Services | 213,000 |

C. Selected State Grants for Capital Projects**Public Schools**

| | |
|--|-------------|
| Downcounty Consortium Elementary School – construction | \$1,700,000 |
| Flower Hill Elementary School – renovations (roof) | 276,000 |
| John T. Baker Middle School – renovations (roof) | 280,000 |
| Northwood High School – construction | 5,700,000 |
| Richard Montgomery High School – construction | 11,904,000 |
| Strawberry Knolls Elementary School – renovations (HVAC) | 225,000 |
| Strawberry Knolls Elementary School – renovations (roof) | 131,000 |
| Tilden Middle School – renovations (HVAC) | 400,000 |
| Woodlin Elementary School – renovations (HVAC) | 225,000 |
| Woodlin Elementary School – renovations (roof) | 256,000 |
| Unspecified additional funding | 18,943,000 |

Montgomery College

| | |
|---|------------|
| Germantown – Bioscience Education Center | 1,700,000 |
| Rockville – Science Center | 2,056,000 |
| Takoma Park – Commons renovation | 1,000,000 |
| Takoma Park – Cultural Arts Center | 11,841,000 |
| Takoma Park – Science North Building roof replacement | 158,000 |

Community Mental Health/Addictions/Dev. Disabilities

| | |
|---|-----------|
| CHI Centers, Inc. | 454,000 |
| Jewish Foundation for Group Homes, Inc. | 1,500,000 |
| Jewish Social Services Agency | 1,000,000 |

Community Parks and Playgrounds

| | |
|----------------------------------|---------|
| Brooks Park | 70,000 |
| Flower Avenue Urban Park | 55,000 |
| Hillcrest Park | 130,766 |
| Quebec Terrace Neighborhood Park | 40,000 |
| Randolph Hills Park | 64,000 |
| Silver Rock Park | 62,424 |

Chesapeake Bay Water Quality Projects

| | |
|-------------------------------------|-----------|
| Blue Plains WWTP – nutrient removal | 6,520,000 |
|-------------------------------------|-----------|

Chesapeake Bay Restoration Fund

| | |
|---|-----------|
| Seneca WWTP – enhanced nutrient removal | 1,000,000 |
| Western Branch WWTP – enhanced nutrient removal | 9,500,000 |

Waterway Improvement

| | |
|--|-------|
| Black Hill Regional Park – purchase rescue equipment | 3,650 |
|--|-------|

Other Projects

| | |
|---|-----------|
| Agricultural History Farm Park – Activity Center | 75,000 |
| Bethesda-Chevy Chase YMCA | 100,000 |
| BlackRock Center for the Arts | 50,000 |
| Blair Baseball Field – improvements | 50,000 |
| Circle Manor | 150,000 |
| Easter Seals Inter-Generational Center | 450,000 |
| Gaithersburg Olde Towne Youth Center | 300,000 |
| Germantown Life Sciences Incubator | 250,000 |
| Glen Echo Park | 475,000 |
| Historic Takoma Museum | 210,000 |
| Ivymount School | 170,000 |
| Jubilee Association of Maryland | 150,000 |
| King Farm Dairy MOOseum | 150,000 |
| Metropolitan Center for the Visual Arts | 5,000 |
| Montgomery Village Foundation | 250,000 |
| Montrose Center for Children and Families | 200,000 |
| Olney Boys and Girls Club Community Park | 400,000 |
| Olney Theatre | 250,000 |
| Our House Youth Home | 425,000 |
| Poolesville Town Hall | 150,000 |
| Rockville Community Center | 250,000 |
| Rockville Town Center – redevelopment | 1,500,000 |
| Sandy Spring Museum Library and Archives | 200,000 |
| Strathmore Hall – multi-use center and education facility | 550,000 |
| Takoma Park Community Learning Center | 360,000 |
| Uncle Tom's Cabin | 50,000 |
| Wheaton Multi-Service Youth Facility | 350,000 |

D. Capital Projects for State Facilities in the County**General Government**

| | |
|--|-----------|
| Rockville District Court – demolition and site development | 3,000,000 |
|--|-----------|

Department of Natural Resources

| | |
|--|---------|
| National Park Service C&O Canal – emergency response improvements | 99,000 |
| National Park Service C&O Canal – parkwide ramp maintenance | 50,000 |
| National Park Service C&O Canal – provide parkwide toilet facilities | 50,000 |
| Seneca Creek State Park – lead remediation | 835,000 |

University System of Maryland

| | |
|---|-----------|
| Shady Grove Educational Center – construct facility III | 1,000,000 |
|---|-----------|

Prince George's County

A. Direct Aid and Retirement Payments

1. Direct Aid

| | <u>FY 2006</u> | <u>FY 2007</u> | <u>\$ Diff.</u> | <u>% Diff.</u> |
|------------------------------------|-------------------|------------------|-----------------|----------------|
| | (\$ in Thousands) | | | |
| Foundation Aid | \$449,836 | \$476,733 | \$26,898 | 6.0 |
| Compensatory Education | 137,930 | 154,105 | 16,176 | 11.7 |
| Student Transportation | 28,767 | 30,955 | 2,188 | 7.6 |
| Special Education | 55,644 | 64,634 | 8,991 | 16.2 |
| Limited English Proficiency Grants | 21,905 | 30,079 | 8,173 | 37.3 |
| Guaranteed Tax Base | 11,991 | 17,828 | 5,836 | 48.7 |
| Extended Elementary | 1,515 | 1,732 | 216 | 14.3 |
| Aging Schools | 2,053 | 2,776 | 723 | 35.2 |
| Other Education Aid | 6,814 | 4,084 | (2,731) | (40.1) |
| Primary & Secondary Education | 716,455 | 782,926 | 66,471 | 9.3 |
| Libraries | 5,497 | 6,049 | 552 | 10.0 |
| Community Colleges | 19,050 | 19,813 | 763 | 4.0 |
| Health Formula Grant | 8,300 | 8,513 | 213 | 2.6 |
| * Transportation | 38,627 | 42,239 | 3,612 | 9.4 |
| * Police and Public Safety | 17,783 | 17,982 | 199 | 1.1 |
| * Fire and Rescue Aid | 1,112 | 1,117 | 5 | 0.4 |
| Recreation and Natural Resources | 6,857 | 20,606 | 13,750 | 200.5 |
| Disparity Grant | 9,762 | 15,963 | 6,200 | 63.5 |
| Utility Property Tax Grants | 7,745 | 7,745 | 0 | 0.0 |
| * Other Direct Aid | 181 | 181 | 0 | 0.0 |
| Total Direct Aid | \$831,370 | \$923,134 | \$91,764 | 11.0 |
| Aid Per Capita (\$) | 988 | 1,091 | 103 | 10.4 |
| Property Tax Equivalent (\$) | 1.53 | 1.48 | (0.05) | (3.1) |

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and State's Attorneys. Fiscal 2007 State payments for Prince George's County for teachers, librarians, community college faculty, and local officials are estimated to be \$67,187,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2007 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2006) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

| | |
|-----------------------------------|-------------|
| Alcohol and Drug Abuse | \$8,885,000 |
| Family Health and Primary Care | 6,140,000 |
| Geriatric and Children's Services | 3,466,000 |
| Mental Health | 31,196,000 |
| Prevention and Disease Control | 1,900,000 |
| Developmental Disabilities | 56,383,000 |
| AIDS | 284,000 |

Social Services

| | |
|------------------------|-----------|
| Homeless Services | 810,000 |
| Women's Services | 654,000 |
| Adult Services | 225,000 |
| Child Welfare Services | 6,694,000 |

Senior Citizen Services

| | |
|--------------------|---------|
| Long-term Care | 786,000 |
| Community Services | 205,000 |

C. Selected State Grants for Capital Projects**Public Schools**

| | |
|--|-------------|
| Adelphi Elementary School – construction | \$3,500,000 |
| Bladensburg High School – construction | 1,925,000 |
| Bowie Elementary School – construction | 2,000,000 |
| Crossland High School – renovations (boiler) | 712,000 |
| DuVal High School – construction | 1,253,000 |
| Friendly High School – renovations (boiler/chiller) | 712,000 |
| G. Gardner Shugart Middle School – renovations (boiler) | 420,000 |
| High Point High School – science facilities | 895,000 |
| Hollywood Elementary School – renovations (roof) | 217,000 |
| Kettering Elementary School – renovations (boiler) | 213,000 |
| Lewisdale Elementary School – renovations (HVAC) | 283,000 |
| Marlton Elementary School – construction | 1,694,000 |
| Oakcrest Elementary School – construction | 510,000 |
| Regional High School – construction | 4,000,000 |
| Suitland High School – science facilities | 1,193,000 |
| Templeton Elementary School – renovations (boiler/chiller) | 453,000 |
| Thomas Johnson Middle School – renovations (boiler) | 712,000 |
| Unspecified additional funding | 16,733,000 |

Prince George's Community College

| | |
|---|-----------|
| Accokeek Hall – renovation | 293,000 |
| Bladen Hall – renovate student services wing | 278,000 |
| Center for Health Studies | 1,032,000 |
| High Technology Center | 560,000 |
| Marlboro & Queen Anne's Halls and Pedestrian Bridge – renovations | 86,000 |
| Replace Major Pool Systems | 113,000 |
| Sprinkler Systems/Water Main – install/replace | 2,706,000 |

Local Jail Loan

| | |
|---|---------|
| County Detention Center – renovate housing unit | 357,000 |
|---|---------|

Juvenile Justice Bond Program

| | |
|--|--------|
| District Heights Youth Services Bureau | 37,000 |
|--|--------|

Community Mental Health/Addictions/Dev. Disabilities

| | |
|---|---------|
| Family Services Foundation | 450,000 |
| Melwood Horticultural Training Center, Inc. | 213,000 |

Community Parks and Playgrounds

| | |
|----------------------------|---------|
| 52nd Street Park | 23,900 |
| Bartlett Park | 80,000 |
| Bostwick Gardens | 12,000 |
| Duvall Field | 146,000 |
| Emancipation Park | 55,000 |
| Goodwin Park | 55,000 |
| Hayes Street Memorial Park | 70,850 |

Chesapeake Bay Water Quality Projects

| | |
|-------------------------------------|-----------|
| Blue Plains WWTP – nutrient removal | 6,520,000 |
|-------------------------------------|-----------|

Waterway Improvement

| | |
|---|-------|
| Laurel Marine Rescue Squad – rescue equipment | 3,500 |
|---|-------|

Other Projects

| | |
|--|-----------|
| Accokeek Foundation | 125,000 |
| Bowie City Parks and Grounds Building | 150,000 |
| CASA Multi-Cultural Service Center | 300,000 |
| Children's Guild – multipurpose room and playfield | 135,000 |
| College Park City Hall | 400,000 |
| Colmar Manor Municipal Center | 75,000 |
| Concord Historic Site – Capitol Heights | 250,000 |
| DeMatha Catholic High School – streetscape and parking lot | 75,000 |
| Doctors Community Hospital | 2,000,000 |
| Ebenezer Community Life Center | 150,000 |
| Family Life and Wellness Intergenerational Center | 250,000 |
| Forest Heights – municipal building | 150,000 |
| Glenarden City Hall – renovation | 150,000 |
| Grace Center for Community and Economic Development | 120,000 |
| Hard Bargain Farm Environmental Center | 225,000 |
| Henson Valley Montessori School | 200,000 |
| Historic Laurel Mill Ruins | 50,000 |

Aid to Local Government – Prince George’s County

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| | |
|---|-----------|
| Lake Arbor Foundation | 50,000 |
| Laurel Armory Anderson Murphy Community Center | 100,000 |
| Laurel Boys and Girls Club | 50,000 |
| Laurel Senior Center | 150,000 |
| McGuire House Senior Public Housing Development | 450,000 |
| Mt. Rainier Multi-Use Facility | 150,000 |
| New Revival Center for Renewal | 180,000 |
| North Brentwood Town Hall and Recreation Facility | 125,000 |
| Prince George's County Courthouse – Duvall Wing | 1,000,000 |
| Prince George's Hospital Center | 4,000,000 |
| Ridgely Rosenwald School | 120,000 |
| Suitland Business Development and Assistance Center | 50,000 |
| Suitland Technology Center – Office Support Zone | 100,000 |
| University Community Partnership Center | 240,000 |
| Victory Youth Center – Langley Park | 225,000 |
| Walker Mill Day Care Center | 100,000 |
| White Rose Foundation Service Center | 375,000 |
| YMCA Renaissance Square in Hyattsville | 200,000 |

D. Capital Projects for State Facilities in the County

Department of Juvenile Services

| | |
|---------------------------|-----------|
| Cheltenham Youth Facility | 3,000,000 |
|---------------------------|-----------|

Department of Natural Resources

| | |
|---|-----------|
| Fort Washington Marina – replace docks and other improvements | 1,960,000 |
|---|-----------|

Maryland Veterans Administration

| | |
|--|-----------|
| Cheltenham Veterans Cemetery – expansion (federal funds) | 4,815,000 |
|--|-----------|

University System of Maryland

| | |
|---|------------|
| Bowie State – Fine and Performing Arts Building | 2,725,000 |
| Bowie State – Holmes and Tubman Halls addition/renovate | 11,700,000 |
| College Park – Biological Sciences Research Building | 2,300,000 |
| College Park – Physical Sciences Complex | 1,000,000 |
| College Park – recycling center | 1,500,000 |
| College Park – School of Journalism Building | 10,000,000 |
| College Park – Tawes Fine Arts Building | 1,470,000 |
| College Park – Van Munching Hall addition | 5,945,000 |
| University College – Academic Technology Support Building | 13,815,000 |

Queen Anne's County

A. Direct Aid and Retirement Payments

1. Direct Aid

| | <u>FY 2006</u> | <u>FY 2007</u> | <u>\$ Diff.</u> | <u>% Diff.</u> |
|------------------------------------|-------------------|-----------------|-----------------|----------------|
| | (\$ in Thousands) | | | |
| Foundation Aid | \$16,986 | \$18,646 | \$1,659 | 9.8 |
| Compensatory Education | 1,705 | 2,170 | 466 | 27.3 |
| Student Transportation | 2,331 | 2,534 | 204 | 8.7 |
| Special Education | 1,674 | 2,006 | 332 | 19.8 |
| Limited English Proficiency Grants | 144 | 223 | 79 | 54.5 |
| Extended Elementary | 307 | 351 | 44 | 14.3 |
| Aging Schools | 85 | 115 | 30 | 35.2 |
| Other Education Aid | 421 | 422 | 1 | 0.3 |
| Primary & Secondary Education | 23,652 | 26,466 | 2,814 | 11.9 |
| Libraries | 113 | 127 | 14 | 12.5 |
| Community Colleges | 1,321 | 1,366 | 46 | 3.5 |
| Health Formula Grant | 693 | 700 | 7 | 1.0 |
| * Transportation | 5,718 | 6,252 | 534 | 9.3 |
| * Police and Public Safety | 397 | 402 | 6 | 1.4 |
| * Fire and Rescue Aid | 200 | 200 | 0 | 0.0 |
| Recreation and Natural Resources | 330 | 987 | 657 | 199.1 |
| Total Direct Aid | \$32,423 | \$36,500 | \$4,077 | 12.6 |
| Aid Per Capita (\$) | 721 | 800 | 79 | 11.0 |
| Property Tax Equivalent (\$) | 0.62 | 0.60 | (0.02) | (2.9) |

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and State's Attorneys. Fiscal 2007 State payments for Queen Anne's County for teachers, librarians, community college faculty, and local officials are estimated to be \$3,775,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2007 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2006) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

| | |
|-----------------------------------|-----------|
| Alcohol and Drug Abuse | \$603,000 |
| Family Health and Primary Care | 124,000 |
| Geriatric and Children's Services | 491,000 |
| Mental Health | 1,395,000 |
| Prevention and Disease Control | 393,000 |
| Developmental Disabilities | 3,015,000 |

Social Services

| | |
|------------------------|---------|
| Homeless Services | 14,000 |
| Women's Services | 82,000 |
| Adult Services | 37,000 |
| Child Welfare Services | 641,000 |

Senior Citizen Services

| | |
|--------------------|---------|
| Long-term Care | 122,000 |
| Community Services | 53,000 |

Note: A portion of women's services funding supports services in Caroline, Dorchester, Kent, Queen Anne's, and Talbot counties.

C. Selected State Grants for Capital Projects

Public Schools

Matapeake Middle School – construction \$3,000,000

Chesapeake College

Talbot Science Building – renovation 3,810,000

Community Parks and Playgrounds

Sudlersville Park 85,469

Sudlersville Town Center Park 166,750

Chesapeake Bay Water Quality Projects

Centreville WWTP – nutrient removal 350,000

Waterway Improvement

Centreville Landing – install electric to boat slips 40,000

Kent Island VFD – acquire fire/rescue boat 50,000

Kent Narrows – bulkhead, slips, utilities improvements 750,000

Kent Narrows – resurface and stripe parking lot 65,000

Thompson Creek – replace boat ramp 99,000

Other Projects

Chesapeake Marine Trades School 100,000

D. Capital Projects for State Facilities in the County

General Government

Centreville District Court – expansion 3,700,000

Department of Natural Resources

Matapeake Marine Terminal – replace bulkhead

350,000

St. Mary's County

A. Direct Aid and Retirement Payments

1. Direct Aid

| | <u>FY 2006</u> | <u>FY 2007</u> | <u>\$ Diff.</u> | <u>% Diff.</u> |
|------------------------------------|-------------------|-----------------|-----------------|----------------|
| | (\$ in Thousands) | | | |
| Foundation Aid | \$51,626 | \$56,782 | \$5,156 | 10.0 |
| Compensatory Education | 7,682 | 8,951 | 1,270 | 16.5 |
| Student Transportation | 4,573 | 5,010 | 437 | 9.6 |
| Special Education | 5,052 | 5,956 | 904 | 17.9 |
| Limited English Proficiency Grants | 314 | 343 | 29 | 9.4 |
| Guaranteed Tax Base | 0 | 197 | 197 | 0.0 |
| Extended Elementary | 764 | 873 | 109 | 14.3 |
| Aging Schools | 85 | 115 | 30 | 35.2 |
| Other Education Aid | 786 | 669 | (117) | (14.9) |
| Primary & Secondary Education | 70,881 | 78,897 | 8,015 | 11.3 |
| Libraries | 504 | 571 | 66 | 13.1 |
| Community Colleges | 1,782 | 2,028 | 247 | 13.9 |
| Health Formula Grant | 1,345 | 1,359 | 14 | 1.1 |
| * Transportation | 7,718 | 8,429 | 712 | 9.2 |
| * Police and Public Safety | 808 | 821 | 13 | 1.6 |
| * Fire and Rescue Aid | 200 | 200 | 0 | 0.0 |
| Recreation and Natural Resources | 611 | 1,838 | 1,227 | 200.8 |
| Total Direct Aid | \$83,848 | \$94,142 | \$10,294 | 12.3 |
| Aid Per Capita (\$) | 883 | 975 | 92 | 10.5 |
| Property Tax Equivalent (\$) | 1.22 | 1.18 | (0.04) | (3.5) |

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and State's Attorneys. Fiscal 2007 State payments for St. Mary's County for teachers, librarians, community college faculty, and local officials are estimated to be \$8,054,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2007 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2006) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

| | |
|-----------------------------------|-------------|
| Alcohol and Drug Abuse | \$2,199,000 |
| Family Health and Primary Care | 113,000 |
| Geriatric and Children's Services | 484,000 |
| Mental Health | 3,724,000 |
| Prevention and Disease Control | 349,000 |
| Developmental Disabilities | 1,730,000 |

Social Services

| | |
|------------------------|-----------|
| Homeless Services | 69,000 |
| Women's Services | 109,000 |
| Adult Services | 99,000 |
| Child Welfare Services | 1,263,000 |

Senior Citizen Services

| | |
|--------------------|---------|
| Long-term Care | 128,000 |
| Community Services | 60,000 |

C. Selected State Grants for Capital Projects**Public Schools**

| | |
|---|-------------|
| Leonardtwn Elementary School – construction | \$4,700,000 |
| Leonardtwn Elementary School – relocatable classrooms | 259,000 |
| Lettie Marshall Dent School – relocatable classrooms | 36,000 |
| Unspecified additional funding | 500,000 |

College of Southern Maryland

| | |
|---|-----------|
| La Plata – Classroom/Office Building renovation/expansion | 1,185,000 |
| La Plata – Science and Technology Building | 1,988,000 |

Community Parks and Playgrounds

| | |
|------------------------|---------|
| John G. Lancaster Park | 100,000 |
|------------------------|---------|

Chesapeake Bay Water Quality Projects

| | |
|---|---------|
| Leonardtwn – collection system upgrades | 25,000 |
| Patuxent Park – sewer rehabilitation | 200,000 |

Chesapeake Bay Restoration Fund

| | |
|---|-----------|
| Leonardtwn WWTP – enhanced nutrient removal | 4,200,000 |
|---|-----------|

Waterway Improvement

| | |
|--|---------|
| Cuckhold Creek – replace bulkhead | 99,000 |
| Leonardtwn Wharf – replace bulkhead/construct new dock | 300,000 |
| Mechanicsville – acquire inflatable rescue boat | 12,000 |
| Public boating facilities – countywide maintenance | 99,000 |
| Wicomico Shores – Hurricane Isabel damage repairs | 99,000 |

Other Projects

| | |
|---------------------------------|---------|
| Hospice House | 125,000 |
| Sotterley Plantation | 50,000 |
| St. Clement's Island Lighthouse | 125,000 |
| St. Mary's College Amphitheater | 250,000 |
| St. Mary's Hospital | 762,300 |

D. Capital Projects for State Facilities in the County**Department of Natural Resources**

| | |
|--|---------|
| Point Lookout State Park – facility improvements | 270,000 |
| Point Lookout State Park – Ft. Lincoln comfort station | 950,000 |

Historic St. Mary's City Commission

| | |
|--------------------------------|-----------|
| St. John's Archaeological Site | 1,330,000 |
|--------------------------------|-----------|

St. Mary's College

| | |
|--|-----------|
| Academic Building – construction | 1,050,000 |
| Student Services Building – construction | 8,600,000 |

Somerset County

A. Direct Aid and Retirement Payments

1. Direct Aid

| | <u>FY 2006</u> | <u>FY 2007</u> | <u>\$ Diff.</u> | <u>% Diff.</u> |
|------------------------------------|-------------------|-----------------|-----------------|----------------|
| | (\$ in Thousands) | | | |
| Foundation Aid | \$10,534 | \$11,462 | \$928 | 8.8 |
| Compensatory Education | 4,679 | 5,530 | 851 | 18.2 |
| Student Transportation | 1,328 | 1,431 | 104 | 7.8 |
| Special Education | 870 | 1,087 | 217 | 24.9 |
| Limited English Proficiency Grants | 217 | 265 | 48 | 22.1 |
| Guaranteed Tax Base | 618 | 969 | 351 | 56.8 |
| Extended Elementary | 271 | 310 | 39 | 14.3 |
| Aging Schools | 65 | 88 | 23 | 35.2 |
| Other Education Aid | 200 | 142 | (58) | (29.1) |
| Primary & Secondary Education | 18,782 | 21,283 | 2,501 | 13.3 |
| Libraries | 226 | 251 | 25 | 11.1 |
| Community Colleges | 611 | 659 | 48 | 7.8 |
| Health Formula Grant | 707 | 712 | 5 | 0.6 |
| * Transportation | 3,474 | 3,786 | 313 | 9.0 |
| * Police and Public Safety | 241 | 243 | 2 | 0.7 |
| * Fire and Rescue Aid | 210 | 210 | 0 | 0.0 |
| Recreation and Natural Resources | 144 | 437 | 293 | 202.8 |
| Disparity Grant | 3,733 | 4,501 | 768 | 20.6 |
| Total Direct Aid | \$28,129 | \$32,083 | \$3,954 | 14.1 |
| Aid Per Capita (\$) | 1,092 | 1,241 | 150 | 13.7 |
| Property Tax Equivalent (\$) | 2.93 | 2.80 | (0.13) | (4.5) |

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and State's Attorneys. Fiscal 2007 State payments for Somerset County for teachers, librarians, community college faculty, and local officials are estimated to be \$1,586,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2007 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2006) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

| | |
|-----------------------------------|-----------|
| Alcohol and Drug Abuse | \$888,000 |
| Family Health and Primary Care | 145,000 |
| Geriatric and Children's Services | 428,000 |
| Mental Health | 2,731,000 |
| Prevention and Disease Control | 536,000 |
| Developmental Disabilities | 6,349,000 |

Social Services

| | |
|------------------------|---------|
| Homeless Services | 8,000 |
| Women's Services | 121,000 |
| Adult Services | 54,000 |
| Child Welfare Services | 772,000 |

Senior Citizen Services

| | |
|--------------------|---------|
| Long-term Care | 638,000 |
| Community Services | 464,000 |

Note: A portion of women's services funding supports services in Somerset, Wicomico, and Worcester counties. Senior citizen services funding supports services in Dorchester, Somerset, Wicomico, and Worcester counties.

C. Selected State Grants for Capital Projects

Public Schools

| | |
|--|--------------|
| Somerset Intermediate School at Tawes – construction | \$11,000,000 |
| Woodson Elementary School – construction | 1,022,000 |

Chesapeake Bay Water Quality Projects

| | |
|-----------------------------|---------|
| Smith Island WWTP – upgrade | 364,000 |
|-----------------------------|---------|

Waterway Improvement

| | |
|--|--------|
| Deal Island – replace bulkhead and install slips | 99,000 |
| Public boating facilities – countywide maintenance | 40,000 |
| St. Peters Creek – replace boat ramp | 99,000 |
| Tylerton – replace bulkhead | 99,000 |
| Wenona Harbor – replace boat ramp | 99,000 |

Other Projects

| | |
|-------------------------------|--------|
| Agricultural and Civic Center | 20,000 |
|-------------------------------|--------|

D. Capital Projects for State Facilities in the County

Department of Natural Resources

| | |
|---|---------|
| Somers Cove Marina – bulkhead and marina improvements | 275,000 |
|---|---------|

Maryland Environmental Service

| | |
|--|---------|
| Eastern Correctional Inst. Cogeneration Facility – electrical system | 538,000 |
| Eastern Correctional Inst. – water treatment plant | 563,000 |

University System of Maryland

Eastern Shore – Nuttle Hall Residence renovation

400,000

Talbot County

A. Direct Aid and Retirement Payments

1. Direct Aid

| | <u>FY 2006</u> | <u>FY 2007</u> | <u>\$ Diff.</u> | <u>% Diff.</u> |
|------------------------------------|-------------------|-----------------|-----------------|----------------|
| | (\$ in Thousands) | | | |
| Foundation Aid | \$5,172 | \$4,828 | (\$345) | (6.7) |
| Compensatory Education | 1,870 | 2,358 | 488 | 26.1 |
| Student Transportation | 1,121 | 1,209 | 88 | 7.8 |
| Special Education | 593 | 722 | 129 | 21.8 |
| Limited English Proficiency Grants | 224 | 328 | 104 | 46.4 |
| Extended Elementary | 275 | 315 | 39 | 14.3 |
| Baltimore City Partnership | 0 | 0 | 0 | 0.0 |
| Aging Schools | 133 | 133 | 0 | (0.1) |
| Other Education Aid | 480 | 409 | (71) | (14.9) |
| Primary & Secondary Education | 9,869 | 10,301 | 433 | 4.4 |
| Libraries | 83 | 91 | 8 | 9.4 |
| Community Colleges | 1,225 | 1,267 | 42 | 3.5 |
| Health Formula Grant | 545 | 551 | 6 | 1.0 |
| * Transportation | 4,621 | 5,050 | 430 | 9.3 |
| * Police and Public Safety | 383 | 403 | 20 | 5.3 |
| * Fire and Rescue Aid | 215 | 215 | 0 | 0.0 |
| Recreation and Natural Resources | 350 | 1,040 | 691 | 197.5 |
| Total Direct Aid | \$17,290 | \$18,919 | \$1,629 | 9.4 |
| Aid Per Capita (\$) | 492 | 530 | 38 | 7.7 |
| Property Tax Equivalent (\$) | 0.29 | 0.28 | (0.02) | (5.0) |

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and State's Attorneys. Fiscal 2007 State payments for Talbot County for teachers, librarians, community college faculty, and local officials are estimated to be \$2,415,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2007 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2006) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

| | |
|-----------------------------------|-----------|
| Alcohol and Drug Abuse | \$673,000 |
| Family Health and Primary Care | 139,000 |
| Geriatric and Children's Services | 362,000 |
| Mental Health | 2,344,000 |
| Prevention and Disease Control | 385,000 |
| Developmental Disabilities | 2,342,000 |

Social Services

| | |
|------------------------|---------|
| Homeless Services | 36,000 |
| Women's Services | 113,000 |
| Adult Services | 38,000 |
| Child Welfare Services | 750,000 |

Senior Citizen Services

| | |
|--------------------|---------|
| Long-term Care | 570,000 |
| Community Services | 151,000 |

Note: A portion of women's services funding supports services in Caroline, Dorchester, Kent, Queen Anne's, and Talbot counties. Senior citizen services funding supports services in Caroline, Kent, and Talbot counties.

C. Selected State Grants for Capital Projects**Public Schools**

| | |
|--|-------------|
| St. Michaels Elementary/Middle School – construction | \$1,205,000 |
| St. Michaels High School – construction | 1,200,000 |

Chesapeake College

| | |
|--------------------------------------|-----------|
| Talbot Science Building – renovation | 3,810,000 |
|--------------------------------------|-----------|

Community Parks and Playgrounds

| | |
|-------------------|---------|
| Moton Park | 94,721 |
| Old Trappe Park | 180,000 |
| Stoney Ridge Park | 78,161 |

Chesapeake Bay Restoration Fund

| | |
|-------------------------------------|---------|
| St. Michaels – sewer rehabilitation | 500,000 |
|-------------------------------------|---------|

Waterway Improvement

| | |
|---|---------|
| Chesapeake Bay Maritime Museum – replace bulkhead | 99,000 |
| Chesapeake Bay Maritime Museum – replace HVAC | 99,000 |
| Claiborne Landing – replace boat ramp | 20,000 |
| Edge Creek – channel dredging | 400,000 |
| Hollis Park – replace bulkhead and walkway | 76,000 |
| Kingston Landing – boat ramp and parking lot improvements | 50,000 |
| Oak Creek Landing – replace boat ramp | 20,000 |
| St. Michaels Fire Department – replace fire/rescue boat | 50,000 |
| Wye Landing – construct ramp | 99,000 |

Other Projects

| | |
|---|---------|
| Chesapeake Bay Maritime Museum | 200,000 |
| For All Seasons Mid Shore Center for Human Services | 50,000 |

D. Capital Projects for State Facilities in the County

Department of Natural Resources

Wye Oak State Park – Wye Oak display

550,000

Washington County

A. Direct Aid and Retirement Payments

1. Direct Aid

| | <u>FY 2006</u> | <u>FY 2007</u> | <u>\$ Diff.</u> | <u>% Diff.</u> |
|------------------------------------|-------------------|------------------|-----------------|----------------|
| | (\$ in Thousands) | | | |
| Foundation Aid | \$66,995 | \$75,339 | \$8,343 | 12.5 |
| Compensatory Education | 15,097 | 19,407 | 4,311 | 28.6 |
| Student Transportation | 4,755 | 5,234 | 480 | 10.1 |
| Special Education | 6,343 | 7,473 | 1,129 | 17.8 |
| Limited English Proficiency Grants | 580 | 945 | 365 | 62.8 |
| Guaranteed Tax Base | 295 | 1,130 | 834 | 282.3 |
| Extended Elementary | 524 | 599 | 75 | 14.3 |
| Aging Schools | 229 | 310 | 81 | 35.2 |
| Other Education Aid | 985 | 1,147 | 162 | 16.4 |
| Primary & Secondary Education | 95,804 | 111,583 | 15,779 | 16.5 |
| Libraries | 889 | 993 | 104 | 11.7 |
| Community Colleges | 5,623 | 6,176 | 552 | 9.8 |
| Health Formula Grant | 2,292 | 2,313 | 22 | 1.0 |
| * Transportation | 12,005 | 13,120 | 1,114 | 9.3 |
| * Police and Public Safety | 1,385 | 1,387 | 3 | 0.2 |
| * Fire and Rescue Aid | 228 | 233 | 6 | 2.5 |
| Recreation and Natural Resources | 955 | 2,868 | 1,913 | 200.4 |
| Utility Property Tax Grants | 357 | 357 | 0 | 0.0 |
| Total Direct Aid | \$119,538 | \$139,031 | \$19,493 | 16.3 |
| Aid Per Capita (\$) | 859 | 980 | 121 | 14.1 |
| Property Tax Equivalent (\$) | 1.35 | 1.40 | 0.04 | 3.2 |

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and State's Attorneys. Fiscal 2007 State payments for Washington County for teachers, librarians, community college faculty, and local officials are estimated to be \$10,325,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2007 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2006) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

| | |
|-----------------------------------|-------------|
| Alcohol and Drug Abuse | \$2,849,000 |
| Family Health and Primary Care | 163,000 |
| Geriatric and Children's Services | 790,000 |
| Mental Health | 6,978,000 |
| Prevention and Disease Control | 720,000 |
| Developmental Disabilities | 9,339,000 |
| AIDS | 61,000 |

Social Services

| | |
|------------------------|-----------|
| Homeless Services | 228,000 |
| Women's Services | 185,000 |
| Adult Services | 248,000 |
| Child Welfare Services | 2,713,000 |

Senior Citizen Services

| | |
|--------------------|---------|
| Long-term Care | 386,000 |
| Community Services | 134,000 |

C. Selected State Grants for Capital Projects

Public Schools

| | |
|--|-----------|
| Cascade Elementary School – renovations (boiler) | \$200,000 |
| Clear Spring High School – renovations (HVAC) | 267,000 |
| Clear Spring Middle School – renovations (HVAC) | 267,000 |
| Hancock Middle/High School – renovations (chiller) | 267,000 |
| Hancock Middle/High School – renovations (electric) | 80,000 |
| Maugansville Elementary School – construction | 2,400,000 |
| Northern Middle School – renovations (roof) | 200,000 |
| Sharpsburg Elementary School – renovations (waterline) | 166,000 |
| Smithburg High School – renovations (boiler) | 448,000 |
| Smithburg Middle School – renovations (air conditioning) | 183,000 |

Hagerstown College

| | |
|---------------------------------------|-----------|
| Career Programs Building – renovation | 8,792,000 |
|---------------------------------------|-----------|

Local Jail Loan

| | |
|--|--------|
| Washington County Detention Center – central booking | 94,000 |
|--|--------|

Juvenile Justice Bond Program

| | |
|------------------------------|--------|
| San Mar Multipurpose Complex | 60,000 |
|------------------------------|--------|

Community Mental Health/Addictions/Dev. Disabilities

| | |
|-------------|---------|
| Way Station | 187,000 |
|-------------|---------|

Federally Qualified Health Centers Grant Program

| | |
|---------------------------------------|---------|
| Walnut Street Community Health Center | 106,000 |
|---------------------------------------|---------|

Community Parks and Playgrounds

| | |
|---------------|--------|
| Byron Park | 60,000 |
| Veterans Park | 58,000 |
| Widmeyer Park | 52,073 |

Water Supply Financial Assistance Program

| | |
|--|---------|
| Boonsboro – water extension | 71,000 |
| Highfield and Sharpsburg – water treatment and storage tanks | 209,000 |
| Mt. Aetna – water treatment plant reservoir | 200,000 |

Other Projects

| | |
|--------------------------------------|---------|
| Discovery Station at Hagerstown | 50,000 |
| Hagerstown Police Athletic League | 50,000 |
| Hagerstown YMCA | 400,000 |
| North Hagerstown High School Stadium | 250,000 |
| Rural Heritage Transportation Museum | 100,000 |

D. Capital Projects for State Facilities in the County**Department of Natural Resources**

| | |
|--|-----------|
| Fort Frederick State Park – Officer's quarters | 2,296,000 |
| National Park Service C&O Canal – acquire rescue boat | 24,000 |
| National Park Service C&O Canal – emergency response improvements | 99,000 |
| National Park Service C&O Canal – parkwide ramp maintenance | 50,000 |
| National Park Service C&O Canal – provide parkwide toilet facilities | 50,000 |

Department of Public Safety & Corrections

| | |
|--|-----------|
| Correctional Training Center – replace windows and heating systems | 1,300,000 |
|--|-----------|

Maryland Environmental Service

| | |
|---|---------|
| Greenbrier State Park – water tower improvements | 279,000 |
| Greenbrier State Park – water/wastewater infrastructure | 780,000 |

Wicomico County

A. Direct Aid and Retirement Payments

1. Direct Aid

| | <u>FY 2006</u> | <u>FY 2007</u> | <u>\$ Diff.</u> | <u>% Diff.</u> |
|------------------------------------|-------------------|------------------|-----------------|----------------|
| | (\$ in Thousands) | | | |
| Foundation Aid | \$49,457 | \$54,926 | \$5,469 | 11.1 |
| Compensatory Education | 15,139 | 20,275 | 5,136 | 33.9 |
| Student Transportation | 3,644 | 3,979 | 335 | 9.2 |
| Special Education | 3,695 | 4,885 | 1,190 | 32.2 |
| Limited English Proficiency Grants | 912 | 1,237 | 325 | 35.6 |
| Guaranteed Tax Base | 1,865 | 2,951 | 1,085 | 58.2 |
| Extended Elementary | 692 | 790 | 99 | 14.3 |
| Aging Schools | 312 | 332 | 20 | 6.3 |
| Other Education Aid | 735 | 712 | (22) | (3.0) |
| Primary & Secondary Education | 76,450 | 90,087 | 13,637 | 17.8 |
| Libraries | 615 | 684 | 69 | 11.1 |
| Community Colleges | 3,598 | 3,878 | 280 | 7.8 |
| Health Formula Grant | 1,572 | 1,587 | 16 | 1.0 |
| * Transportation | 9,121 | 9,970 | 850 | 9.3 |
| * Police and Public Safety | 955 | 962 | 7 | 0.7 |
| * Fire and Rescue Aid | 226 | 226 | 0 | 0.0 |
| Recreation and Natural Resources | 635 | 1,903 | 1,267 | 199.4 |
| Disparity Grant | 1,326 | 0 | (1,326) | (100.0) |
| Total Direct Aid | \$94,498 | \$109,297 | \$14,799 | 15.7 |
| Aid Per Capita (\$) | 1,066 | 1,209 | 143 | 13.4 |
| Property Tax Equivalent (\$) | 1.89 | 1.85 | (0.03) | (1.8) |

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and State's Attorneys. Fiscal 2007 State payments for Wicomico County for teachers, librarians, community college faculty, and local officials are estimated to be \$7,812,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2007 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2006) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

| | |
|-----------------------------------|-------------|
| Alcohol and Drug Abuse | \$1,549,000 |
| Family Health and Primary Care | 230,000 |
| Geriatric and Children's Services | 844,000 |
| Mental Health | 6,763,000 |
| Prevention and Disease Control | 599,000 |
| Developmental Disabilities | 5,938,000 |
| AIDS | 41,000 |

Social Services

| | |
|------------------------|-----------|
| Homeless Services | 33,000 |
| Women's Services | 249,000 |
| Adult Services | 52,000 |
| Child Welfare Services | 1,262,000 |

Senior Citizen Services

| | |
|--------------------|---------|
| Long-term Care | 638,000 |
| Community Services | 464,000 |

Note: A portion of women's services funding supports services in Somerset, Wicomico, and Worcester counties. Senior citizen services funding supports services in Dorchester, Somerset, Wicomico, and Worcester counties.

C. Selected State Grants for Capital Projects**Public Schools**

| | |
|--|-------------|
| Prince Street Elementary School – construction | \$3,400,000 |
| Unspecified additional funding | 778,000 |

Wor–Wic Tech Community College

| | |
|------------------------------|---------|
| Workforce Development Center | 693,000 |
|------------------------------|---------|

Community Parks and Playgrounds

| | |
|------------------|--------|
| Gordy Park | 29,618 |
| York Avenue Park | 54,540 |

Chesapeake Bay Water Quality Projects

| | |
|---|-----------|
| Salisbury WWTP – nutrient removal | 3,000,000 |
| Willards WWTP – design and construction | 1,000,000 |
| Willards WWTP – upgrade | 300,000 |

Chesapeake Bay Restoration Fund

| | |
|---|---------|
| Delmar WWTP – enhanced nutrient removal | 200,000 |
|---|---------|

Waterway Improvement

| | |
|--|--------|
| Allen VFC – purchase marine fire/rescue equipment | 5,000 |
| Boat launch/marine facilities – countywide repairs | 99,000 |
| Cherry Beach – replace boat ramp | 99,000 |

Other Projects

| | |
|---|-----------|
| Community Foundation of the Eastern Shore | 200,000 |
| Wicomico MAC Senior Center | 1,500,000 |

D. Capital Projects for State Facilities in the County**Department of Natural Resources**

| | |
|---|---------|
| Ellis Bay WMA – resurface parking/replace boat ramp | 105,000 |
|---|---------|

University System of Maryland

| | |
|---|------------|
| Salisbury University – campuswide dormitory renovations | 951,000 |
| Salisbury University – Perdue School of Business | 1,700,000 |
| Salisbury University – teacher education and technology complex | 49,589,000 |

Worcester County

A. Direct Aid and Retirement Payments

1. Direct Aid

| | <u>FY 2006</u> | <u>FY 2007</u> | <u>\$ Diff.</u> | <u>% Diff.</u> |
|------------------------------------|-------------------|-----------------|-----------------|----------------|
| | (\$ in Thousands) | | | |
| Foundation Aid | \$7,690 | \$7,261 | (\$430) | (5.6) |
| Compensatory Education | 3,276 | 4,213 | 937 | 28.6 |
| Student Transportation | 2,124 | 2,293 | 169 | 8.0 |
| Special Education | 818 | 1,088 | 269 | 32.9 |
| Limited English Proficiency Grants | 282 | 388 | 106 | 37.5 |
| Extended Elementary | 247 | 282 | 35 | 14.3 |
| Aging Schools | 65 | 88 | 23 | 35.2 |
| Other Education Aid | 485 | 486 | 1 | 0.2 |
| Primary & Secondary Education | 14,988 | 16,099 | 1,111 | 7.4 |
| Libraries | 119 | 127 | 8 | 7.0 |
| Community Colleges | 1,482 | 1,598 | 116 | 7.8 |
| Health Formula Grant | 520 | 531 | 11 | 2.2 |
| * Transportation | 7,090 | 7,736 | 646 | 9.1 |
| * Police and Public Safety | 662 | 668 | 6 | 0.9 |
| * Fire and Rescue Aid | 249 | 250 | 1 | 0.3 |
| Recreation and Natural Resources | 630 | 1,893 | 1,264 | 200.7 |
| Total Direct Aid | \$25,740 | \$28,903 | \$3,163 | 12.3 |
| Aid Per Capita (\$) | 528 | 593 | 65 | 12.4 |
| Property Tax Equivalent (\$) | 0.22 | 0.20 | (0.02) | (7.1) |

* Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays the employer share on behalf of the subdivisions for these local employees as well as certain elected local officials such as sheriffs and State's Attorneys. Fiscal 2007 State payments for Worcester County for teachers, librarians, community college faculty, and local officials are estimated to be \$4,305,000.

B. Estimated State Spending on Selected Health and Social Services

The Departments of Aging, Human Resources, and Health and Mental Hygiene fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. What follows are estimates of fiscal 2007 general and special fund allocations for various programs. Note that for many programs the amounts shown for a county are based on the county's share of prior year funding (fiscal 2006) and may change. See the discussion at the beginning of this section for more detail on the types of services funded by the State.

Health Services

| | |
|-----------------------------------|-------------|
| Alcohol and Drug Abuse | \$2,186,000 |
| Family Health and Primary Care | 189,000 |
| Geriatric and Children's Services | 507,000 |
| Mental Health | 2,423,000 |
| Prevention and Disease Control | 464,000 |
| Developmental Disabilities | 3,276,000 |

Social Services

| | |
|------------------------|---------|
| Homeless Services | 33,000 |
| Women's Services | 252,000 |
| Adult Services | 46,000 |
| Child Welfare Services | 911,000 |

Senior Citizen Services

| | |
|--------------------|---------|
| Long-term Care | 638,000 |
| Community Services | 464,000 |

Note: A portion of women's services funding supports services in Somerset, Wicomico, and Worcester counties. Senior citizen services funding supports services in Dorchester, Somerset, Wicomico, and Worcester counties.

C. Selected State Grants for Capital Projects**Public Schools**

| | |
|---|-------------|
| Worcester Career and Technology Center – construction | \$5,400,000 |
| Unspecified additional funding | 1,472,000 |

Wor–Wic Tech Community College

| | |
|------------------------------|---------|
| Workforce Development Center | 693,000 |
|------------------------------|---------|

Community Parks and Playgrounds

| | |
|----------------------|--------|
| 94th Street Park | 65,000 |
| Henry Park | 38,300 |
| Stephen Decatur Park | 11,900 |

Chesapeake Bay Water Quality Projects

| | |
|------------------------------|---------|
| Snug Harbor – sewer upgrades | 100,000 |
|------------------------------|---------|

Chesapeake Bay Restoration Fund

| | |
|--|---------|
| Snow Hill WWTP – enhanced nutrient removal | 800,000 |
|--|---------|

Waterway Improvement

| | |
|--|--------|
| Cedar Hall Wharf – ADA modifications | 99,000 |
| Ocean Pines Fire Department – acquire fire/rescue boat | 50,000 |
| Pocomoke City – new fuel station and dock | 50,000 |
| Pocomoke City – re-decking and new piers | 99,000 |
| Public Landing – shoreline stabilization | 99,000 |
| Snow Hill – replace Byrd Park boat ramp | 99,000 |
| Taylor Landing – ADA modifications | 25,000 |
| Turnville Creek – extend ramp and finger piers | 50,000 |

Other Projects

| | |
|--|-----------|
| Delmarva Discovery Station on the Pocomoke River | 150,000 |
| Germantown School | 150,000 |
| Rackliffe House | 150,000 |
| Worcester County Development Center | 1,500,000 |

D. Capital Projects for State Facilities in the County**Department of Natural Resources**

| | |
|--|-----------|
| Assateague State Park – erosion protection and repairs | 50,000 |
| Ocean City – beach replenishment | 2,000,000 |
| Pocomoke River State Park – repave parking lot and access road | 300,000 |