



FY 2023 BUDGET

JANUARY 19, 2022



Maryland's Economic Turnaround

What We Inherited

- **\$5.1 billion structural deficit**
- **43 consecutive tax hikes**
- **Economy ranked 49th out of 50 states**

What We've Achieved

- **\$1.3 billion structural surplus**
- **\$2.7 billion in cuts to taxes, tolls, and fees**
- **Most improved state for business**

COVID-19 Fiscal Crisis

Comptroller Projections	Our Actions
<ul style="list-style-type: none">● Immediate 50% decrease in revenues● Revenue loss of \$2.8 billion	<ul style="list-style-type: none">● Budget and hiring freeze● Vetoed 22 spending bills● Largest tax cut in state history



Maryland's Continued Recovery

- **Creating jobs 2x as fast as the rest of the country**
- **Rated most improved state for business**
- **Long-term structurally balanced budget for first time in nearly 25 years**

\$3.6 BILLION

RECORD RESERVES IN RAINY DAY FUND

Over \$4.6 Billion in Tax Relief

The **Retirement Tax Reduction Act** will gradually phase-in elimination of taxes on all income over 6 years.

- Will remove 70,000 lower-income seniors from the tax rolls immediately



Over \$4.6 Billion in Tax Relief

The **Working Marylanders Tax Relief Act** will make permanent the enhanced refundable enhanced Earned Income Tax Credit.

- Will help nearly 300,000 working families

Relief For Underserved Marylanders

- Enhanced electric and utility assistance for **160,000 households**
- Enhanced supplemental SNAP benefits for **27,000 seniors**
- Expanded Summer SNAP support for **50,000 children**
- Fully funding temporary disability assistance to help **11,300 Marylanders**

Historic Funding for K-12 Education

- Record funding for 8th year in a row: **\$8.15 billion**
- Provides **\$151 million** in funding over legislative mandates
- Provides **\$144.1 million** to expand full-day pre-K for 3- and 4-year-olds
- Fully funds final year of the Hogan Lockbox



RECORD-SHATTERING

\$1 BILLION

IN SCHOOL CONSTRUCTION FUNDING

Higher Education



- Additional **\$601 million** for higher education projects
 - Larger new investments for all HBCUs
- Record funding for community colleges
 - Increased state support per student by 130%

Infrastructure



\$1.4 billion

for roads and
bridges

\$1.3 billion

for mass transit
improvements

Natural Resources & Environment

- Nearly **\$75 million** for Maryland Park Service—20-year high
- Fully funding Chesapeake Bay restoration efforts for **7th year in a row**
- Fully funding Program Open Space and land preservation programs for **5th year in a row**

Combating the Opioid Epidemic

- Record nearly **\$1 billion** for mental health and substance abuse programs
- State support to combat the opioid crisis facing the state has increased by **420%** since FY 2017

Historic Investments in Public Safety

- **\$500 million+** over 3 years to Re-Fund the Police
 - \$190 million to support competitive salaries
 - \$122 million in police aid to local jurisdictions
 - \$30 million for neighborhood public safety grants
 - \$24 million for body cameras, de-escalation training
- Record **\$13.3 million** for Justice Reinvestment Act initiatives



Historic Investments in Public Health

- Record **\$75 million** for local health departments
- Increases the rate paid to doctors to 100% of Medicare and fully funds all other provider rates
- Establishes equity programs to address health disparities and improve access to primary care

**This budget shows how far we
have come over the last seven
years to **change Maryland for
the better.****



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