



Analysis of Proposed FY 2020 State of Maryland Budget's Impact on Prince George's County

Budget Highlights

Office of Management and Budget
February 12, 2019

Total State Aid (Direct and Retirement)

- ▶ \$1.454 billion – an increase of \$40.6 million (2.9%) over FY 2019
- ▶ Approximately 93% of the increase (\$37.8million) was in 4 State Aid categories
 - ▶ K-12 Education- \$28.7 million increase
 - ▶ Gaming Impact Grants - \$4.4 million increase
 - ▶ Transportation Aid – \$2.6 million increase
 - ▶ Disparity Grant – \$2.1 million increase
- ▶ Maintains the special public safety grants (\$4.8million) –drug grant, violent crime, and State’s Attorney’s Office.
- ▶ The overall budget proposal is in effect and a modest increase in funds roughly equal to inflation. That said, there are different impacts on different elements of county functions.

Public School Construction Funding

- ▶ \$13.2 million in recommended funding for Prince George's County Public Schools by the Interagency Commission on School Construction (IAC) at the 75% allocation mark. It is anticipated that that this number will grow significantly as the school construction funding process proceeds.

University of Maryland Capital Region Health

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- ▶ \$15 million in operating funds and the remaining \$56.2 million in State capital funds for the Regional Medical Center

Community College Capital

- ▶ 12.3 million for the Marlboro Hall renovation and addition project
- ▶ \$0.5 million for facility renewal projects on the campus

Consolidated Transportation Plan

- ▶ \$220.7 million for the Purple Line
- ▶ \$31.0 million for a new interchange at MD 4 (Pennsylvania Avenue) and Suitland Parkway
- ▶ \$12.9 million to replace two bridges on I-495 over Suitland Parkway
- ▶ \$11.7 million to replace two bridges on I-495 over MD 214
- ▶ \$10.0 million to complete the new interchange along MD 210 and Kirby Road/Livingston Road
- ▶ \$9.7 million to replace two bridges on I-495 over Suitland Road
- ▶ \$7.8 million to construct a new interchange at MD 5, MD 373, and Brandywine Road relocated
- ▶ \$6.6 million to reconstruct US 1 from College Avenue to MD 193
- ▶ \$5.0 million to construct landscaped median with sidewalk and crosswalk improvements from MD 208 (Hamilton Street) to DC line
- ▶ \$2.5 million to upgrade and widen existing MD 197 from Kenhill Drive to MD 450
- ▶ \$2.5 million to relieve traffic congestion along MD 210 and improve intersections from I-495 to MD 228
- ▶ \$1.5 million to construct roadway and streetscape on MD 5 from Curtis Drive to the DC line, and on MD 637 (Naylor Road) from MD 5 to Suitland Parkway
- ▶ \$0.8 million for geometric improvements at MD 5 and Linda Lane

General Fund

	FY 2019	FY 2020	Change from FY 2019
Disparity Grant	\$34,099,612	\$36,196,527	\$2,096,915
Highway User Revenue	\$4,581,330	\$14,482,487	\$9,901,157
Police Aid	\$14,993,795	\$15,015,584	\$21,789
Teacher Retirement Supplement Grants	\$9,628,702	\$9,628,702	\$0
Local Health	\$6,478,105	\$6,666,479	\$188,374
Total	\$69,781,544	\$81,989,779	\$12,208,235

Other Funds

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	FY 2019	FY 2020	Change from FY 2019
William H. Amoss Fire, Rescue and Ambulance Fund	\$1,699,001	\$1,697,598	(\$1,403)
TOTAL	\$1,699,001	\$1,697,598	(\$1,403)

Outside Aid

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	FY 2019	FY 2020	Change from FY 2019
Community College - Cade Formula	\$29,514,627	\$31,245,262	\$1,730,635
Community -ESOL	\$1,179,000	\$1,139,568	(\$39,432)
Community College - State Retirement	\$938,000	\$1,038,929	\$100,929
Community College – Ret.	\$5,139,726	\$5,496,280	\$356,554
Total Community College	\$36,771,353	\$38,920,039	\$2,148,686
Library - Direct State Aid	\$7,476,544	\$7,627,645	\$151,101
Library – Retirement	\$2,071,221	\$2,146,042	\$74,821
Total Library	\$9,547,765	\$9,773,687	\$225,922
Board of Education - Direct State Aid	\$1,140,518,225	\$1,163,032,146	\$22,513,921
Board of Education - Retirement	\$108,999,822	\$115,176,294	\$6,176,472
Total Board of Education	\$1,249,518,047	\$1,278,208,440	\$28,690,393
Total	\$1,295,837,165	\$1,326,902,166	\$31,065,001

Other Direct Aid

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	FY 2019	FY 2020	Change from FY 2019
Elderly & Disabled - Transportation			
Drug Grant	\$782,819	\$782,819	
State's Attorney's Office			
Violent Crime Grant	\$1,214,610	\$1,214,610	
Gaming Impact Grant	\$1,272,889	\$1,272,889	
Special Grants	\$2,292,489	\$2,292,489	
Program Open Space	\$27,405,175	\$27,471,957	\$66,782
Other	\$4,779,988	\$4,779,988	
	\$8,214,000	\$8,757,000	\$543,000
TOTAL	\$9,629,000	\$9,629,000	
	\$55,590,970	\$56,200,752	\$609,782

State Aid to Municipalities

FY 2020

State Aid Police Protection \$3,328,170

Transportation \$7,821,754

Additional Factors

The following are bills that are deemed “action bills” and could have a notable financial impact to the County if enacted:

- ▶ HB 0114 - Income Tax Subtraction Modification - Retirement Income of Correctional Services, Law Enforcement, or Fire, Rescue, or Emergency Services Personnel (Local Revenues: Local income tax revenues decrease as a result of subtraction modifications claimed against the personal income tax. Local revenues decrease by \$2.0 million in fiscal 2020 and by \$2.2 million in fiscal 2024) MACo has taken a position of opposition.
- ▶ HB 0149 - Retirement Tax Fairness Act of 2019 - Including income from certain retirement plans within a certain subtraction modification allowed under the Maryland income tax for certain individuals who are at least certain ages, are disabled or whose spouse is disabled, or are retired correctional officers, law enforcement officers, or fire, rescue, or emergency services personnel; limiting the cumulative or total amount of certain subtractions to the maximum annual benefit under the Social Security Act less certain payments; etc
- ▶ Cross Filed with: SB 0170 (The fiscal and policy note has not been prepared yet, but, MACo has taken a position of opposition.)
- ▶ HB 0154 - Income Tax Subtraction Modification - Qualified Retired Public Safety Employee (Hometown Heroes Act of 2019) (The fiscal and policy note is not yet available-but, MACo has taken a position of opposition.)
- ▶ Cross Filed with: SB 0171
- ▶ HB 0231 - Income Tax - Subtraction Modification - Volunteer Fire, Rescue, and Emergency Medical Services Members Cross Filed with: SB 0161 (This fiscal and policy note is not yet available, but, MACo has taken a position of opposition).