

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

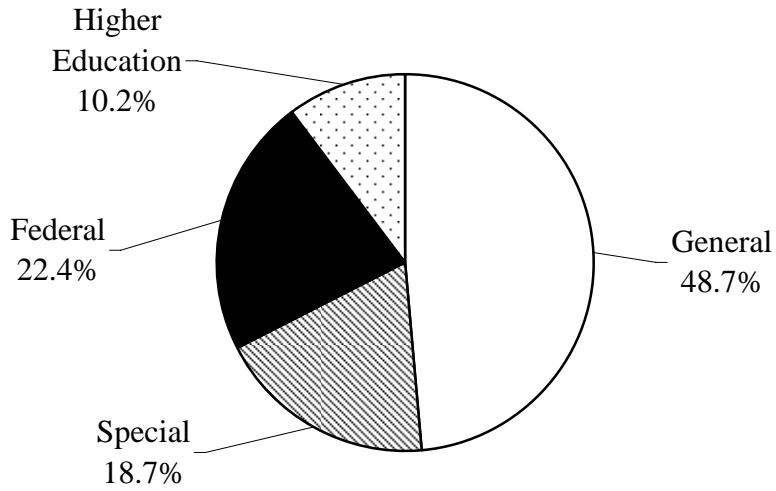
The Fiscal Year 2007 Budget Bill *Senate Bill 110 (enacted)* provides \$29.0 billion in appropriations for fiscal 2007; an increase of \$2.4 billion (9.2 percent) over fiscal 2006. **Exhibit A-1.1** illustrates funding by type of revenue. Slightly less than one-half of the budget is supported by general 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.

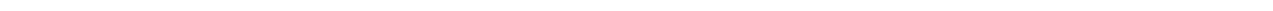
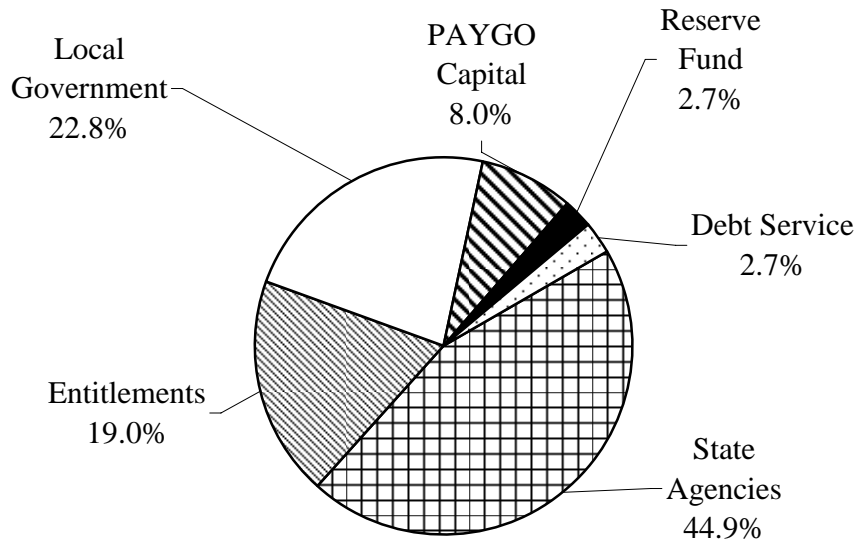
Special funds increase by \$444.9 million, or 9.0 percent. Highway user revenue distributions to local jurisdictions (\$80 million), land preservation and open space programs (\$257 million), the Bay Restoration Fund (\$40 million), and payments from the Maryland Health Provider Rate Stabilization Fund 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 Session</u>	<u>2006 Session</u>	<u>\$ Change</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.

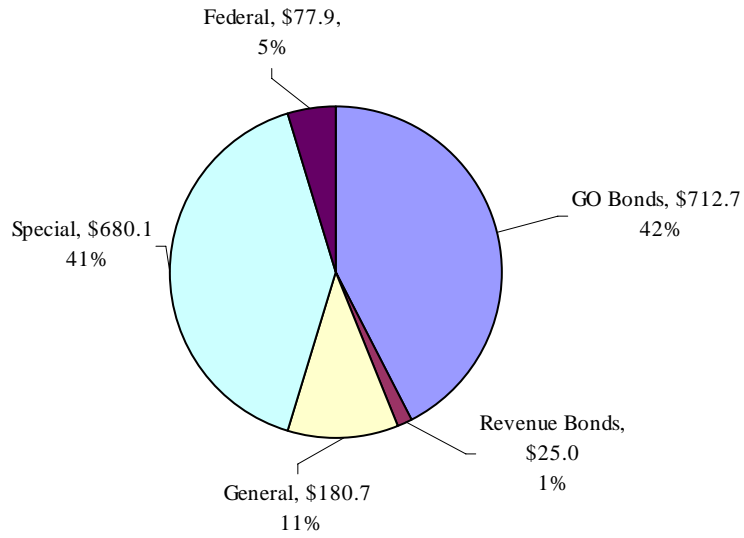
Exhibit A-2.1
Summary of the Capital Program
(\$ in Millions)

<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	

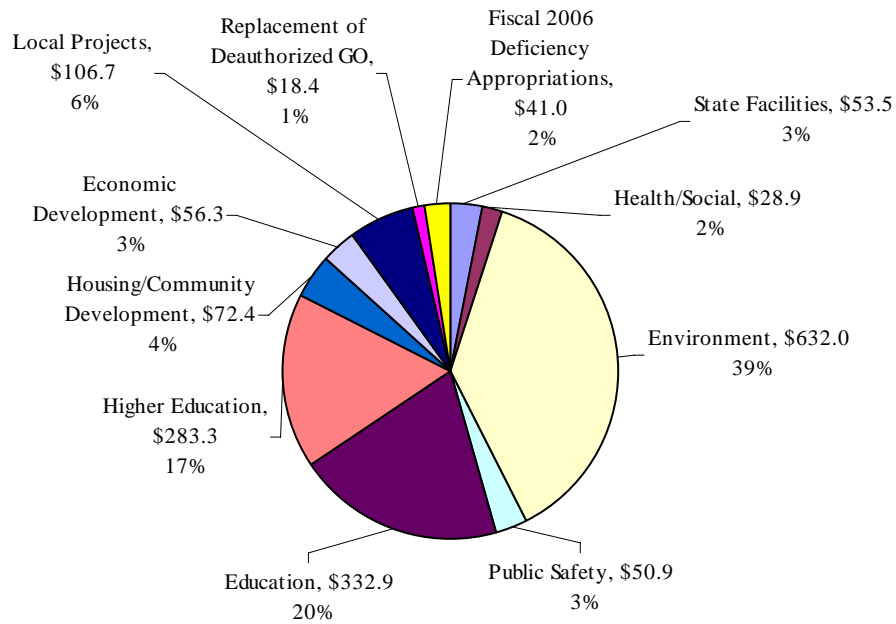
<u>Function</u>	Bonds		Current Funds (PAYGO)			<u>Total</u>
	<u>General</u> <u>Obligation</u>	<u>Agency</u>	<u>General</u>	<u>Special</u>	<u>Federal</u>	
Local Projects						\$106.7
Administration	20.9	0.0	29.6	0.0	0.0	
Legislative	55.7	0.0	0.5	0.0	0.0	
Replacement of Deauthorized GO						\$18.4
	0.0	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)

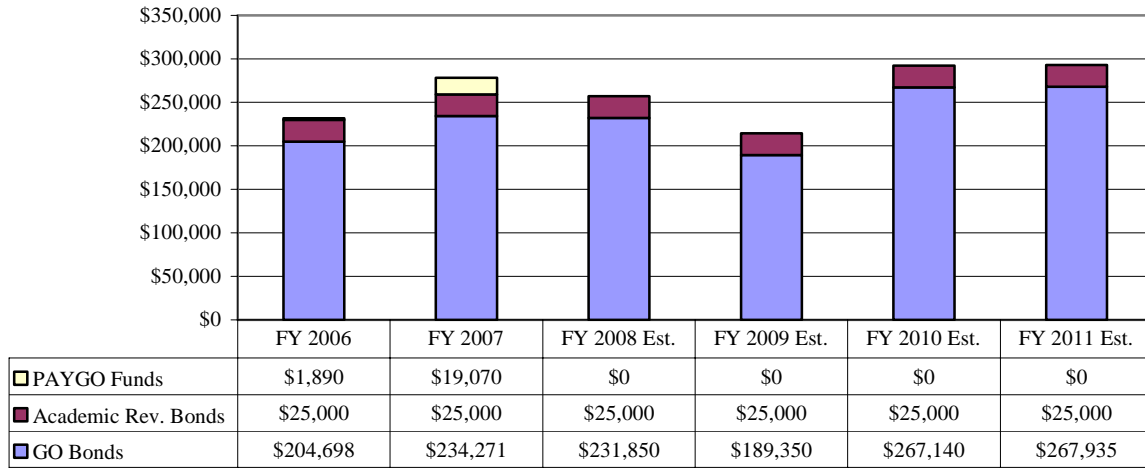


Exhibit A-2.7
Higher Education Fiscal 2007 Capital Funding by Institution
(\$ in Thousands)

<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

	Fiscal 2006 Legislative <u>Appropriation</u>	Fiscal 2007 Legislative <u>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

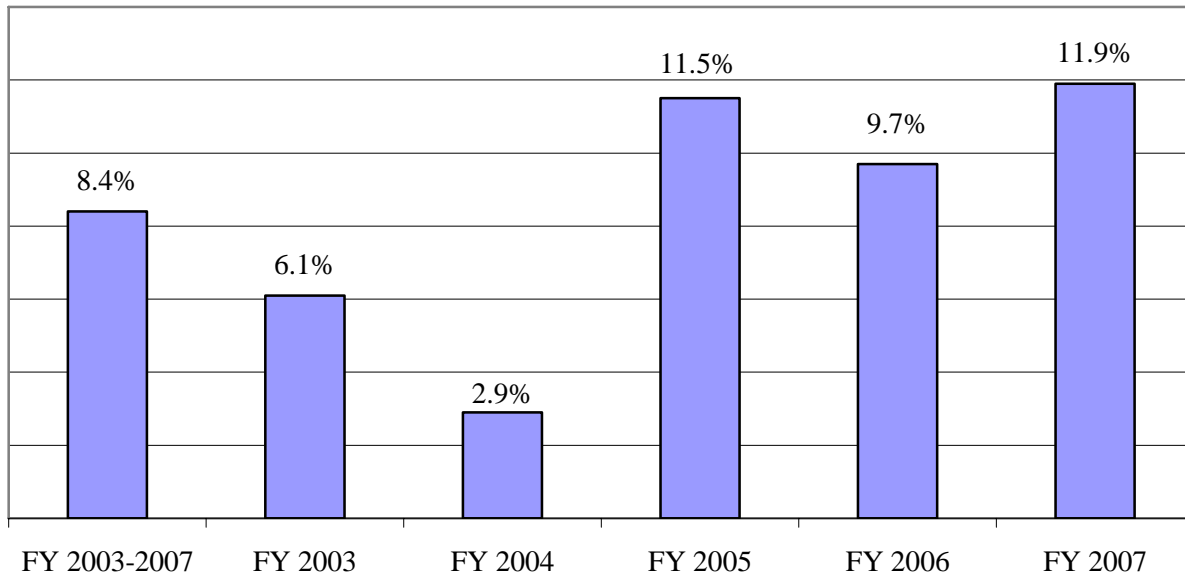
Overview

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.

State Aid

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 victim's 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
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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
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Other Projects

La Vale Boulevard Area Storm Drain System	100,000
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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
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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
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Community Mental Health/Addictions/Dev. Disabilities

Opportunity Builders, Inc.	1,600,000
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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
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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
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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
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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
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Community Mental Health/Addictions/Dev. Disabilities

Man Alive	800,000
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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
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Shelter & Transitional Facilities

House of Hope	725,000
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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

Aid to Local Government – Baltimore City

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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
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Department of Public Safety & Corrections

Baltimore City Detention Center – property acquisition	3,000,000
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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
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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
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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
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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
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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
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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
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Juvenile Justice Bond Program

Carroll County Youth Services Bureau, Inc.	82,000
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Senior Citizen Activity Centers

South Carroll Senior Center	426,000
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Community Parks and Playgrounds

Freedom Park	40,000
Lions Park	41,500

Waterway Improvement

Piney Run Park – ADA dock modifications	26,000
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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
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Maryland Environmental Service

O'Farrell Youth Center – water tower improvements	200,000
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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
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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
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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
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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
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Senior Citizen Activity Centers

Richard Clark Senior Center	367,000
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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
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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
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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
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Local Jail Loan

County Detention Center – master control panel	63,000
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Community Parks and Playgrounds

Christ Rock Park	46,000
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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
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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
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D. Capital Projects for State Facilities in the County

Department of Natural Resources

Cambridge Marine Terminal – replace bulkhead	1,000,000
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University System of Maryland

Center for Environmental Science – Horn Point Oyster Production Facility	391,000
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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
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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
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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
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Local Jail Loan

Garrett County Detention Center – new facility	518,000
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Federally Qualified Health Centers Grant Program

Western Maryland Health Care Corporation	1,200,000
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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
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Local Jail Loan

Harford County Detention Center – expansion	853,000
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Community Parks and Playgrounds

Hall's Crossroads School Park	200,000
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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
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Community Parks and Playgrounds

Lisbon Park	109,295
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Chesapeake Bay Water Quality Projects

Rockburn Commons – stormwater management	187,000
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Waterway Improvement

Centennial Lake – renovate boat launch/fishing pier	99,000
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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
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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
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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
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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
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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
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Juvenile Justice Bond Program

District Heights Youth Services Bureau	37,000
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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
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Waterway Improvement

Laurel Marine Rescue Squad – rescue equipment	3,500
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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

A-155

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
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Department of Natural Resources

Fort Washington Marina – replace docks and other improvements	1,960,000
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Maryland Veterans Administration

Cheltenham Veterans Cemetery – expansion (federal funds)	4,815,000
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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
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Chesapeake College

Talbot Science Building – renovation	3,810,000
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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
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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
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D. Capital Projects for State Facilities in the County**General Government**

Centreville District Court – expansion	3,700,000
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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
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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
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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
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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
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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
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D. Capital Projects for State Facilities in the County

Department of Natural Resources

Somers Cove Marina – bulkhead and marina improvements	275,000
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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
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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
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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
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Local Jail Loan

Washington County Detention Center – central booking	94,000
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Juvenile Justice Bond Program

San Mar Multipurpose Complex	60,000
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Community Mental Health/Addictions/Dev. Disabilities

Way Station	187,000
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Federally Qualified Health Centers Grant Program

Walnut Street Community Health Center	106,000
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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
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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
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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
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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
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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
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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
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Chesapeake Bay Restoration Fund

Snow Hill WWTP – enhanced nutrient removal	800,000
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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