

SUPPLEMENTAL BUDGET NO. 1 - FISCAL YEAR 2020

March 4, 2019

Mr. President, Mr. Speaker,
Ladies and Gentlemen of the General Assembly:

Pursuant to the authority conferred on me by Article III, Section 52, Subsection (5) of the Constitution of Maryland, and in accordance with the consent of the (State Senate) - (House of Delegates), duly granted, I hereby submit a supplement to House Bill 100 and/or Senate Bill 125 in the form of an amendment to the original budget for the Fiscal Year ending June 30, 2020.

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

SUPPLEMENTAL BUDGET SUMMARY

Sources:

Estimated General Fund Unappropriated Balance		105,466,588
July 1, 2020 (per Original Budget)		
Special Funds:		
K00368 State Lakes Protection and Restoration Fund	1,000,000	
SWF305 Cigarette Restitution Fund	2,000,000	
SWF317 Maryland Emergency Medical System Operations Fund	100,000	
R00396 Safe Schools Fund	10,000,000	
R00380 Healthy School Facility Fund	30,000,000	
SWF317 Maryland Emergency Medical System Operations Fund	235,000	
S00304 General Bond Reserve Fund	500,000	
		43,835,000
Federal Funds:		
93.103 Food and Drug Administration-Research	110,500	
93.778 Medical Assistance	(17,500,000)	
93.778 Medical Assistance	2,990,000	
93.778 Medical Assistance	126,877	
93.767 Children's Health Insurance Program	20,153	
		-14,252,470
Current Restricted Funds		
University of Maryland, College Park	235,000	
Current Unrestricted Funds		
University of Maryland, College Park	450,000	
Total Available		135,734,118
Uses:		
General Funds	(27,058,756)	
Special Funds	43,835,000	
Federal Funds	(14,252,470)	
Current Unrestricted Funds	235,000	
Current Restricted Funds	450,000	
		3,208,774
Revised Estimated General Fund Unappropriated		
Balance July 1, 2020		132,525,344

OFFICE OF THE ATTORNEY GENERAL

1. C81C00.01 Legal Counsel and Advice

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2019 to provide funds for expert witnesses for a false claims suit against an out-of-state childcare provider.

Object .08 Contractual Services	50,000	
General Fund Appropriation		50,000

DEPARTMENT OF DISABILITIES

2. D12A02.01 General Administration

In addition to the appropriation shown on page 11 of the printed bill (first reading file bill), to provide funds to reclassify a position to the correct class code.

Personnel Detail:		
Reclassification		38,991
Object .01 Salaries, Wages and Fringe Benefits		<u>38,991</u>
General Fund Appropriation		38,991

HISTORIC ST. MARY'S CITY COMMISSION

3. D17B01.51 Administration

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2019 to provide funds to be used for health insurance.

Personnel Detail:		
Fringe		80,108
Object .01 Salaries, Wages and Fringe Benefits		<u>80,108</u>
General Fund Appropriation		80,108

4. D17B01.51 Administration

In addition to the appropriation shown on page 15 of the printed bill (first reading file bill), to provide funding for a technical correction related to personnel costs.

Personnel Detail:		
Regular Earnings		30,167
Fringe		8,394
Object .01 Salaries, Wages and Fringe Benefits		<u>38,561</u>
General Fund Appropriation		38,561

MILITARY DEPARTMENT

5. D50H01.06 Maryland Emergency Management Agency

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2019 to provide funding for the Ellicott City Public Alert System.

Object .12 Grants, Subsidies, and Contributions	250,000	
General Fund Appropriation		250,000

DEPARTMENT OF BUDGET AND MANAGEMENT

6. F10A02.08 Statewide Expenses

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2019 to ensure all agencies have adequate funding for the \$500 employee bonus.

Personnel Detail:		
Reclassifications	485,352	
Object .01 Salaries, Wages and Fringe Benefits	<u>485,352</u>	
General Fund Appropriation		485,352

7. F10A02.08 Statewide Expenses

To become available immediately upon passage of this budget to reduce the appropriation for fiscal year 2019 to accurately reflect the cost of the 0.5% COLA for the University System of Maryland.

Personnel Detail:		
Reclassifications	(2,095,142)	
Object .01 Salaries, Wages and Fringe Benefits	<u>(2,095,142)</u>	
General Fund Appropriation		(2,095,142)

8. F10A02.08 Statewide Expenses

To reduce the appropriation on page 31 of the printed bill (first reading file bill), to eliminate excess funding for Annual Salary Reviews.

Personnel Detail:		
Reclassifications	(336,240)	
Object .01 Salaries, Wages and Fringe Benefits	<u>(336,240)</u>	
General Fund Appropriation		(336,240)

9. F10A02.08 Statewide Expenses

In addition to the appropriation shown on page 31 of the printed bill (first reading file bill), to provide Annual Salary Review (ASR) funding for positions in the maintenance mechanic and maintenance mechanic senior series class codes.

Personnel Detail:		
Reclassifications	85,100	
Object .01 Salaries, Wages and Fringe Benefits	<u>85,100</u>	
General Fund Appropriation		85,100

DEPARTMENT OF GENERAL SERVICES

10. H00E01.01 Real Estate Management

To become available immediately upon the passage of this budget to supplement the appropriation for fiscal year 2019 to provide funds to support State Center litigation.

Object .08 Contractual Services	100,000	
General Fund Appropriation		100,000

DEPARTMENT OF NATURAL RESOURCES

11. K00A12.06 Monitoring and Ecosystem Assessment

In addition to the appropriation shown on page 49 of the printed bill (first reading file bill), to add a special fund appropriation for the State Lakes Protection and Restoration Fund.

Object .02 Technical and Special Fees	47,507	
Object .08 Contractual Services	952,493	
	<u>1,000,000</u>	
Special Fund Appropriation		1,000,000

DEPARTMENT OF AGRICULTURE

12. L00A12.03 Food Quality Assurance

In addition to the appropriation shown on page 53 of the printed bill (first reading file bill), to provide funding to the Maryland Produce Safety Program to support inspection, compliance, and enforcement activities related to the federal Food Safety Modernization Act Produce Safety Rule.

Personnel Detail:		
Agricultural Inspector Advanced	2.00	68,780
Fringe Benefits		58,674
Turnover		<u>(16,954)</u>
Object .01 Salaries, Wages and Fringe Benefits		110,500
Federal Fund Appropriation		110,500

13. L00A12.10 Marketing and Agriculture Development

In addition to the appropriation shown on page 53 of the printed bill (first reading file bill), to provide funding to cover Maryland farmers' share of the premium cost to participate in the Federal Dairy Margin Coverage Program.

Object .12 Grants, Subsidies, and Contributions	1,500,000	
General Fund Appropriation		1,500,000

14. L00A14.05 Plant Protection and Weed Management

In addition to the appropriation shown on page 55 of the printed bill (first reading file bill), to provide funding for the spraying of the Palmer Amaranth weed.

Object .08 Contractual Services	150,000	
General Fund Appropriation		150,000

MARYLAND DEPARTMENT OF HEALTH**15. M00F03.04 Family Health and Chronic Disease Services**

In addition to the appropriation shown on page 60 of the printed bill (first reading file bill), to provide funding to attract and retain top talent at the University of Maryland Marlene and Stewart Greenebaum Comprehensive Cancer Center.

Object .12 Grants, Subsidies and Contributions	2,000,000	
Special Fund Appropriation		2,000,000

16. M00Q01.01 Medical Care Provider Reimbursements

To become available immediately upon passage of this budget to reduce the appropriation for fiscal year 2019 for medical provider reimbursements.

Object .08 Contractual Services	(25,000,000)	
General Fund Appropriation		(25,000,000)

17. M00Q01.01 Medical Care Provider Reimbursements

To reduce the appropriation shown on page 67 of the printed bill (first reading file bill), to reflect an increase in the discount hospital rate for Medicaid services.

Object .08 Contractual Services	(27,000,000)	
General Fund Appropriation		(9,500,000)
Federal Fund Appropriation		(17,500,000)

18. M00Q01.03 Medical Care Provider Reimbursements

In addition to the appropriation shown on page 67 of the printed bill (first reading file bill), to provide funds to maintain physician reimbursement rates for evaluation and management services at 93 percent of Medicare.

Object .08 Contractual Services	4,760,000	
General Fund Appropriation		1,770,000
Federal Fund Appropriation		2,990,000

19. M00Q01.03 Medical Care Provider Reimbursements

In addition to the appropriation shown on page 67 of the printed bill (first reading file bill), to provide funds to support a three percent rate increase for Rare and Expensive Case Management (REM) program services.

Object .08 Contractual Services	250,704	
General Fund Appropriation		123,827
Federal Fund Appropriation		126,877

20. M00Q01.07 Maryland Children's Health Program

In addition to the appropriation shown on page 68 of the printed bill (first reading file bill), to provide funds to support a three percent rate increase for Rare and Expensive Case Management (REM) program services.

Object .08 Contractual Services	25,390	
General Fund Appropriation		5,237
Federal Fund Appropriation		20,153

21. M00R01.01 Maryland Health Care Commission

In addition to the appropriation shown on page 69 of the printed bill (first reading file bill), to provide operating grant funds to the R Adams Cowley Shock Trauma Center at the University of Maryland Medical Center.

Object .12 Grants, Subsidies, and Contributions	100,000	
Special Fund Appropriation		100,000

STATE DEPARTMENT OF EDUCATION**22. R00A02.01 State Share of Foundation Program**

In addition to the appropriation shown on page 93 of the printed bill (first reading file bill), to reflect updated enrollment and wealth numbers.

Object .12 Grants, Subsidies, and Contributions	3,060,774	
General Fund Appropriation		3,060,774

23. R00A02.07 Students With Disabilities

To reduce the appropriation shown on page 94 of the printed bill (first reading file bill), to reflect updated enrollment and wealth numbers.

Object .12 Grants, Subsidies, and Contributions	(3,218)	
General Fund Appropriation		(3,218)

24. R00A05.01 Maryland Longitudinal Data System Center

In addition to the appropriation shown on page 102 of the printed bill (first reading file bill), to provide funds for Oracle contract costs.

Object .08 Contractual Services	800,000	
General Fund Appropriation		800,000

25. R00A06.02 Maryland Center for School Safety – Grants

In addition to the appropriation shown on page 103 of the printed bill (first reading file bill), to add a special fund appropriation to provide grants to local school systems to enhance school safety.

Object .12 Grants, Subsidies, and Contributions	10,000,000	
Special Fund Appropriation		10,000,000

26. R00A07.02 Capital Appropriation

In addition to the appropriation shown on page 104 of the printed bill (first reading file bill), to add a special fund appropriation for the Healthy School Facility Fund.

Object .14 Land and Structures	30,000,000	
Special Fund Appropriation, provided that \$1,200,000 of the amount for the Healthy Schools Facility Fund may be used only for projects at Public Charter Schools. This funding shall not preclude or diminish the availability of State funding for projects at Public Charter Schools from other school construction funding programs.		30,000,000

UNIVERSITY SYSTEM OF MARYLAND**27. R30B22.00 University of Maryland, College Park**

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2019 to provide funds to establish National Registry testing centers at Maryland Fire and Rescue Institute's training regions to increase student access to emergency medical services certification.

Object .08 Contractual Services	235,000	
Current Restricted Fund Appropriation		235,000

28. R30B22.00 University of Maryland, College Park

In addition to the appropriation shown on page 111 of the printed bill (first reading file bill), to provide funds to the Judge Alexander Williams, Jr. Center for Education, Justice and Ethics to implement programs and initiatives to improve educational outcomes, promote civic engagement, and raise awareness around mental health and wellness among vulnerable populations.

Object .12 Grants, Subsidies, and Contributions	450,000	
Current Unrestricted Fund Appropriation		450,000

MARYLAND HIGHER EDUCATION COMMISSION

29. R62I00.01 General Administration

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2019 to provide funds to support technical enhancements to the Maryland College Aid Processing System.

Object .08 Contractual Services	371,467	
General Fund Appropriation		371,467

30. R62I00.01 General Administration

In addition to the appropriation shown on page 108 of the printed bill (first reading file bill), to provide funds to support technical enhancements to the Maryland College Aid Processing System.

Object .08 Contractual Services	273,503	
General Fund Appropriation		273,503

HIGHER EDUCATION

31. R75T00.01 Support for State Operated Institutions of Higher Education

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2019 to provide funds to establish National Registry testing centers at Maryland Fire and Rescue Institute's training regions to increase student access to emergency medical services certification.

Object .12 Grants, Subsidies, and Contributions	235,000	
Special Fund Appropriation		235,000

32. R75T00.01 Support for State Operated Institutions of Higher Education

In addition to the appropriation shown on page 111 of the printed bill (first reading file bill), to provide funds to the Judge Alexander Williams, Jr. Center for Education, Justice and Ethics to implement programs and initiatives to improve educational outcomes, promote civic engagement, and raise awareness around mental health and wellness among vulnerable populations.

Object .12 Grants, Subsidies, and Contributions	450,000	
General Fund Appropriation		450,000

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

33. S00A24.01 Neighborhood Revitalization

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2019 to provide funds to expand cold-weather shelter services for individuals experiencing homelessness in Charles County.

Object .12 Grants, Subsidies, and Contributions	242,924	
General Fund Appropriation		242,924

34. S00A24.01 Neighborhood Revitalization

In addition to the appropriation shown on page 115 of the printed bill (first reading file bill), to provide funds for the Circuit Rider Program.

Object .12 Grants, Subsidies, and Contributions	500,000	
Special Fund Appropriation		500,000

AMENDMENTS TO HOUSE BILL 100 / SENATE BILL 125

Amendment No. 1:

On page 47, after line 32, insert "Further provided that in addition to the items listed in the Capital Budget volume of the Budget Books for Fiscal Year 2020, the following projects are approved for funding from the Natural Resources Development Fund: Patapsco Valley State Park – Comfort Station Replacement- McKeldin Area (Carroll); Patapsco Valley State Park – Bathhouse Replacement – Hollofield Area (Howard); and Outdoor Shooting Range Replacements - Johnson Wildlife Management Area (Wicomico) and Area 2 Hillsboro Natural Resource Police Facility (Queen Anne's)".

Adds language to include projects approved for funding from the Natural Resources Development Fund.

Amendment No. 2:

On page 94, in line 4, after the word Formula, strike "303,253,515" and replace with "303,250,297".

Technical correction to reflect updated enrollment and wealth numbers.

Amendment No. 3:

On page 104, after line 7, insert "Healthy School Facility Fund..... 30,000,000".

Updates the capital appropriation for the Interagency Commission on School Construction to provide a special fund appropriation for the Healthy School Facility Fund.

Amendment No. 4

On page 111, in line 37, strike "517,605,574" and substitute "518,055,574".

Updates the appropriation for the University of Maryland, College Park Campus to provide funds for the Judge A Alexander Williams, Jr. Center for Education, Justice and Ethics.

Amendment No. 5:

On page 162, in line 6, after the number 1, strike "240,720" and replace with "236,000".

Technical adjustment in Section 3 Flat Rate Positions to correct the State Superintendent of Schools salary.

Amendment No. 6:

On page 177, after line 5, insert "Section 20. AND BE IT FURTHER ENACTED, That 22.0 FTE positions transferred to the Department of General Services (DGS) shall not be effective until October 1, 2019. Authorization is hereby provided for DGS to reimburse the salaries of these employees to the Departments of Budget and Management and Information Technology.

"Section 21. AND BE IT FURTHER ENACTED, That funds appropriated for the Opioid Operational Command Center may be transferred to programs of agencies to support the State's response to the heroin/opioid epidemic".

In line 6, after the word Section, strike "20" and replace with "22", and in line 12, strike "21" and replace with "23".


Technical correction to authorize DGS to reimburse DoIT and DBM for salary costs of procurement positions through September 30, 2019 and allow the transfer of Opioid Operational Command Center funds to other programs to support State's response to heroin/opioid epidemic. In addition, renumbers the Sections of the budget bill accordingly.

SUMMARY

SUPPLEMENTAL APPROPRIATIONS

	General Funds	Special Funds	Federal Funds	Current Restricted Funds	Current Unrestricted Funds	Total Funds
Appropriation						
2019 Fiscal Year	1,579,851	235,000	0	235,000	0	2,049,851
2020 Fiscal Year	<u>8,295,993</u>	<u>43,600,000</u>	<u>3,247,530</u>	<u>0</u>	<u>450,000</u>	<u>55,593,523</u>
Subtotal	<u>9,875,844</u>	<u>43,835,000</u>	<u>3,247,530</u>	<u>235,000</u>	<u>450,000</u>	<u>57,643,374</u>
Reduction in Appropriation						
2019 Fiscal Year	-27,095,142	0	0	0	0	-27,095,142
2020 Fiscal Year	<u>-9,839,458</u>	<u>0</u>	<u>-17,500,000</u>	<u>0</u>	<u>0</u>	<u>-27,339,458</u>
Subtotal	<u>-36,934,600</u>	<u>0</u>	<u>-17,500,000</u>	<u>0</u>	<u>0</u>	<u>-54,434,600</u>
Net Change in Appropriation	<u><u>-27,058,756</u></u>	<u><u>43,835,000</u></u>	<u><u>-14,252,470</u></u>	<u><u>235,000</u></u>	<u><u>450,000</u></u>	<u><u>3,208,774</u></u>

Sincerely,



Lawrence J. Hogan, Jr.
Governor