

*The 5 Pillars of the
Ehrlich-Steele
Administration*

Fiscal Responsibility

Education

Health and
the Environment

Public Safety and
Safer Neighborhoods

Commerce





January 19, 2005

The Senate of Maryland
The Honorable Thomas V. "Mike" Miller, President

The Maryland House of Delegates
The Honorable Michael E. Busch, Speaker

The Citizens of Maryland

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

It is my privilege to submit this 2006 operating budget highlighting my plan to meet the vital needs of our great State - effective public safety, quality education, improved public healthcare, increased economic opportunity, and a healthy environment.

We are able to fund State priorities while significantly reducing the State's budget deficit. Last summer, I directed the Department of Budget and Management to lead State agencies through a Strategic Budgeting exercise, a never before conducted, top-to-bottom review of State services; you may find a copy of this directive at www.dbm.maryland.gov. The goal of strategic budgeting is twofold: help the State align spending with priorities and control spending. Unlike past years when success was measured by funding increases, Strategic Budgeting concretely measures success by the outcomes benefiting Marylanders and sets funding levels accordingly.

Education

For the second year in a row, my budget contains the largest K-12 funding increase in Maryland's history: \$396.6 million in general funds. In addition to this historic increase in operating aid, my budget also includes \$155 million, a 55 percent increase, for public school construction. I am pleased to increase State funding for the University System of Maryland by \$43 million; Morgan State University funding by \$2.5 million; St. Mary's College of Maryland by \$615,000; community colleges by \$8 million. Perhaps most importantly, State support for need-based aid increases \$15.5 million, a 29 percent increase. Access to higher education is of paramount concern to me, and this budget rightfully makes higher education more accessible for Marylanders.

Health and the Environment

The 2006 budget includes a 9% growth in funding for Medicaid services to 644,000 Marylanders and a 6.6% growth in funding for community services provided to 22,000 developmentally disabled individuals. In total, spending for healthcare, including employee and retiree benefits is \$7.4 billion, the State's largest expenditure. This budget continues our most valuable programs while implementing efficiencies for others.

Last legislative session, I sponsored, and the General Assembly passed, the Chesapeake Bay Restoration Act. This initiative, described by the Chesapeake Bay Foundation as, "one of the most important environmental bills of the past twenty years," will invest nearly \$1 billion to rebuild and upgrade Maryland's wastewater treatment plants, reducing nitrogen pollution into the Bay in half by eliminating seven million pounds of nitrogen pollution per year.

Public Safety and Safer Neighborhoods

Providing for the protection and safety of Maryland's citizens remains a top priority for this Administration, and this can only be achieved by supporting programs and tools to break the cycle of crime. This year's budget includes \$20.6 million for a major public safety information technology initiative, providing critical tools to those on the front lines of our criminal justice system. Also, by increasing mental health assessments for juveniles from twenty-seven percent in 2002 to eighty percent this year, and one-hundred percent the following year, we will continue providing the services necessary to reshape the lives of Maryland's at-risk youths. Increased funding for project RESTART will continue the positive trend started last year of supporting programs proven to reduce crime.

Commerce

Since taking office, Maryland has benefited from the creation of 50,000 new jobs and dozens of new companies moving to literally every part of the State. Last year, I sponsored, and the General Assembly passed, the Transportation Trust Fund Initiative. This year Marylanders have begun to see the benefits: long delayed roads are finally being built to ease congestion; resourceful mass transit options, such as dedicated bus lanes, are gaining momentum; and the ICC is becoming a long awaited and much needed reality.

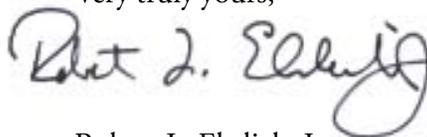
In order to maintain and strengthen our dedicated workforce of public servants, I have included a COLA of two percent for State employees in addition to merit increases. This is the second year in a row I have included additional compensation after over two years with no increases.

For the last two years, I have proposed, and the State Senate has passed my video lottery bill to provide over \$800 million per year for education. I congratulate the members of the Senate and once again urge the House of Delegates to pass this substantial funding program. With these new, dedicated revenues, we can enhance our educational support and expedite needed school construction funding throughout every region of the State.

In the following pages, please find the results of thousands of hours of careful, deliberate thought.

Thank you for your interest.

Very truly yours,



Robert L. Ehrlich, Jr.
Governor

Contents

Budget Overview	6
Fiscal Responsibility	12
Education	14
Health and the Environment	16
Public Safety and Safer Neighborhoods	18
Commerce	20
Budget Summaries	22
Capital Budget	22
Constitutional Agencies	28
Agriculture	30
Budget & Management	32
Business & Economic Development	34
Education	36
Environment	38
General Services	40
Health & Mental Hygiene	42
Higher Education Commission	44
Higher Education Institutions	46
Housing & Community Development	48
Human Resources	50
Juvenile Services	52
Labor, Licensing, & Regulation	54
Natural Resources	56
Planning	58
Public Safety & Correctional Services	60
State Police	62
Transportation	64
Independent Agencies	66
Supporting Local Government	77
Appendices	91

Some totals in this book may not add due to rounding.

Budget Overview

Governor Ehrlich has concentrated budget growth to reflect the priorities of his administration and the citizens of Maryland.

Education

For the second year in a row, Governor Ehrlich's budget contains the largest K-12 funding increase in Maryland's history: \$396.6 million in general funds. This will further help Maryland's twenty-four jurisdictions ensure that every child in Maryland has abundant educational opportunities.

Health

Governor Ehrlich believes it is critical for the State to assist needy Marylanders with their healthcare needs. The FY 2006 Medicaid budget increases \$371 million over the FY 2005 appropriation in total funds. While proposing this increased spending, Governor Ehrlich has proposed measures to curtail growth in areas where double-digit increases have become the norm. The Department of Health and Mental Hygiene General Fund budget totals \$3.3 billion, 27 percent of the State's General Fund amount.

Environment

Last year, Governor Ehrlich sponsored and passed the most important environmental initiative in a generation. This year, Marylanders will see the benefits as the Chesapeake Bay, Maryland's greatest natural resource, begins the restoration process.

The Chesapeake Bay Restoration Fund will provide \$35.9 million in FY 2006 to upgrade Maryland's most needy wastewater treatment plants. Over the next six years, the Fund will provide nearly \$1 billion to improve these plants thereby reducing the amount of nitrogen entering

the Bay by 50 percent.

Adequate Public Safety

Safe and secure prisons are necessary to ensure public safety, but so are rehabilitative programs for prisoners. The FY 2006 budget allots \$79.1 million to build state and local correctional facilities and proposes \$8.5 million for drug treatment programs. These drug treatment programs will help lower the recidivism rate, thereby lowering the State's prison population. The Department of Juvenile Services, in collaboration with the Department of Health & Mental Hygiene, is working to expand services to youth in custody so that comprehensive treatment plans, appropriate to each child, can be implemented to treat those with intensive needs.

Commerce

During the 2004 legislative session, Governor Ehrlich won passage of a major transportation funding initiative to provide an additional \$238 million each year for the Transportation Trust Fund. Already, 123 new major projects have been added to the state's list of priority transportation projects as part of the Consolidated Transportation Program.



With Governor Ehrlich's help Maryland businesses created over 35,000 jobs in 2004, including: American Woodmark in Allegany County (500 new jobs), Internosis in Prince

George's County (250 new jobs), and a Wal-Mart distribution center in Somerset County (450 new jobs).

Economic Outlook

By most measures, Maryland has outperformed the national economy for the past five years and this trend continues. In addition, the consensus forecast for the national and State economies is positive, calling for sustained growth for the foreseeable future.

Through the first ten months of 2004, Maryland ranked fourteenth among the states in the rate of job creation. The growth in personal income has accelerated for five consecutive quarters. State economic growth has been broad-based, with seven of ten major industrial sectors experiencing rising rates of increase.

The strong economy will result in hefty increases in general fund revenues. The individual income tax, which accounts for nearly half the general fund revenue, will grow by 5.9 percent in fiscal year 2005 and by 7.4 percent in 2006. Growth in the sales tax, 28 percent of General Fund revenues, will be 5.6 percent and 4.6 percent, respectively, in the two fiscal years.

Additional Revenues

Legislation will be introduced to improve compliance with our tax laws. In total, these measures are expected to generate \$68 million in FY 2006.

Tax Incentives/Tax Relief

Governor Ehrlich wants to attract and retain high quality jobs in Maryland. To keep the economy strong, the Governor will introduce legislation to support research and development, investment in biotechnology and film production activity. The research and development tax credit, scheduled to sunset this past December 31, will be extended to December 31, 2011 and the annual total credit amounts for the basic and growth credits will each increase from \$3 million to \$6 million. Both credits have been well oversubscribed. Increasing the allowable amounts will bring about more cost certainty for the affected companies and thereby preserve jobs. The impact of the higher credit amount will begin in FY 2007.

Maintaining Maryland's biotechnology advantages is a constant battle as other states continue to expand their

Status of the State General Fund
\$ millions

	FY 2005	FY 2006
Beginning balance	453	680
Estimated revenues	11,020	11,306
Additional revenues	2	68
Transfers	475	163
Total Sources	11,950	12,218
Appropriations	11,290	12,299
Reductions from approp.	(20)	(99)
Total Expenditures	11,270	12,200
Ending balance	680	18

incentive programs. The Governor is adding to Maryland's arsenal the biotechnology investment incentive act, which allows an individual or corporation to claim a credit against the income tax or insurance premiums tax for investments made in a qualified biotechnology company or venture capital firm. The maximum credit amount available each year is \$12 million and the fiscal effect begins in FY 2007.

Film production activity in Maryland will be enhanced by a wage rebate incentive. The annual maximum aggregate wage rebate beginning with FY 2006 is \$6 million.

Legislation will be introduced to expand tax relief for military veterans' pensions. There will be no tax on pensions for veterans with twenty or more years of service. This measure is expected to induce these honored members of society to remain in Maryland, where the State will benefit both economically and fiscally from their second careers and from their working spouses. The pension exclusion will be phased in over five years to limit the initial impact on general fund revenues to \$2.4 million in FY 2006 and \$7.6 million in FY 2007. The cost reaches \$25.8 million in FY 2010.

Budget Summary

The total budget for FY 2006 totals \$25.9 billion, a 4.2 percent increase over FY 2005. The budget proposes a record increase in spending on local education, and a significant increase in the Medicaid program. The General Fund portion of the budget totals \$12.2 billion, an 8.3 percent increase over the FY 2005 budget.

Budget Overview

State “Rainy Day” Reserve Fund

The proposed budget protects the State Reserve Fund. The balance in the fund at the end of FY 2006 will total \$796 million. Maintaining an adequate reserve is crucial to guarding against further revenue downturns and preserving the State’s coveted triple A bond rating.

State Personnel

The dedication and professionalism of State employees continue to drive the success of Maryland government. In order to reward Maryland’s exemplary employees, the Governor’s budget proposes a 2 percent COLA and a step increase for all State employees.

The number of authorized positions in State government totals 78,491. Staffing levels in many State agencies decline because of the abolition of vacant positions, but the budget creates approximately 200 net new positions in priority areas, primarily among the following agencies:

The Public Defender’s Office as part of a caseload reduction initiative.

The University System of Maryland.

The Department of Juvenile Services primarily to staff new programs and facilities.

The Department of Public Safety and Correctional Services to staff new facilities.

Strategic Budgeting

In preparation for the Governor’s FY 2006 budget and in order to address responsibly and prudently the structural deficit, Governor Ehrlich asked the Department of Budget and Management to lead all State agencies through a comprehensive Strategic Budgeting exercise. Through this process, State agencies ranked all of their programs based upon measurable outcomes and how these outcomes relate to the Governor’s priorities and core services of State government.

In years past, programmatic success has often been judged by funding attainment. Strategic Budgeting aims to reverse this kind of evaluation by increasing funding for programs that are successful, and implementing standards of success for underperforming programs in order to receive

State support. No matter how noble the idea, if programs are not achieving positive outcomes for Marylanders, the State must examine whether the program should continue.



Fiscal Year 2006 Budget Totals* (\$ millions)

<u>Expenditures</u>	<u>FY 2006</u>	<u>% Increase Over '05</u>	<u>Positions</u>	<u>FY 2006</u>	<u>% inc.</u>
General funds	12,200	8.3%	Authorized	78,491	0.5%
Special funds	4,804	-5.4%	Contractual	9,255	-0.6%
Federal funds	6,195	5.0%	All Positions	87,746	0.4%
Higher Education Funds	2,685	3.5%			
Total Funds	\$25,884	4.2%			

*After contingent reductions and reversions
Totals may not add due to rounding

Strategic Budgeting

Instead of basing funding levels on the previous fiscal year's level, agencies ranked their programs in priority order after examining and detailing the outcomes each program is producing. By engaging in this detailed and thoughtful analysis, the Governor is better able to ensure that Maryland's most vulnerable populations are protected and that Maryland's taxpayers receive the effective and efficient services they deserve.

During this thorough and candid assessment of services, agencies asked themselves critical, reflective questions: "Is this program necessary?" "Could the funds currently allotted to this program be better spent educating Maryland's children or providing health care for our vulnerable citizens?" "Are these budgeted positions helping us achieve our agency's goals?"

Strategic Budgeting is as much a management tool as a budgeting tool. Since the exercise requires such a comprehensive examination of each agency, participation from all levels of management was critical to success. Rarely before had front line service providers and all levels of management been so engaged in both programmatic evaluations and budgeting details on the micro level.

This year, Maryland will spend over \$25 billion to provide an excellent education for children, quality higher education for young adults, health care for needy Marylanders, a clean and healthy Chesapeake Bay for its citizens, first-rate workforce training, safer roads and many other valuable services. But in order to afford the services Marylanders need most, marginal or under performing programs need to be reduced or eliminated. In short, agencies examined their budgets, truthfully identified where the State can best help Marylanders, and aligned government spending to reflect these priorities.

View the Strategic Budgeting Guide: www.dbm.maryland.gov

Strategic Budgeting Success Stories

Department of Housing and Community Development

Strategic Budgeting Overview- Of the fifty-seven programs for which the strategic review was completed, eighty-six percent were considered high or medium priority.

Business Process Improvements and Other Efficiencies - In response to demand, DHCD is increasing technical assistance to its customers.

DHCD is examining alternative funding mechanisms to increase its financial assistance programs at no cost to the General Fund.

Consolidation from sixteen separate loan servicers to a single master loan servicer in its single family program – annual savings estimated at \$2.5 million

Created an electronic interface for Section 8 contract payments, eliminating data entry for the 300 monthly payments. This electronic interface will allow DHCD to absorb the additional 130 contracts from HUD in FY 2006 without any need for increased administrative support staff.

Use of electronic filing system to scan and store loan documents. These were previously stored via Microfiche, which was more costly and less effective in terms of storage and retrieval.

Department of Natural Resources

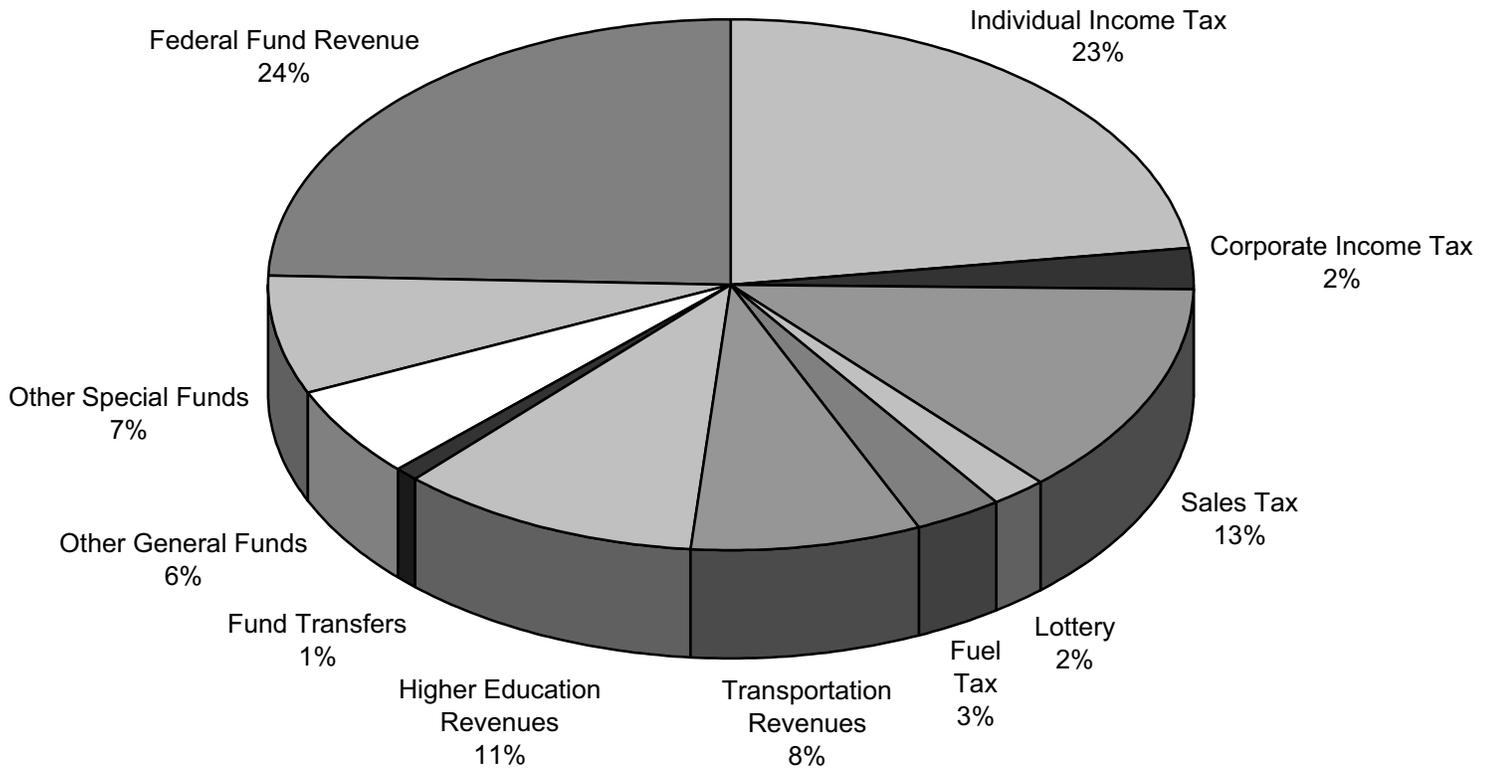
Strategic Budgeting Overview- DNR senior management generated program rankings through the pairwise scoring method. This ranking, which generates a decimal score, was presented as the basis for DNR's strategic budgeting decisions. Scores ranged from 0.69 for the most important program to 0.06 for the least important program.

Business Process Improvements and Other Efficiencies - A State-leased pool of vehicles available during summer would reduce vehicle purchase and operation costs.

Bidding maintenance activities such as mowing to private contractors would reduce equipment costs.

Centralized scheduling and tracking of outreach activities to ensure maximum participation of Maryland citizens, while reducing staff time currently allocated to this task.

Revenues

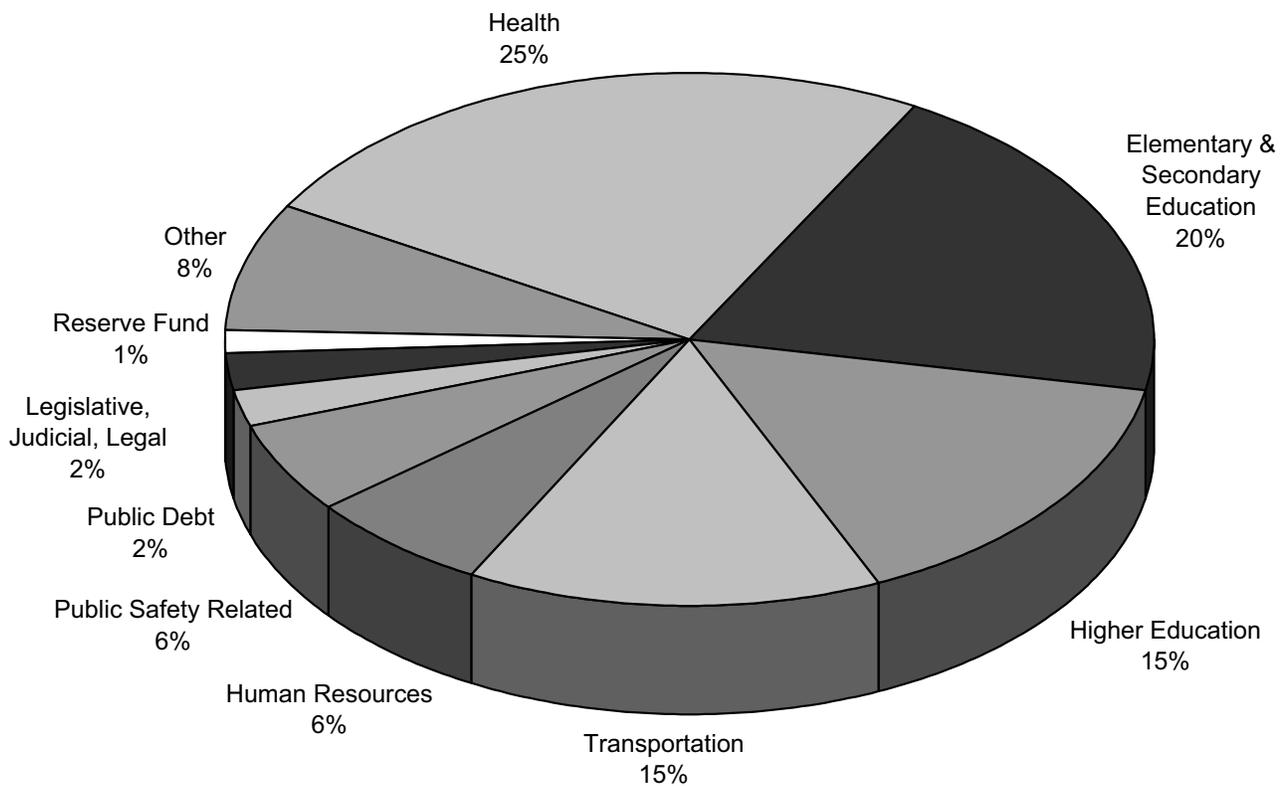


Revenues (\$ millions)

	FY2004	FY2005	FY2006	% change '06 over '05	% Total Revenues
Individual Income Tax	5,078	5,376	5,776	7.4%	23.0%
Corporate Income Tax	432	553	614	11.1%	2.4%
Sales Tax	2,945	3,110	3,254	4.6%	12.9%
Lottery	509	519	534	2.8%	2.1%
Fuel Tax	746	763	780	2.2%	3.1%
Transportation Revenues	1,575	1,825	2,009	10.1%	8.0%
Higher Education Revenues	2,342	2,593	2,685	3.5%	10.6%
Fund Transfers	376	475	163	-65.6%	0.6%
Other General Funds	1,427	1,680	1,427	-15.1%	5.7%
Other Special Funds	1,591	2,275	1,785	-21.6%	7.1%
Federal Fund Revenue	5,845	5,900	6,195	5.0%	24.6%
Total Revenues	22,866	25,069	25,221	0.6%	
Transfer (To)/From General Fund Balance/Reversions	(319)	(208)	683		
Total Available	22,547	24,861	25,904	4.2%	

Totals may not add due to rounding.

Expenditures



Expenditures (\$ millions)

	FY2004	FY2005	FY2006	% change '06 over '05	% Total Expenditures
Health	5,866	6,141	6,411	4.4%	25%
Elementary & Secondary Education	4,329	4,737	5,165	9.0%	20%
Higher Education	3,501	3,791	3,946	4.1%	15%
Transportation	3,109	3,552	3,765	6.0%	15%
Human Resources	1,555	1,558	1,631	4.7%	6%
Public Safety Related	1,364	1,441	1,477	2.5%	6%
Legislative, Judicial, Legal	484	509	542	6.4%	2%
Public Debt	537	1,185	618	-47.9%	2%
Reserve Fund	10	107	334	212.9%	1%
Other	1,792	1,839	2,015	9.6%	8%
Total	22,547	24,861	25,904	4.2%	
Estimated Reversions		-20	-20		
Net Total	22,547	24,841	25,884	4.2%	

Totals may not add due to rounding.

Fiscal Responsibility

Since Governor Ehrlich assumed office in January 2003, he has resolved over \$4 billion in projected deficits. For two consecutive years, the Governor has sponsored, and the Senate has passed, Video Lottery Terminal legislation to provide over \$800 million in K-12 education funding. For two consecutive years, the Maryland Senate has supported it, but the leadership in the House of Delegates failed to allow the House of Delegates to vote on the bill. The House of Delegates' failure to act on this, or any practical alternative, has made resolving the budget deficit increasingly strenuous and has forced many difficult decisions.

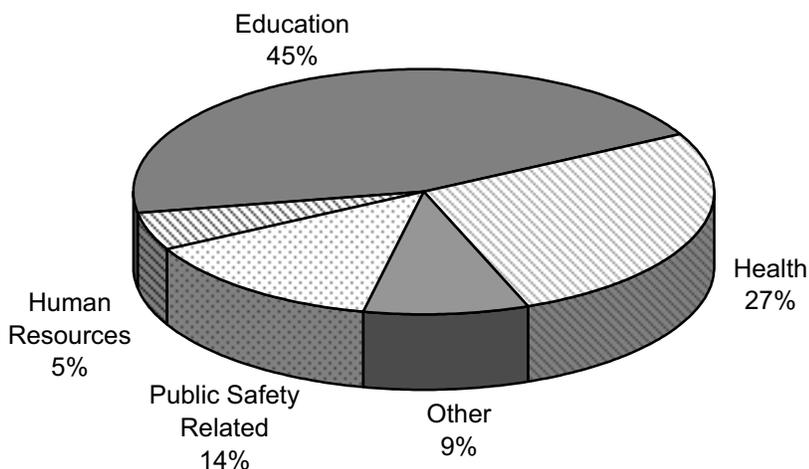


Even without a substantial new funding source, Governor Ehrlich closed the FY 2006 fiscal gap—through further spending reductions, modest new revenues, and various fund transfers.

Spending Prudently

The FY 2006 budget totals \$25.9 billion, a 4.2 percent increase over FY 2005. The budget grows significantly in support of education, both K-12 and higher education, Medicaid, and environmental programs. In order to support these historic increases, a number of spending reductions are necessary. These reductions total \$380 million from the estimated cost of current services; included are cost saving measures from:

FY 2006 General Fund Expenditures



Education and health programs comprise 72% of the State's General Fund budget. Adding human resources and public safety programs brings the total to 91%.

The rest of State government - administrative functions, regulatory programs, business programs, housing programs and environmental programs - totals only 9% of the budget.

administrative expenses, program revisions and eliminations, efficiencies and information technology.

The Strategic Budgeting exercise detailed on page nine has assisted State agencies in identifying and focusing their respective missions, goals, and required outcomes. From this increased scrutiny, the agencies have proposed a number of cost saving measures, while making sure that they meet the needs of Marylanders.

Governor Ehrlich's FY 2005 budget contained the first general pay increase for State employees in two and one-half years. Again in FY 2006, Governor Ehrlich provides over \$100 million to implement State employee compensation adjustments as follows: Cost of Living Adjustment (COLA) of two percent; step increase of two to four percent for all State employees; initial funding of a four-year, phase-in salary increase for judges based on the Maryland Judicial Compensation recommendations; and Annual Salary Review (ASR) for State Fire Marshals to provide a one-grade salary increase.

Last year, Governor Ehrlich sponsored and passed legislation that increases funding for the Transportation Trust Fund annually by \$238 million. This year, Marylanders are beginning to see the results: already more than 123 new major projects have been added to the State's list of priority transportation projects as part of the Consolidated Transportation Program.

Modest Adjustments Increase Revenue

No new general tax increases are included in this budget. Several administrative changes and tax fairness provisions will provide additional revenue.

Maryland Information Technology

*On Time, Fiscally Responsible,
Exceeding Expectations*

EGovernment – State agencies have moved thousands of services to the Internet, and government services are now available twenty-four hours a day to the 3.2 million citizens that have Internet access. A full range of services are available, including: renewing professional licenses, checking real property records, and obtaining hunting and fishing licenses. The Center for Digital Government (CDG) has identified twenty-four key services that citizens want available on the Internet. Maryland has fully deployed nineteen and the remainder are being deployed.

Non-Visual Access Standards (NVAS) – The State, in consultation with the National Federation Of The Blind, has implemented a statute that assures new systems will be accessible to citizens with partial or no vision.

networkMaryland – Build-out of the network has been accelerated and will be completed ahead of schedule, by the end of calendar year 2005. Today 80 percent of the State Agencies are using the systems as well as counties and municipalities. networkMaryland provides Internet, data and video transport across the State at rates substantially less than commercial providers.

Electronic Voting Machines - Amidst high voter turnout, Maryland's new electronic voting machines successfully performed in all twenty-four jurisdictions.

Baltimore Education Research Network (BERNet) – A coalition of State Agencies, Public Education, Private Education, Library Systems, and Baltimore City collaborated to build a private Intranet that also has connectivity to Internet 2—the premier higher education research network. As a result, formally disadvantaged schools can compete equally for grant funds with larger institutions.

Information Technology Re-competition – The State has been aggressively re-bidding numerous Information Technology contracts. This has led to lower rates for services such as Toll Free Calling, Internet Service, and Call Centers providing child welfare services. Counties and municipalities can also use these contracts, thereby saving them staff time and operational costs.

Workers Compensation - A new IT system at the Workers Compensation Commission has reduced the claims processing time from an average of four weeks to approximately seventy-two hours and has reduced the number of back-logged cases from 20,000 to about 2,000.

Education

Elementary and Secondary Education

Recent Accomplishments

Maryland continues to work diligently to improve public education for all children, and the positive results make it clear that our schools are on the right track.

For the fifth straight year, the nation's leading education newspaper, *Education Week*, gave Maryland a grade of A for its K-12 standards and system of assessing, reporting, and holding schools responsible for improving achievement. The National Center for Public Policy and Higher Education also graded Maryland in the A range for the way our schools prepare graduates for postsecondary education. Maryland's grade was the highest in the region.

Average scores on SAT and Advanced Placement (AP) tests continue their steady climb. Maryland's SAT scores increased two points in 2004 and are currently the highest in the Mid-Atlantic region. In addition, both scores and participation in the rigorous AP exams made significant strides. Thirty-six percent of Maryland juniors and seniors took one or more AP exams in 2003, the highest percentage of any state in the nation. Maryland's ethnic minority students showed particular improvement. Specifically, the State's public schools had the nation's highest percentage increase in the number of minority students taking AP exams – 41 percent. Scores on Maryland's statewide assessments rose across-the-board.

Another Record Increase in Education Funding

Maryland's public schools continue to benefit from the Governor's steadfast commitment to fund the Bridge to Excellence in Public Schools Act at historic levels in order to provide for a system of public education of the highest quality. Governor Ehrlich funds the third year increase in local education aid under the Bridge to Excellence legislation. For the second year in a row, Governor Ehrlich's budget contains the largest K-12 funding increase in Maryland's history: \$396.6 million in general funds.

With this increased funding has come strengthened accountability. As required by the Bridge to Excellence legislation, local school systems submitted "comprehensive Master Plans" to the Maryland State Department of Education, beginning in the fall of 2003. The Master Plans detail the ways in which local school systems intend to improve educational performance in every segment of their student populations. The State Superintendent of Schools is authorized to withhold funding from those school systems failing to make progress on performance goals or failing to submit an adequate plan, a critical aspect of the law that has led to improvements in how each local system sets out to strengthen education for struggling students.

The results are encouraging, as standardized test scores have risen statewide in all districts – including the most economically challenged systems. Moreover, as more school systems move toward full-day kindergarten as mandated by the act, national research indicates that achievement will rise for students in the early grades. To this end, the FY 2006 budget provides additional funding, through the enrollment calculation, for school districts as they implement full-day kindergarten.

No Child Left Behind

Schools and school systems are accountable for performance under the federal No Child Left Behind Act (NCLB). This federal law, backed by Governor Ehrlich as a member of Congress, requires states to set annual goals for students' reading and math performance and to measure progress toward those goals with annual tests. Schools must meet all of their goals among student subgroups to achieve Adequate Yearly Progress (AYP), the overarching target set by NCLB. The Maryland School Assessment is designed to measure achievement for schools.

Maryland School Assessment

NCLB requires states to monitor students' Adequate Yearly Progress, report the results to parents, and take action when schools are not making these targets. In March 2004, the Maryland School Assessment (MSA) was administered for the second time to students in

grades 3, 5 and 8 in reading and mathematics and to students in grade 10 in reading. The results show that Maryland is on the right track, with test scores rising in every district. The percentage of students scoring at proficient or higher levels for reading in grade 3, for example, rose from 59.1 percent in 2003 to 71 percent in 2004. The percentage of students scoring in the proficient range for grade 8 mathematics rose from 39.7 percent in 2003 to 45.8 percent in 2004.

High School Assessment

This year, the Maryland State Board of Education voted to strengthen graduation requirements by requiring that, beginning with the class of 2009, students pass the four high school assessments before receiving a Maryland High School Diploma. The assessments in English, algebra/data analysis, biology, and government have been a requirement for several years, and with increasing attention being given to the exams, the passing rate has risen dramatically.

Charter Schools

The General Assembly passed the Governor's Maryland Public Charter School Act during the 2003 session. Last spring, Maryland received a \$4 million federal grant designed to help launch more of these innovative schools in Maryland.

Maryland's charter school law invites the creation of public charter schools within the 24 public school systems to help introduce creative approaches designed to improve education for all students. Several dozen schools are in various stages of development, and a number of schools are scheduled to open their doors during the 2005-2006 school year.

Governor's Commission on Quality Education

On September 27, 2004, Governor Ehrlich signed an executive order creating the Governor's Commission on Quality Education. The Commission, chaired by Lt. Governor Michael S. Steele, is comprised of four committees focused on critical areas of interest: (1) Teacher and Principal Accountability and Growth; (2) Schools and Community Linkages; (3) Global Best-Practices in Education; and (4) School Readiness and Early Childhood Programs. In addition to Lt. Governor Steele, the commission is comprised of four

subcommittee chairs, four vice-chairs and twenty-one members from the public and private sectors representing all regions and the diversity of the State. The completed report is due to the Governor by September 1, 2005.

Higher Education

Governor Ehrlich is working to make higher education more accessible for all Marylanders. The Governor feels the opportunity to study at one of Maryland's institutions of higher education should be attainable to all, regardless of socioeconomic status. To this end, the Governor is providing the following increases: \$15.5 million, a 29 percent increase, for need-based aid; \$43 million for the University System of Maryland; 4.1 percent increase in aid to community colleges; 5 percent increase in funding for Morgan State University; and 4.4 percent increase in funding for St. Mary's College of Maryland.

The Governor has provided these increases to help State institutions of higher learning keep tuition rates as low as possible and to provide additional support to students needing financial aid. The additional \$15.5 million Governor Ehrlich is providing for need-based financial aid will help 6,100 Marylanders, a 20 percent increase, attend a Maryland institute of higher education.

Full-time enrollment is increasing, from 104,694 students in FY 2004 to 107,393 students in FY 2005, a clear indication that Maryland high school students are graduating prepared to continue their education. The graduation rate for first-time, full-time students at public colleges and universities will increase from 59 percent in FY 2003 to a projected 62 percent in FY 2005.

Governor Ehrlich's commitment to higher education is further demonstrated by his capital budget, which includes \$142.5 million for USM, \$46.7 million for community colleges, \$34.0 million for Morgan, and \$4.4 million for St. Mary's. The Community College Capital Improvement Program (CIP) represents the largest CIP in Maryland's history, totaling over \$240 million.

Health and the Environment

Health

Governor Ehrlich remains steadfast in his commitment to provide greater access to quality health care in the most appropriate setting for Maryland residents.

Federally Qualified Health Centers

Federally Qualified Health Centers (FQHCs) play a critical role in providing care for medically underserved Marylanders. Specifically, FQHCs provide routine care at a reduced cost and are typically located in urban areas or rural areas. Governor Ehrlich's FY 2005 budget contained \$1.6 million to establish a capital bond program to expand and improve FQHCs and \$2.4 million for five projects in Baltimore City (2), Allegany County, Caroline County, and a center to serve Somerset, Wicomico and Worcester Counties. The FY 2006 budget allocates \$2.4 million for seven projects located in Baltimore City (5), Allegany County and Prince George's County.

Disability Services

During the 2004 Legislative Session, Governor Ehrlich fulfilled his commitment to elevate the Office for Individuals with Disabilities to a cabinet level department. Since its creation as the first in the nation, the Department of Disabilities has worked to improve, coordinate, consolidate and unify Maryland policy and resources dedicated to services for people with disabilities. Specifically, the department partnered with the Department of Transportation to increase the paratransit on-time pickup rate from 70 percent in July 2004 to over 89 percent in December 2004. While the Governor and his Administration will continue to demand even better results, it is clear that dramatic improvements are underway to facilitate long needed changes to improve outcomes for individuals with disabilities.

The Department of Health and Mental Hygiene's Developmental Disabilities Administration has received approval from the Centers for Medicare and Medicaid Services to implement an Independence Plus Home and Community Based Services Waiver. This waiver, to be

called New Directions, will allow individuals with developmental disabilities to direct their own services. By using the assistance of a contracted provider, the individual will manage his/her own budget for services including the purchasing services to live successfully in the community.

Medicaid Expansion

Maryland's Medicaid program, including the Maryland Children's Health Program, will provide health care coverage to over 640,000 people in 2006 and will provide pharmacy or family planning services to an additional 101,000, which represents more than a 4 percent increase in the current enrollment. The Medicaid budget increases by \$371 million in FY 2006, a 9 percent increase over FY 2005.

The FY 2006 budget provides \$4 million for the Medicaid "Buy-In" Program to cover working individuals with disabilities who would not otherwise be eligible for Medicaid. This initiative will encourage people with disabilities to participate fully in the workforce, helping alleviate their dependence on cash assistance programs.

Medicaid Waiver for Older Adults

The Medicaid Waiver for Older Adults, which is administered by the Department of Aging, enables individuals who are age 50 and over who require long-term care services to remain in a community setting even though their health or disability would warrant placement in a long term care facility. The Waiver allows services that are typically covered by Medicaid only in a nursing facility, to be provided to eligible persons in their own homes or in assisted living facilities. The budget for FY 2006 contains a \$2 million increase to support the cost of providing services to a maximum of 3,310 participants, 175 more than last year.

The Governor has provided a \$2 million increase for personal care services that help support vulnerable people in their homes and keep them out of institutional settings, which is less desirable and more costly than living in the community.

Environmental Efforts

During the 2004 Legislative Session, Governor Ehrlich won passage of his Chesapeake Bay Restoration Fund, a landmark initiative to reduce pollution in the Bay and its tributaries by upgrading wastewater treatment plants and septic systems. The Chesapeake Bay Restoration Fund is the most important environmental initiative in twenty years and will reduce nitrogen pollution into the Bay by an historic seven million pounds per year – cutting current levels nearly in half. The fund invests nearly \$1 billion in upgrades of treatment plants across Maryland, from the Eastern Shore to Western Maryland. In

FY 2006, the Restoration Fund will provide approximately \$35.9 million for upgrades to those plants with the greatest needs.

In addition to upgrading treatment plants, the Restoration Fund will provide \$3.6 million to plant cover crops, which reduce the amount of nutrients flowing into the Bay from agricultural fields. Governor Ehrlich is providing farmers with critical funding for sustaining rural communities, which will contribute to a cleaner, healthier Bay.

Oyster restoration is another key element of Maryland's multifaceted Chesapeake Bay restoration strategy. Oysters were once considered the keystone species of the Chesapeake Bay, serving as a primary contributor to the Bay's filtration system and providing a rich habitat for many other species. In fact, the oyster population in 1870 could filter the entire Bay in three days. Now it would take the current population of oysters over two years to filter the Bay. Unfortunately, the native oyster population is a long way from its population of

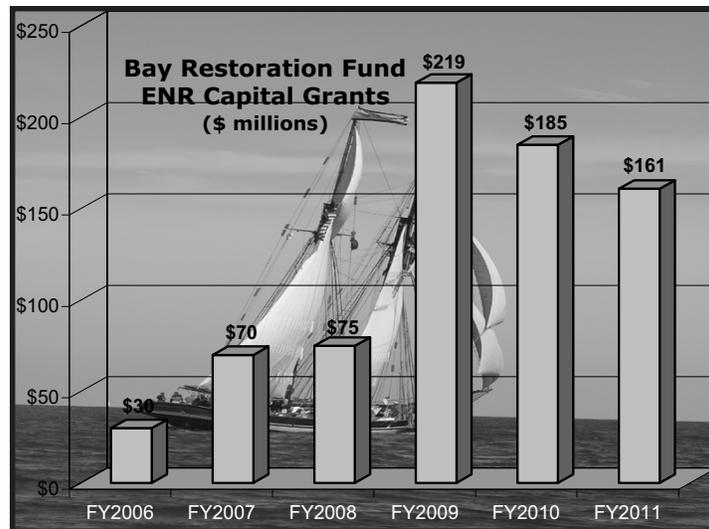
one hundred years ago despite a massive effort and the expenditure of tens of millions of State and federal dollars over the past decade. An Independent Oyster Advisory Panel of impartial researchers and scientists has been assembled to review scientific data to ensure there is adequate research and information to make a

decision on oyster alternatives under consideration. If so, the panel will help determine the best restoration alternative(s); if not, they will help determine what additional research is necessary and an appropriate time-line for it.

The Governor is committed to exploring this non-native oyster to

aid Bay restoration while avoiding additional risk to the Bay's health. Accordingly, DNR will spend \$3.9 million on native oyster restoration projects while studying the introduction of a non-native oyster. Currently, DNR is partnering with the State of Virginia and numerous federal agencies to study this oyster and is awaiting the results of studies that will determine whether the *Crassostrea ariakensis* should be introduced.

Along with his successful Bay restoration efforts, the Governor reformed the State's brownfields program managed by Department of the Environment. The Governor's legislation will increase the number of contaminated properties eligible for cleanup and redevelopment, speed up the cleanup process, and streamline the application process for the program. To complement his legislative efforts, the Governor is including \$1.7 million for the brownfields program.



Public Safety and Safer Neighborhoods

Governor Ehrlich remains fully committed to the most important mission of State government — providing for the protection and safety of its citizens.

Public Safety Information Technology Initiative

Accurate criminal justice decisions and security strategies are dependent on accurate and timely access to quality data. Since the events of September 11, 2001, Maryland's information technology systems have faced a surge of requests for statewide criminal history and civil/applicant record checks.

Governor Ehrlich has included \$20.6 million in this year's budget for a major public safety information technology initiative, to ensure the timely sharing of criminal justice data and information. This initiative will provide the tools to those on the front lines of our criminal justice system involved with investigations, incarceration, bail, gun purchase, licensing, and identification. This initiative includes:

\$3 million to replace and upgrade vital infrastructure hardware and software.

\$12.5 million to replace obsolete equipment and expand the storage capacity of the State fingerprint identification system.

\$1.6 million to upgrade the arrest booking system used by eight counties and Baltimore City and upgrade and extend to all counties the Network Live Scan system that provides criminal history data to federal, state, and local law enforcement agencies.

\$3.5 million to develop and implement an offender tracking system.

The FY 2006 allowance includes \$7.5 million for mobile computing technology for the Maryland State Police's "Smart Car" project. This system allows troopers to retrieve information in real-time permitting them to directly access criminal databases without having to contact police dispatchers.

A New Approach to Prisons

Safeguarding Maryland neighborhoods requires well-run correctional institutions, innovative reentry and treatment programs, and a parole and probation system that uses advanced technologies to track its population. The Ehrlich Administration will continue to support public safety by building new and renovating old facilities to house violent criminals. The Governor is recommending \$10



million to open both a 256-bed correctional facility and a support services facility at the North Branch compound in Allegany County, and \$1.76 million in special funds for the construction of a State Use Industry (SUI) warehouse. The SUI program teaches inmates needed work skills, which has resulted in lower recidivism rates.

The Department of Public Safety will continue to provide the best possible reentry programs, working closely with the communities to which inmates are returning. RESTART (Reentry Enforcement Services Targeting Addictions, Rehabilitation and Treatment) pilots are underway at the Maryland Correctional Training Center and the Maryland Correctional Institution for Women. One of RESTART's major initiatives is \$250,000 to support the community-based offender job-training program.

Transforming Juvenile Services

The Ehrlich Administration is transforming Maryland's juvenile justice system by treating and reforming

troubled youths, and allowing them to return to their families and communities.

The Department of Juvenile Services (DJS) is working on several fronts to improve services for youth. DJS, in collaboration with the Department of Health and Mental Hygiene, is expanding services to youth in custody to provide increased mental health and drug treatment to those with intensive needs. Since Governor Ehrlich took office, the number of detained youths receiving mental health services has increased from 33 percent (FY 2003) to 80 percent (FY 2005). Juvenile drug courts continue to serve approximately 600 youth in eleven jurisdictions, and \$2.1 million has been allocated for juvenile courts in FY 2006.

Because of national studies showing that community placements produce the best long-term results, the FY 2006 budget realigns funds to serve more youth in the community, rather than residential placements. As DJS continues moving to a “child-first” culture, increasing the number of youth served in the community and reducing the number of youth committed to residential facilities, Maryland youths will be better served. Already, DJS has made much progress, the overall number of youth housed in DJS facilities has been reduced from 992 in FY 2002 to 858 in FY 2004, with the statewide average daily population in secure facilities falling from 652 to 545.

The 2006 budget supports Governor Ehrlich’s commitment to providing Maryland youth the treatment and services they need to help become successful and healthy members of our society while improving the safety of Maryland communities.

Safer Neighborhoods - Breaking the Cycle of Repeat Crime
The Maryland CSAFE Initiative (Collaborative Supervision and Focused Enforcement) is an effort to help neighborhoods throughout the State build strong partnerships to improve local community safety and the quality of life. In FY 2005, the Governor’s Office of Crime Control and Prevention (GOCCP) awarded \$3 million to forty-six Maryland communities and will again provide \$3 million in FY 2006 to continue to

promote safer neighborhoods through the CSAFE program.

CSAFE concentrates on specific offenders, who without proper supervision and assistance are most likely to be repeat offenders. The initiative includes a strong law enforcement component to promptly identify offenders who commit new crimes or who fail to abide by the rules that apply to them. With this program, resources and support are available to offenders who want to turn their lives around and become productive members of society.

Building an All Hazards Public Safety System

The Governor’s Office of Homeland Security (GOHS), established in July 2003, has worked closely with representatives from local government to oversee the use of \$259 million in homeland security funds over the past three fiscal years, more than 80 percent of which has been allocated directly to local public safety agencies. In addition to these grants, there is separate federal funding for the Urban Area Security Initiative program with the Baltimore region receiving approximately \$26 million and the National Capital region receiving approximately \$90 million since 2003.

Maryland’s focus on emergency management has markedly evolved to an “all hazards” approach with closer coordination with local emergency responders. This approach broadens the traditional roles of preparing for, responding to, and aiding recovery from natural disasters or accidental, man-made disasters to an additional emphasis on meeting the threats from terrorist activities.

The GOHS, along with the Maryland Military Department, Maryland Emergency Management Agency, and the Maryland State Police established and developed the Maryland Coordinating Analysis Center (MCAC). The MCAC is the first joint federal, state, and local intelligence and data collection and analysis center in the country, making Maryland a national model for modern intelligence processing, dissemination and utilization.

Commerce

Governor Ehrlich embraces sensible, productive, professional relations between government and businesses; sound transportation and technology infrastructures; and using the State's resources to leverage private investment to help the economy grow.

Helping Businesses Grow and Creating Jobs

The budget includes operating and capital funding for business development programs in the Department of Business and Economic Development (DBED). These programs are focused on assisting small and minority businesses and in promoting technology-based businesses and other strategic industries in Maryland.

In order to bring jobs, promote tourism, and continue the revitalization of Maryland's urban waterfront, Governor Ehrlich's budget proposes renovating the South Locust Point Marine Terminal into Maryland's dedicated cruise ship terminal. The terminal has adjacent parking and is strategically located near the Inner Harbor and just ten miles from BWI Airport. The proximity to so many tourist destinations will entice visitors to extend their vacations in Maryland.



The Maryland Technology Development Corporation (TEDCO) and Maryland Venture Fund programs support and nurture technology driven businesses as they bring technological innovations and discoveries to the marketplace. TEDCO provides showcases for federal technology applications, seed funding for technology transfer, access to business incubator facilities, and technical assistance to access federal R&D and small business funding.

The Maryland Venture Fund, ranked nationally by *Entrepreneur Magazine* as the most active early stage

funder in the nation, is granted capital/operating funding to further expand its reach for the development of new businesses in the State. Now in its tenth year, its portfolio of companies have created more than 1,500 high-paying jobs, returned more than \$50 million in investment income to the state and attracted more than \$1 billion in private equity to Maryland.

Fostering Technology Development

More than \$9 billion of federally funded research and development is conducted in Maryland each year — the highest level, per capita, of any state in the nation — supporting advanced research in everything from life sciences and aerospace to homeland defense. In addition to the federal government's substantial commitment to Maryland, the State has also invested nearly \$400 million in life sciences infrastructure over the last decade to build and support this important industry. Governor Ehrlich proposes strengthening Maryland's biotechnology industry by implementing a tax credit that will foster growth of small companies and bring new, high-paying jobs to Maryland.

Invigorating Communities

Governor Ehrlich knows that the heart of communities is their small businesses, which comprise more than 95 percent of businesses in Maryland and employ approximately 40 percent of the State's workforce. With the passage of the landmark Minority Business Enterprise reforms in 2004, small and minority business will have increased access to state contracts and greater opportunity for growth and development.

With Governor Ehrlich's leadership, the Department of Business and Economic Development worked hard in 2004 to create a "One Maryland" economy in which all areas/regions of the State share in the prosperity of

economic development. Recent economic development successes that will create jobs and reinvigorate economically distressed communities include: American Woodmark in Allegany County (500 new jobs), Internosis in Prince George's County (250 new jobs), and Wal-Mart in Somerset County (450 new jobs), among many others. Under Governor Ehrlich's leadership, Maryland has created 50,000 jobs since he took office.

Transportation investment will play a key role in community development. The Intercounty Connector – Governor Ehrlich's top transportation priority – will link two of the State's most important economic sectors. When completed, this eighteen-mile highway will connect the Baltimore/Washington International Airport (BWI) and its cluster of warehousing facilities with the high-tech corridor in Montgomery County. The project, scheduled to break ground in 2006, is expected to generate over 14,000 new jobs in the surrounding communities and greatly reduce congestion and dangerous driving conditions on local roads.

Encouraging Heritage-Related Development

Governor Ehrlich's continued commitment to historic preservation and community revitalization is evidenced by including \$20 million of general funds to establish a reserve fund for the tax credit for renovation and restoration of historic properties.

Rebuilding the Transportation Infrastructure

The FY 2006 budget continues Governor Ehrlich's plan to rebuild and improve Maryland's highways, bridges, transit systems, and other transportation networks.

In 2004, Governor Ehrlich signed legislation to provide an additional \$238 million each year for the Transportation Trust Fund. This is one of the most far reaching transportation initiatives in Maryland history. With these funds, more than 123 new major projects have been added to the state's list of priority transportation projects as part of the Consolidated Transportation Program.

Making the Most of our History, Culture and Attractions Maryland's rich history, culture and unique attractions are also part of its economic future.

Maryland continues to be one of the most successful states in the Mid-Atlantic region in attracting visitors. According to the Maryland Office of Tourism Development, visitor volume was up 33 percent for the first six months of 2004, compared with the same period in 2003 and visitor volume is expected to continue to reach record levels in 2005.

One of the key factors impacting visitor volume has been the success of the tourism ad campaign featuring Governor Ehrlich. The "Seize the Day Off" campaign, highlighting Maryland's historical and cultural attractions, appears on regional cable stations and local channels in the Boston, Cincinnati, Cleveland, Hartford, New York, Philadelphia, Pittsburgh and Providence markets.

Maryland has a tremendous tourism infrastructure, which is continuing to grow. The \$1.8 billion expansion of BWI Airport, to be completed in spring 2005, will make it easier for visitors to enjoy their travel.

According to a 2004 study, arts activities generated a record breaking \$911 million economic impact for Maryland in FY 2003 and contributed an estimated \$33.4 million in state and local taxes while producing 12,475 full- and part-time jobs across the state. For every dollar of direct spending by audiences attending arts events, another \$2.30 is generated on other goods and services. Because of the success the Maryland arts are achieving, Governor Ehrlich has increased arts funding.

Film production in Maryland has also had a significant economic impact in the State with productions such as "Ladder 49," HBO's "The Wire" and other major film and television projects generating more than \$75 million in economic impact for FY 2004. Film production activity in Maryland will be enhanced by a wage rebate incentive.

Maryland's Capital Budget

Governor Ehrlich's capital budgets total approximately \$2.8 billion. This amount includes \$947 million for State-owned capital projects as well as capital programs that provide grants and loans to local governments, and the private and non-profit sectors for capital improvements supporting State policy objectives such as restoring the Chesapeake Bay. The remainder of the capital budget, \$1.9 billion, is directed to highway projects, mass transit and other transportation improvements.

The general construction portion of Governor Ehrlich's five-year capital improvement program focuses resources on improving educational facilities, protecting the environment and improving healthcare, augmenting public safety, strengthening and revitalizing communities, and creating and retaining high-wage jobs.

Education

Governor Ehrlich provides \$397.4 million to construct new and to improve existing facilities for Maryland's elementary, secondary and post-secondary students. Of this amount, \$188.9 million will fund improvements to academic and research facilities at four-year institutions of higher education; \$161.8 million will fund new and improve existing facilities for elementary and secondary school students, including the School for the Deaf; and \$46.7 million will improve academic facilities on seventeen community college campuses.

Public Colleges and Universities: Funding to improve academic and research facilities at public four-year institutions of higher education totals \$180.9 million. Major projects include: \$51.9 million to construct a new classroom building at the University System of Maryland's Shady Grove campus in Montgomery County; \$47.6 million to construct a new Health and Human Services Building at Coppin State University; and \$23.1 million to renovate Banneker Hall at Morgan State University. The remainder of the capital funding in this area includes funds to improve utility systems and design and equip facilities at various University

System of Maryland institutions, Morgan State University, and at St. Mary's College of Maryland.

Elementary and Secondary Education Facilities: Grants to local school systems to expand and improve educational facilities in each of Maryland's twenty-three counties and Baltimore City total \$157.6 million. An additional \$3 million is included to construct an Environmental Education Center at the North Bay Environmental Center located in Elk Neck State Park in Cecil County and \$1.2 million to design and construct improvements to facilities at the Columbia and Frederick campuses of the Maryland School for the Deaf.

Community College Facilities: Governor Ehrlich provides \$46.7 million to improve academic facilities on seventeen community college campuses. Major projects include: \$12.3 million to construct a new Student Services building at Howard Community College; \$11.3 million to construct a new Workforce Development Center at Wor-Wic Community College; and \$9.7 million to expand the Science and Technology Building at the La Plata campus of the College of Southern Maryland. The remainder of the capital funding for the community colleges will improve aging facilities and building systems and design and equip facilities for various community colleges.

Private College and University Facilities: Private colleges and universities receive \$8 million to improve

Maryland's Five-Year Capital Improvement Program (\$ millions)

	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>Five-Year Total</u>
General Capital	947.2	1,018.2	1,071.3	1,284.8	1,220.9	5,542.4
Transportation	1,853.9	1,476.7	1,269.5	1,114.8	1,128.9	6,843.8
Total	2,801.1	2,494.9	2,340.8	2,399.6	2,349.8	12,386.2

academic and research facilities. The Governor includes funding for a new Computational Science building at Johns Hopkins University; the renovation and expansion of a library facility shared by Loyola College in Maryland and the College of Notre Dame of Maryland; and the renovation of the historic Mt. Royal Station for the Maryland Institute College of Art.

Health and the Environment

Capital funding of \$299.8 million provides resources to meet Governor Ehrlich's health and environmental objectives: improving water quality by upgrading water and wastewater infrastructure; reducing the impact of and directing suburban growth by preserving agricultural lands, sensitive plant and wildlife habitat and open space; restoring the Chesapeake Bay ecosystem; and improving hospitals and community health centers across the State.

Hospitals and Community Health Centers: \$39.3 million is provided for health-related capital projects including new and improved facilities for the University of Maryland Hospital and Johns Hopkins Hospital; new and improved primary care facilities in medically underserved areas through the Federally Qualified Health Centers Grant Program; and new and improved community facilities for the care and treatment of physically, mentally and emotionally disabled individuals; individuals recovering from substance abuse, and the elderly.

Water and Wastewater Infrastructure: With the implementation of Governor Ehrlich's Chesapeake Bay Restoration initiative, \$97.7 million is provided for the improvement of local drinking water systems and wastewater treatment plants. These improvements will assist State agencies and local governments to ensure that water quality standards are met. The Department of the Environment anticipates lending \$81.5 million for local water and wastewater infrastructure projects in FY 2006.

Land Preservation Programs: \$76.6 million, including: \$19.2 million for local open space grants; \$18.2 million for the preservation of approximately 7,300 acres of open space through the Rural Legacy Program and Program Open Space; \$9.5 million to assist Maryland's farmers produce crops other than

tobacco and preserve land in agricultural use; and \$29.7 million for the preservation of an estimated 14,800 acres of productive farmland through the Agricultural Land Preservation Program.

Chesapeake Bay Restoration Programs: \$58.7 million will reduce the amount of point and nonpoint source nitrogen and phosphorous runoff entering the Chesapeake Bay. Of this amount, \$30 million from the newly enacted Bay Restoration Fund is provided for enhanced nitrogen removal (ENR) projects at the State's largest wastewater treatment plants and \$18 million is provided to continue the Biological Nutrient Removal Program. In addition, \$7.7 million will be used to reduce nitrogen and phosphorous runoff from urban, suburban and agricultural lands. The remaining \$3 million will be used to restore the Bay's once vibrant oyster population.

Shore Erosion and Waterway Access Projects: \$23 million for waterway improvements and to control shoreline erosion.

Environmental Cleanup and Mitigation Programs: \$4.5 million for environmental abatement projects statewide.

Public Safety and Safer Neighborhoods

Capital projects to improve the safety of neighborhoods consist of State and local correctional facilities, new and improved court facilities, treatment and detention facilities for at-risk youth and modern facilities for the State Police. The capital budget totals \$97.8 million for the safety of Maryland's neighborhoods, including:

State and Local Correctional Facilities: \$79.1 million. Major projects include: \$36.2 million to complete sitework and construct a 256-bed housing unit at the North Branch Correctional Institution in Cumberland; \$17.5 million for improvements to local correctional facilities, including \$8.1 million for the expansion of the Baltimore County Detention Center and \$5.2 million for the renovation of the old Montgomery County Detention Center in Rockville; \$10 million to continue the development of a statewide wireless communication system for State and local public safety agencies; \$5.3 million to upgrade the electrical system

Maryland's Capital Budget

at the Patuxent Institution; and \$4.9 million to demolish buildings on a recently acquired site which will be used to expand the Baltimore City Detention Center. The remainder of the capital funding in this area will design and construct facilities maintenance projects at various correctional facilities across the State.

State Police Facilities: \$12.4 million including, \$10.2 million to construct a new police barrack in Hagerstown and \$2.2 million to design a new Forensic Medical Center for the State Medical Examiner and equip the new crime lab in Pikesville.

Juvenile Facilities: \$3.2 million including, \$1.2 million to construct a modern 48-bed detention facility at the Cheltenham Youth Center in Prince George's County and \$1.9 million to construct and renovate community facilities serving at-risk youth.

District Courts: \$3.1 million to renovate and expand district court facilities in Centreville.

Commerce

Capital funding to improve the State's economy focuses on three objectives: business attraction and retention, revitalization of economically distressed areas, and improvements to the State's major tourist attractions. Governor Ehrlich's capital budget contains \$50.9 million to meet these objectives and his capital budget for transportation, detailed on page twenty-six, contains \$1.9 billion to also help Maryland commerce.

Business Attraction and Retention Activities: \$14 million for economic development financing programs.

Economic Revitalization Activities: The budget includes \$19.5 million to revitalize economically distressed areas through the Neighborhood Business Development Program and individual grants to improve downtown Baltimore City's West Side, to develop a biotechnology park in East Baltimore, and to redevelop the Towson Circle area and the City of Rockville's town center.

Improving Tourist Attractions: \$17.4 million to improve major tourist and cultural attractions across the State such as the National Aquarium in Baltimore, the Maryland Science Center, Strathmore Hall Performing Arts Center, Frederick Keys Stadium, and the Great Blacks in Wax Museum.

Other Projects

The capital budget includes \$101.6 million for other important projects. This funding includes grants to local governments and non-profit organizations for projects that will provide affordable housing and encourage homeownership, grants for improvements to community facilities in neighborhoods throughout the State, and State government infrastructure, construction, maintenance and/or renovation projects.

Housing Programs: \$61.8 million will be spent on grants and loans to local governments and non-profit organizations for projects that will provide affordable housing and encourage homeownership. Of this amount, \$24.9 million is provided for rental housing programs; \$8 million for the Community Legacy Program; \$7.6 million for homeownership programs; \$1 million to assist families in need of temporary transitional housing; and \$20.3 million for other housing-related programs.

Local Community Facilities: \$19 million will be spent on projects that improve the quality of life in neighborhoods throughout the State. Of this amount, \$5 million for improvements to local parks and playgrounds; \$1.4 million to improve senior centers in Baltimore City, Prince George's County, and Queen Anne's County; and \$12.6 million for improvements to the facilities of a variety of community organizations around the State.

The remaining funding is provided to maintain State facilities, for energy efficiency improvements throughout the State, to improve the State's various historical attractions, and to provide a contingency fund for unanticipated costs for State construction projects.

General Capital Improvement Program Fiscal Year 2006
(\$ millions)

	<u>General</u> <u>Obligation Bonds</u>	<u>General</u> <u>Funds</u>	<u>Revenue</u> <u>Bonds</u>	<u>Other</u>	<u>Total</u>
<u>EDUCATION</u>					
Public Colleges and Universities	155.9		25.0		180.9
Public School Construction	155.2			2.4	157.6
Community Colleges	46.7				46.7
Private Education Facilities	11.0				11.0
School for the Deaf	1.2				1.2
Subtotal	370.0	0.0	25.0	2.4	397.4
<u>HEALTH AND ENVIRONMENT</u>					
Water and Wastewater Infrastructure	20.5			77.2	97.7
Land Preservation	10.0			66.6	76.6
Chesapeake Bay Restoration	28.7			30.0	58.7
Hospitals and Community Health Centers	39.3				39.3
Waterway Improvements				23.0	23.0
Environmental Cleanup	4.5				4.5
Subtotal	103.0	0.0	0.0	196.8	299.8
<u>PUBLIC SAFETY AND SAFER NEIGHBORHOODS</u>					
State and Local Correctional Facilities	77.3			1.8	79.1
State Police	12.4				12.4
Juvenile Facilities	3.2				3.2
District Courts	3.1				3.1
Subtotal	96.0	0.0	0.0	1.8	97.8
<u>COMMERCE</u>					
Economic Development Programs	27.5			6.0	33.5
Tourist and Cultural Attractions	16.3			1.1	17.4
Subtotal	43.8	0.0	0.0	7.1	50.9
<u>OTHER PROJECTS</u>					
Housing	24.4			37.4	61.8
Local Community Facilities	19.0				19.0
Facilities Maintenance	10.8	0.6		2.6	14.0
Other	3.3			3.5	6.8
Subtotal	57.5	0.6	0.0	43.5	101.6
TOTAL	670.3	0.6	25.0	251.5	947.5
Less: Deauthorizations	(.3)				(.3)
Net New GO Bond Authorization	670.0	0.6	25.0	251.5	947.2

Note: Totals may not add due to rounding.

Capital Budget for Transportation

The proposed FY 2006 capital budget for Department of Transportation projects is \$1.9 billion. The budget builds and maintains the entire range of transportation infrastructure including roads, motor vehicle facilities, mass transit, mobility, the Port of Baltimore and airports.

Governor Ehrlich's transportation capital budget is funded through State sources, federal aid and a few other sources. The State sources consist of taxes, fees, operating income over and above what is required to pay the operating costs of the department and bonds. In FY 2006 State sources comprise \$1.038 billion of the capital budget, or 56 percent of the total, and federal aid for highways, mass transit, aviation, and port security makes up \$738.5 million, or 39.8 percent. The federal aid estimates do not include funds (\$64.9 million) that are received directly by WMATA on behalf of Prince George's and Montgomery counties. Other sources of funding, including airport user fees such as passenger facility charges (PFC) and MEDCO bonds, comprise \$ 77.9 million or 4.2 percent of the transportation capital budget.

The Secretary's Office

The fiscal year 2006 capital budget for the Secretary's Office is \$36.5 million. Most of this funding is for projects geared toward reducing vehicle emissions.

State Highway Administration (SHA)

Highway projects comprise \$ 1.084 billion, the largest share of the fiscal year 2006 capital program for transportation. The SHA capital program is funded with \$535.7 million in federal aid and \$548.3 million from state sources. Major projects by region include:

Western Maryland: \$1.1 million for replacement of the bridge over the North Branch in Allegany County, \$1.8 million for engineering and right of way purchases to relocate US 219 in Garrett County and \$1 million for replacement of the Shepherdstown Pike bridge over the Potomac River in Washington County.

Eastern Shore: \$7.08 million for upgrading MD 404 in Caroline County, \$1.9 million for replacement of the MD19 bridge over Beaverdam Ditch and MD 405 bridge over German Branch, and \$6.8 million for the reconstruction of US 113 between Snow Hill and Berlin in Worcester County.

Suburban Washington Region: \$17 million to further improve I-70 in Frederick County, \$23.2 million for US 29 interchange improvements and \$5.9 million for MD 355 interchange construction at Randolph Road/Montrose Parkway in Montgomery County, and \$222.2 million for the Woodrow Wilson Bridge Replacement and \$18.8 million for MD 450 improvements in Prince George's County.

Southern Maryland: \$11.6 million for the MD 5 Hughesville Bypass project in Charles County, \$6.7 million to upgrade MD 237 Chancellors Run Road in St. Mary's County, and \$1 million to replace MD 260 Chesapeake Beach Road Bridge in Calvert County.

Baltimore Region: \$2.9 million for MD 32 Burntwoods Road Interchange in Howard County, \$ 9.6 million to MD 30 Hampstead Bypass in Carroll County, \$ 5.2 million for US 40 improvements in Harford County, \$10.9 million for I-695 improvements and \$11.2 million for the extension of MD 43 in Baltimore County, \$1.8 million to widen MD 295 and \$13.5 million for MD 70 Rowe Boulevard in Anne Arundel County.

Motor Vehicle Administration (MVA)

MVA's FY 2006 capital budget totals \$19.4 million. Major projects include \$1.1 million for a new branch office in Montgomery County, and \$3.1 million for e-MVA service delivery system.

Maryland Aviation Administration (MAA)

The FY 2006 capital budget for MAA totals \$160.7 million of which \$77.4 million (48 percent) is from other sources such as passenger facility charges and MEDCO bonds and \$16.9 million (10.5 percent) in federal funding. Major BWI projects include \$33.4 million for new terminal A/B expansion and \$28.3 million for terminal roadway improvements. Also included is \$2.4 million for an aircraft hanger at Martin State Airport and \$2.5 million for a Hagerstown Airport expansion project.

Maryland Port Administration (MPA)

The FY 2006 capital budget for MPA totals \$85 million. Of this amount, \$28 million is for projects related to dredging the Port of Baltimore, \$13.1 million to develop additional warehouse space, \$9.8 million for security improvements and \$10.5 million for a cruise terminal.

Maryland Transit Administration (MTA)

The MTA's FY 2006 budget totals \$301.6 million, with \$145.1 million, or over 47 percent, coming from federal sources. Major projects include:

MARC commuter rail improvements include \$4.8 million for a mid-day storage facility at Union Station, \$13.8 million for efficiency improvements on the Camden, Brunswick and Penn line, \$14 million for mid-life overhaul of locomotives, \$10 million for relocation of MARC station and improvements to the Silver Spring Transit Center and \$7.3 million for station parking expansion.

MTA improvements in the Baltimore area include \$19.4 million to double track a portion of the light rail system, \$16.8 million for mid-life overhaul of Metro rail cars, \$51 million for ongoing MTA fare equipment and bus replacement and \$10.2 million for the Red Line Transit Study.

Over \$27.2 million is budgeted to provide assistance to locally operated transit systems around the State.

Washington Metropolitan Area Transit Authority (WMATA)

Capital costs for transit improvements for WMATA total \$166.7 million in FY 2006. This excludes \$64.9 million in federal funds that go directly to WMATA. Funding is included for Maryland's share of the Metro Matters Metrorail infrastructure renewal program (\$86.1 million), bus replacement program (\$23.2 million), and system access plan (\$110.6 million).

DEPARTMENT OF TRANSPORTATION

**Total Program - FY 2006 – 2010
(\$ millions)**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>Five-Year Total</u>
The Secretary's Office	36.5	18.5	9.0	8.9	10.8	83.7
Motor Vehicle Admin.	19.4	27.1	28.9	27.9	31.2	134.5
Maryland Aviation Admin.(1)	160.7	107.6	57.6	58.3	59.1	443.3
Maryland Port Admin.	85.0	74.7	77.2	76.0	95.6	408.5
Maryland Transit Admin.	301.6	175.0	142.9	164.7	221.7	1,005.9
Wash-Metro Area Transit (2)	166.7	84.8	87.8	69.3	62.9	471.5
State Highway Admin.	<u>1,084.0</u>	<u>989.0</u>	<u>866.0</u>	<u>709.8</u>	<u>647.5</u>	<u>4,296.3</u>
Total Capital Spending	1,853.9	1,476.7	1,269.4	1,114.9	1,128.8	6,843.7
Sources of Funds:						
Special Funds	1,037.5	796.3	690.8	675.3	681.7	3,881.6
Federal Funds (2)	738.5	662.6	572.1	433.1	441.0	2,847.3
Other Funds(3)	<u>77.9</u>	<u>17.8</u>	<u>6.5</u>	<u>6.5</u>	<u>6.1</u>	<u>114.8</u>
Total	1,853.9	1,476.7	1,269.4	1,114.9	1,128.8	6,843.7

1 The Department is using Passenger Facility Charge (PFC) revenue, Customer Facility Charge (CFC) revenue, and Maryland Transportation Authority (MdTA) bond financing to fund several projects identified in this program. The PFC, CFC, and MdTA eligible project costs are included in the totals above.

2 Does not include federal funds received directly by WMATA that are not included in MDOT's budget.

3 Includes other funding sources (PFCs, and MEDCO bonds for MAA projects) and MTA share.

Note: Totals may not add due to rounding.

Constitutional Agencies

MARYLAND GENERAL ASSEMBLY

The General Assembly is Maryland's legislative authority. Its budget includes the Senate of Maryland, House of Delegates and their staff agencies. Under the State Constitution, the Governor is not permitted to alter the General Assembly's proposed budget.

<u>\$ thousands</u>	<u>FY04</u>	<u>FY05</u>	<u>FY06</u>	<u>Change 05-06</u>
General Funds	59,860	61,320	63,769	4.0%
<u>Positions</u>				
Authorized	730.0	740.0	740.0	0.0

JUDICIARY OF MARYLAND

The Judiciary of Maryland consists of the Court of Appeals, Court of Special Appeals, District Court System and judicial support functions. Circuit Court judges' salaries are included in this budget, but other Circuit Court costs are local expenses. The Judiciary's budget provides funding for seven additional Circuit Court Judges and six more District Court Judges. Under the State Constitution, the Governor is not permitted to alter the Judiciary's proposed budget. Included in the Department of Budget and Management's budget is \$1.1 million to implement the first year of a four-year, phase-in salary increase for judges recommended by the Maryland Judicial Compensation Commission.

<u>\$ thousands</u>	<u>FY04</u>	<u>FY05</u>	<u>FY06</u>	<u>Change 05-06</u>
General Funds	269,525	280,530	302,085	7.7%
Special Funds	32,352	37,733	37,733	0.0%
Federal Funds	2,480	2,691	2,754	2.4%
Total	304,357	320,954	342,572	6.7%
<u>Positions</u>				
Authorized	3,223.8	3,223.8	3,328.3	104.5
Contractual	390.0	391.0	359.0	-32.0
Total	3,613.8	3,614.8	3,687.3	72.5

OFFICE OF THE GOVERNOR

The Office of the Governor includes the Governor, Lieutenant Governor and their immediate staff. The office provides executive oversight, guidance and coordination to State agencies and provides the public with information about the Governor's goals and policies.

<u>\$ thousands</u>	<u>FY04</u>	<u>FY05</u>	<u>FY06</u>	<u>Change 05-06</u>
General Funds	8,154	8,572	8,487	-1.0%
Special Funds	0	0	0	0.0%
Reimbursable	46	73	74	0.0%
Total	8,200	8,646	8,561	-1.0%
<u>Positions</u>				
Authorized	85.5	84.0	81.0	-3.0
Contractual	3.5	3.5	2.0	-1.5
Total	89.0	87.5	83.0	-4.5

SECRETARY OF STATE

The Secretary of State has numerous duties specified by the state constitution and state law. For example, the Secretary of State is responsible for registering charities, supervising the Division of State Documents and processing criminal extraditions.

<u>\$ thousands</u>	<u>FY04</u>	<u>FY05</u>	<u>FY06</u>	<u>Change 05-06</u>
General Funds	2,308	2,451	2,239	-8.7%
Special Funds	385	486	436	-10.3%
Total	2,693	2,937	2,675	-8.9%
<u>Positions</u>				
Authorized	34.6	34.6	31.6	-3.0
Contractual	1.1	1.4	1.4	0.0
Total	35.7	36.0	33.0	-3.0

COMPTROLLER OF THE TREASURY

The Comptroller is a constitutional officer independently elected by the citizens of Maryland. The Office of the Comptroller collects the State's major revenues, keeps its financial accounts, manages its principal data center and provides general supervision of fiscal affairs.

<u>\$ thousands</u>	<u>FY04</u>	<u>FY05</u>	<u>FY06</u>	<u>Change 05-06</u>
General Funds	62,197	66,578	66,074	-0.8%
Special Funds	13,132	13,520	14,504	7.3%
Federal Funds	0	0	0	0.0%
Reimbursable	21,481	24,578	23,419	-4.7%
Total	96,811	104,676	103,997	-0.6%
<u>Positions</u>				
Authorized	1,103.2	1,115.2	1,116.2	1.0
Contractual	20.8	30.6	26.6	-4.0
Total	1,124.0	1,145.8	1,142.8	-3.0

STATE TREASURER

The Treasurer is a constitutional officer elected by the General Assembly. The Treasurer's Office receives and deposits funds, manages the state's investments, manages issuance of State bonds and administers the State's commercial and self-insurance programs.

<u>\$ thousands</u>	<u>FY04</u>	<u>FY05</u>	<u>FY06</u>	<u>Change 05-06</u>
General Funds	3,635	3,677	4,345	18.2%
Special Funds	513	621	785	26.4%
Reimbursable	25,200	29,428	33,714	14.6%
Total	29,349	33,726	38,844	15.2%
<u>Positions</u>				
Authorized	54.0	55.0	55.0	0.0
Contractual	0.0	0.0	0.0	0.0
Total	54.0	55.0	55.0	0.0

ATTORNEY GENERAL

The Attorney General is a constitutional officer independently elected by the citizens of Maryland. The Office of the Attorney General provides legal assistance to all State agencies, represents the State in legal actions, and enforces State antitrust, consumer protection and securities laws.

<u>\$ thousands</u>	<u>FY04</u>	<u>FY05</u>	<u>FY06</u>	<u>Change 05-06</u>
General Funds	16,112	17,412	16,620	-4.5%
Special Funds	1,465	1,425	2,452	72.1%
Federal Funds	1,394	1,553	1,661	7.0%
Reimbursable	2,237	2,597	2,488	-4.2%
Total	21,208	22,987	23,222	1.0%
<u>Positions</u>				
Authorized	239.5	240.5	240.5	0.0
Contractual	13.8	0.0	0.0	0.0
Total	253.3	240.5	240.5	0.0

Totals may not add due to rounding.

Department of Agriculture

Mission: To provide leadership and support to agriculture and the citizens of Maryland by conducting regulatory, service and educational activities that assure consumer confidence, protect the environment and promote agriculture.

The Maryland Agricultural Land Preservation Foundation (MALPF) works to promote the preservation of agricultural land and the incorporation of best management practices. These activities are supported by a variety of funds including the property transfer tax, agricultural transfer tax, and federal farmland protection funding. MDA anticipates that the total number of acres preserved by MALPF and similar programs will increase to 463,000 in 2006.

Included in the allowance for Plant Industries and Pest Management, is \$2.9 million for mosquito control activities that reduce human exposure to mosquitoes and aid control of the West Nile virus. With this funding, MDA hopes to significantly reduce reported human cases of mosquito-borne diseases in areas participating in the mosquito control program. Additionally, \$3.7 million is provided for the management of forest pest insects, pathogens and exotic plant diseases such as Sudden Oak Death and Emerald Ash Borer, vital to the forest industry. The allowance also provides for the treatment of 30,000 acres to control Gypsy Moth, which will prevent potential losses of \$18.1 million to forest and landscape trees, and

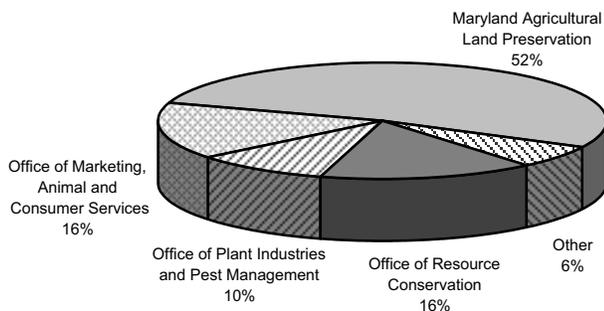
represents an increase of over 100 percent from 2005 levels.

Of the \$17.1 million allowance for the Office of Resource Conservation, \$3.8 million is budgeted for the Cover Crop Project. Cover crops stabilize and protect soil resources on agricultural land over the winter absorbing unused nutrients and reducing the flow of nutrients into the Chesapeake Bay. Acres of cover crops planted will increase from 48,000 in 2005 to 120,000 in 2006, a 150 percent increase. As a result, nutrient load reductions (in pounds) will increase to one million and 24,000 for nitrogen and phosphorous, respectively.

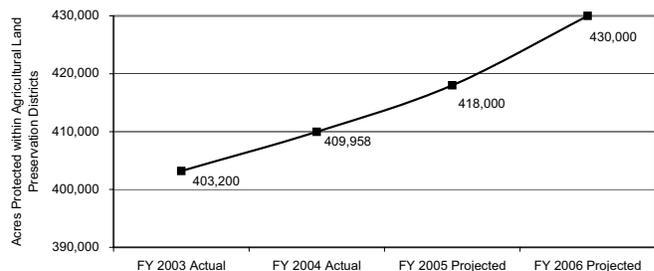
MDA receives \$9.3 million in federal funds, which are used primarily for farmland protection, cooperative forestry and several nutrition programs. MDA also receives \$73.9 million in special funds. This includes \$52.6 million for MALPF and land preservation easements, \$5.9 million in Cigarette Restitution Funds, and the remainder from various service fees.

Governor Ehrlich is providing farmers with critical funding for sustaining rural communities, which will contribute to a cleaner, healthier Bay.

Expenditures



Acres Protected within Agricultural Land Preservation Districts



THREE YEAR SUMMARY	FY04 Actual	FY05 Appropriation	FY06 Allowance	Change FY06-05
APPROPRIATIONS: (in millions of dollars)				
General Funds	26.9	25.7	23.1	-10.1%
Special Funds	30.7	35.5	73.9	108.0%
Federal Funds	6.5	9.1	9.3	2.5%
Reimbursable Funds	4.3	5.0	3.6	-28.2%
Total	68.4	75.3	109.9	45.9%
EXPENDITURES: (in millions of dollars)				
Office of the Secretary, including agricultural land purchases	27.6	29.7	64.7	118.1%
Office of Marketing, Animal Indst. and Consumer Svcs.	16.0	18.3	17.4	-5.0%
Office of Plant Industries and Pest Management	10.6	11.6	10.7	-7.9%
Office of Resource Conservation	14.1	15.7	17.1	8.9%
Total	68.4	75.3	109.9	45.9%
POSITIONS:				
Authorized	436.0	430.0	428.5	-1.5
Contractual	34.5	46.7	43.6	-3.1
Total	470.5	476.7	472.1	-4.6

PERFORMANCE MEASURES	FY 2004 Actual	FY 2005 Estimated	FY 2006 Projected
Agricultural Land Preservation District Acreage	409,958	418,000	430,000
Easement Acreage	235,068	248,000	274,300
Nutrient Management Plan— Acreage Reported by			
Public and Private Licensees	600,000	650,000	600,000
Gypsy Moths —Acres Treated	660	10,000	24,000
Number of Communities Participating in Cooperative			
Mosquito Control Program	2,095	2,100	2,100

Totals may not add due to rounding.

Department of Budget & Management

Mission: The Department of Budget and Management (DBM) helps the Governor, State agencies and their employees provide effective services to Maryland citizens through efficient resource allocation.

The Department of Budget and Management assists the Governor in the preparation of the annual State Operating and Capital Budgets; provides oversight of information technology; personnel; health benefits; procurement of services and information technology; the State vehicle fleet; and collects most State debts.

In preparing the FY 06 Operating Budget, the department led State agencies in a strategic review of all aspects of State operations. Strategic budgeting focused State agencies, including DBM, on outcomes and the most effective ways to deliver improved services. For the FY 2006 Capital Budget, the department was able to identify resources to provide for \$155 million in public school construction funding.

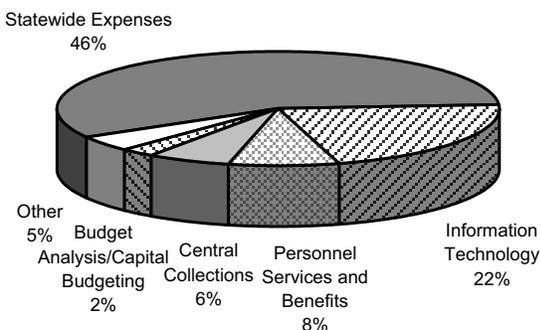
In addition to the strategic budget process, during FY 2005, the Department executed memoranda of understanding with the exclusive bargaining representatives for State firefighters and sworn police officers; competitively procured new contracts to assure continued health and dental benefits for the State's

100,000 employees, retirees and their dependents; conducted a training workshop for State EEO officers; reviewed procurements with a value in excess of \$4 billion; reviewed the State fleet and eliminated 153 under utilized vehicles; issued revised policies that will maintain a more efficient State fleet; during the first six months of the fiscal year, increased the collection of State debts by 17 percent from the same period of the prior fiscal year; and reduced the dependency of State agencies on leased communications by transferring 340 services to the State operated voice, data and video network (network-Maryland). Employees of the Department also served on numerous Task Forces, Boards and Commissions.

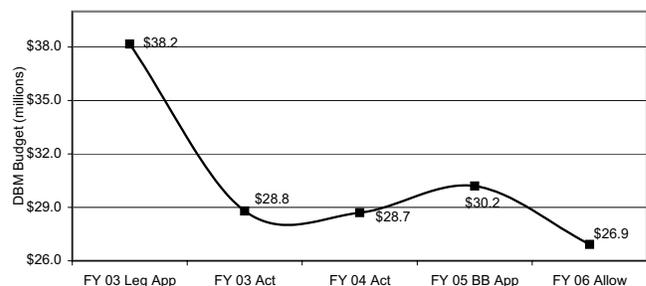
In FY 2006, the Department will continue the strategic budgeting process to assure the effective allocation of resources (financial, personnel and technological) for the Governor's priorities and will assist agencies and State employees with deploying those resources in the most efficient manner.

DBM, through effective resource management, has reduced its budget by nearly a third since FY 2003

Expenditures



DBM Has Reduced Its Budget By Nearly a Third



POSITIONS: 447.8

BUDGET: \$126.6 MILLION
 LESS THAN 1% OF THE STATE BUDGET

THREE YEAR SUMMARY	FY04 Actual	FY05 Appropriation	FY06 Allowance	Change FY05-06
APPROPRIATIONS: (in millions of dollars)				
General Funds	28.7	31.5	99.4	216.0%
Special Funds	12.3	15.9	8.0	-49.8%
Reimbursable Funds	18.0	22.2	19.2	-13.3%
Total	59.1	69.6	126.6	82.0%
EXPENDITURES: (in millions of dollars)				
Office of the Secretary	12.7	14.4	13.5	-6.1%
Office of Personnel Services and Benefits	10.9	11.9	10.1	-15.2%
Office of Information Technology	32.2	38.7	27.4	-29.1%
Office of Budget Analysis	1.9	2.0	2.1	6.8%
Office of Capital Budgeting	1.4	1.4	1.0	-26.3%
DBM Operations Subtotal	59.1	68.3	54.1	-20.8%
Statewide Compensation and Other Adjustments	0.0	1.3	72.5	
Total	59.1	69.6	126.6	82.0%
POSITIONS:				
Authorized	472.3	468.3	435.8	-32.5
Contractual	15.7	20.9	12.0	-8.9
Total	488.0	489.2	447.8	-41.4

PERFORMANCE MEASURES

	FY 2004 Actual	FY 2005 Estimated	FY 2006 Projected
Employee Retention Rate	91%	92%	92%
% Collected of Dollar Value of Debts Owed the State and Sent to the Central Collection Unit	30%	31%	33%
% of all State Agency Requests for Transport or Internet Services through the Department that were Fulfilled by networkMaryland	52%	60%	70%
% of New Major Information Technology Development Projects Executed by Non-Exempt Units of the Executive Branch that are Successful	83%	85%	85%
State Performance Measure Index (2001 = 100)	101	103	104

Totals may not add due to rounding.

Department of Business & Economic Development

Mission: To stimulate private investment, create jobs, attract new businesses, and encourage expansion and retention of existing businesses in order to strengthen the State's economy.

Business Development and Financial Assistance

The Division of Business Development attracts new businesses to the State, expands global commerce, cultivates important industry clusters and raises awareness of Maryland's role as a leader in technology and innovation. Marketing teams focus on target industry sectors, including: advanced technologies, biosciences, and traditional industries.

In FY 2006, the newly created DBED Division of Small Business Assistance is funded at \$2.2 million to improve and centralize small business development, and provide financial and technical services to small and minority-owned businesses.

The Division of Financing Programs continues to provide financial assistance through various programs that support incubator development, business expansion and working capital funding for Maryland businesses. In addition, the Maryland Venture Fund is a nationally recognized leader in seed and early stage investments with over \$12 million invested in fifty-five companies. The fund received national recognition in 2004, earning the "Excellence in Innovation Economic Development Award" from the United States Department of Commerce and was listed as the top investor of early stage funding by *Entrepreneur Magazine* in July 2004.

In order to buttress Maryland's biotechnology industry Governor Ehrlich proposes a tax credit that will foster growth of small companies and bring new, high-paying jobs to Maryland.

Tourism and Film

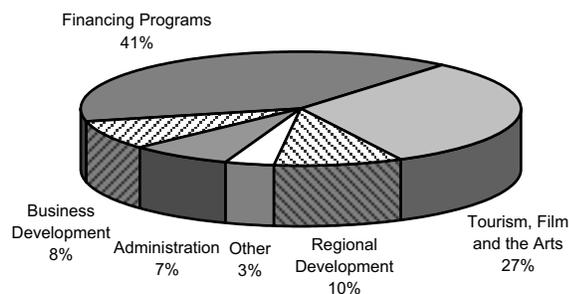
Maryland continues to be one of the most successful states in the Mid-Atlantic region in attracting visitors, reaching a record \$9.3 billion in economic impact for Maryland in calendar year 2003. The industry is anticipating even greater economic impact for calendar year 2004 as visitor volume was up 33 percent for the first six months of 2004, compared with the same period in 2003. Visitor volume is expected to continue at record levels in 2005.

The Maryland State Arts Council receives \$11.1 million to provide grants to over 265 arts organizations throughout the State. The Arts had a record economic impact of \$911 million in Maryland in FY 2003, generating an estimated \$33.4 million in State and local taxes and 12,475 full- and part-time jobs.

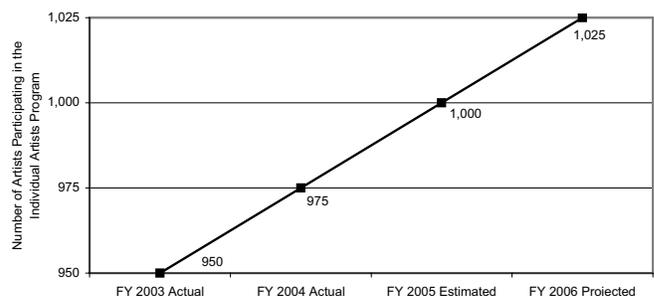
Film production in Maryland also has a significant economic impact, with productions such as "Ladder 49," HBO's "The Wire" and other projects generating more than \$75 million in FY 2004. The Governor's budget includes \$6 million for the new Film Production Wage Tax Credit Program.

Under Governor Ehrlich's leadership, Maryland has added 50,000 jobs.

Expenditures



DBED Continues to Support Maryland Artists



POSITIONS: 330.2

BUDGET: \$100.5 MILLION
 LESS THAN 1% OF THE STATE BUDGET

THREE YEAR SUMMARY	FY04 Actual	FY05 Appropriation	FY06 Allowance	Change FY05-06
APPROPRIATIONS: (in millions of dollars)				
General Funds	55.5	57.6	59.7	3.6%
Special Funds	36.7	38.5	39.8	3.4%
Federal Funds	0.6	0.6	0.6	6.5%
Reimbursable Funds	0.5	0.4	0.4	0.0%
Total	93.3	97.0	100.5	3.6%
EXPENDITURES: (in millions of dollars)				
Office of the Secretary	3.4	3.5	3.5	1.7%
Division of Administration and Information Tech.	3.5	4.0	4.0	1.0%
Division of Econ. Policy, Research and Legis. Affairs	1.3	1.3	1.3	0.6%
Division of Small Business Development	1.4	2.1	2.2	5.7%
Division of Business Development	8.8	8.3	8.4	1.3%
Division of Financing Programs	39.3	42.7	39.8	-6.8%
Division of Tourism, Film and the Arts	25.8	25.1	31.6	26.1%
Division of Regional Development	9.7	10.1	9.6	-5.3%
Total	93.3	97.0	100.5	3.6%
POSITIONS:				
Authorized	299.0	299.0	298.0	-1.0
Contractual	36.7	36.1	32.2	-3.9
Total	335.7	335.1	330.2	-4.9

PERFORMANCE MEASURES	FY 2004 Actual	FY 20045 Estimated	FY 2006 Projected
Business Development:			
Jobs Created with DBED Assistance - Projected	6,454	7,399	7,769
Jobs Retained with DBED Assistance- Projected	12,256	12,869	13,512
Capital Investment:			
Total Project Cost (\$ million)	461.3	250.0	250.0
Regulatory and Training Assistance:			
Number of Businesses Assisted	1,094	1,000	1,000
Number of Workers Trained	9,101	9,000	9,000
Tourism:			
Total Travel Expenditures (\$ billion)*	9.3	9.7	10.2
Feature Film Productions	8	3	3
National Television Productions	8	1	1

*calendar year estimates

Totals may not add due to rounding.

Department of Education

Mission: To provide leadership, support and accountability for effective systems of public education, library services and rehabilitation services.

Governor Ehrlich continues to make the education of Maryland's children his number one priority, providing another record increase in funding to schools. The Governor's budget for the Maryland State Department of Education includes \$5.1 billion in total funds, an increase of \$432.4 million (9.2 percent) above the fiscal year 2005 appropriation. This unprecedented investment in education is even more dramatic when considering the budget shortfall that the Governor had to address in balancing this year's budget.

Significant components of the increased State aid to schools include: *Investment in All Students-* The increase of \$193.7 million in the Foundation Program provides additional funding to all schools, based on a higher per pupil amount.

Economically Disadvantaged- The increase of \$121.5 million provides significant resources to help close the achievement gap between economically disadvantaged students and their peers.

Special Education- The increase of \$41.6 million in the Students with Disabilities program provides additional resources to help raise achievement levels among students in special education. As with the Economically Disadvantaged program, this funding will assist Maryland students in meeting the more rigorous benchmarks for achievement set by the No Child Left Behind Act.

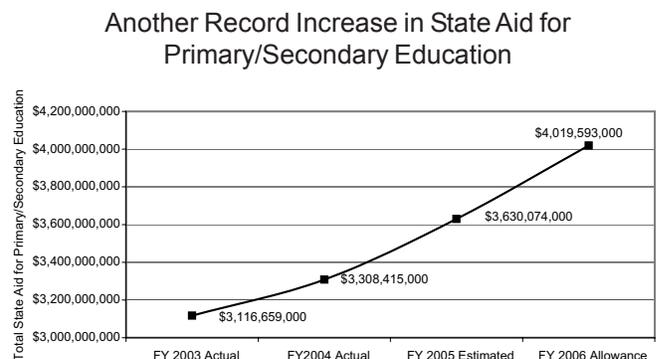
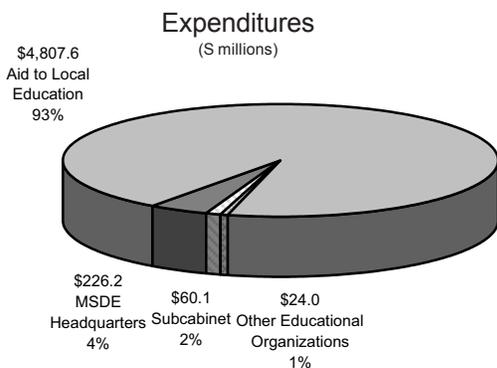
Guaranteed Tax Base- The increase of \$19.6 million in the Guaranteed Tax Base program provides additional funding to reward those school districts that have fewer resources yet continue to maintain or increase their local tax effort supporting education.

Students with Limited English Proficiency- The increase of \$16.5 million in this program will assist schools in their efforts to bring achievement levels for those students who are striving to master English up to the same level as their peers.

Teacher Retirement- An increase of \$3.7 million for aid for local employee fringe benefits associated with teacher retirement costs.

Student Assessments- The increase of \$4 million is provided to develop student assessments for science in grades 5 and 8 and continue assessments in math and reading. This will allow the Department to meet the federal testing requirements of the No Child Left Behind Act.

Federal education funding remains a critical component of the fiscal resources for Maryland schools and the fiscal year 2006 budget provides \$890 million towards this effort. Significant increases in federal education aid include \$28 million for special education grants and \$24.8 million in grants for economically disadvantaged students.



POSITIONS: 1,502.6

BUDGET: \$5.1 BILLION
19% OF THE STATE BUDGET

THREE YEAR SUMMARY	FY04	FY05	FY06	Change
	Actual	Appropriation	Allowance	FY05-06
APPROPRIATIONS: (in millions of dollars)				
General Funds	3,483.2	3,816.1	4,216.9	10.5%
Special Funds	9.6	10.6	8.7	-17.3%
Federal Funds	786.3	851.1	890.0	4.6%
Reimbursable Funds	6.6	2.0	2.4	18.1%
Total	4,285.7	4,679.8	5,118.0	9.4%
EXPENDITURES: (in millions of dollars)				
Headquarters	191.8	207.1	226.2	9.2%
Aid to Education	4,011.4	4,383.0	4,807.6	9.7%
Funding for Educational Organizations	23.6	24.8	24.0	-3.0%
Subcabinet Fund	59.0	64.9	60.1	-7.5%
Total	4,285.7	4,679.8	5,118.0	9.4%
POSITIONS:				
Authorized	1,334.8	1,384.8	1,387.8	3.0
Contractual	112.8	112.8	114.8	2.0
Total	1,447.6	1,497.6	1,502.6	5.0

PERFORMANCE MEASURES	FY 2004	FY 2005	FY 2006
	Actual	Estimated	Projected
Enrollment	821,984	828,961	829,009
% of Students Scoring Proficient or Better by Grade			
Reading Grade 3	71.0%	75.0%	79.0%
Reading Grade 5	68.4%	70.9%	73.4%
Reading Grade 8	63.8%	66.5%	69.2%
Mathematics Grade 5	63.1%	67.1%	69.2%
Math Grade 5 - Special Ed	29.7%	36.0%	39.1%
% of Schools Meeting Annual Yearly Progress in Math			
Elementary	90.7%	91.6%	92.6%
Middle	85.9%	87.3%	88.7%
High	75.0%	77.5%	80.0%

Totals may not add due to rounding.

Department of the Environment

Mission: To protect and restore the quality of Maryland's air, water and land resources, while fostering economic development, safe communities and quality environmental education for the benefit of the environment, public health and future generations.

The Bay Restoration Fund, introduced last session by Governor Ehrlich and signed by him in May 2004, is the single most important Maryland environmental initiative in the past twenty years. The majority of funds collected under this program will be used to pay for upgrading the sixty-six largest wastewater plants in the State, thereby reducing the amount of nitrogen in the Bay by seven million pounds annually and cutting current levels in half. The Maryland Department of Environment (MDE) FY 2006 budget includes \$35.9 million for planning and construction at nineteen of these plants, sewer and septic system upgrades, and four new positions for program implementation and management.

Governor Ehrlich established the Water Resource Management Advisory Committee to assess the adequacy of existing water resources in order to manage and protect the State's ground and surface water resources. MDE is committed to addressing the findings of this committee, which include the need to improve planning at State and local levels as Maryland's economy and population grow and siting new reservoirs.

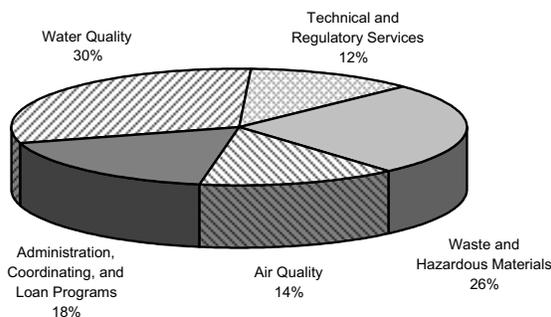
Governor Ehrlich's Bay Restoration Fund is the single most important environmental initiative enacted in Maryland in the past twenty years.

MDE administers the Voluntary Cleanup Program for Brownfields sites, which include industrial and commercial properties contaminated, or perceived to be contaminated, by hazardous substances. The FY 2006 budget includes three new positions to implement the Brownfields Redevelopment Reform Act of 2004, which provides both administrative and programmatic reforms, including a streamlined application process for the Voluntary Cleanup Program.

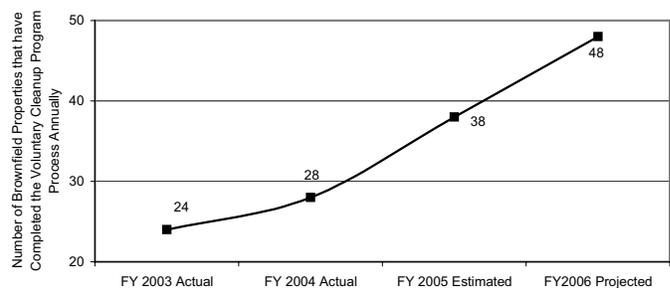
MDE will continue to support Maryland's aggressive campaign to eliminate childhood lead poisoning, ensuring that the total number and percentage of children poisoned steadily decreases. Results of this effective program include expanded blood lead testing, with more than 85,000 children tested annually, and increased outreach activities in the counties and Baltimore City.

In FY 2006, MDE will continue to work with local governments, the Maryland Environmental Service, and private industry to protect the environment by encouraging citizens to recycle electronics. Nearly 3,100 tons of electronics have been collected from residents for reuse and recycling since the inception of the program.

Expenditures



Voluntary Clean-up Program Continues to Remediate Brownfields Sites



THREE YEAR SUMMARY	FY04 Actual	FY05 Appropriation	FY06 Allowance	Change FY05-06
APPROPRIATIONS: (in millions of dollars)				
General Funds	38.8	37.2	33.8	-9.1%
Special Funds	58.9	62.0	94.7	52.8%
Federal Funds	59.4	65.3	69.3	6.3%
Reimbursable Funds	15.5	12.6	13.9	10.1%
Total	172.5	177.0	211.8	19.6%
EXPENDITURES: (in millions of dollars)				
Office of the Secretary	82.9	82.8	118.6	43.2%
Administrative and Employee Services Administration	7.3	7.2	7.3	2.6%
Water Management Administration	27.4	28.7	28.9	1.0%
Technical and Regulatory Services Administration	15.6	11.5	11.3	-1.9%
Waste Management Administration	19.5	22.8	24.5	7.5%
Air and Radiation Management Administration	13.3	13.4	13.4	-0.1%
Coordinating Offices	6.4	10.6	7.6	-28.5%
Total	172.5	177.0	211.8	19.6%
POSITIONS:				
Authorized	951.0	954.0	956.0	2.0
Contractual	15.6	46.0	43.5	-2.5
Total	966.6	1,000.0	999.5	-0.5

PERFORMANCE MEASURES	FY 2004 Actual	FY 2005 Estimated	FY 2006 Projected
% of Marylanders served by Public Water Systems			
in Significant Compliance	97%	97%	97%
% of Inspected Surface Water Sites/Facilities			
in Significant Compliance	98%	*	*
% Reduction in Point-Source Nitrogen Loading since 1985	52%	53%	53%
% of Lead- Tested Children with "Poisoned" Levels	0.30%	0.27%	0.24%
% of State Population in Areas Not Meeting Air			
Quality Standards	89%	89%	89%
Number of Acres in Voluntary Clean-Up Program Completed	380	480	580

*MDE does not predict results of inspection and compliance efforts; target is 99%.

Totals may not add due to rounding.

Department of General Services

Mission: The Department of General Services serves Maryland and its citizens by ensuring State agencies are able to achieve their respective missions in a safe, efficient, and effective manner.

The Department of General Services (DGS) is committed to carrying out its mission and will continue to look for new and inventive ways to reduce costs and improve efficiencies.

DGS will strive to offer superior services and ensure a safe and secure environment for State employees and visitors. The FY 2006 allowance includes \$44 million for Facilities Operation and Maintenance. In order to maintain the level of service citizens expect, the department will continue to receive feedback by issuing customer surveys. In 2006, DGS expects to maintain the percent of customers satisfied with the overall level of service in State facilities at 85 percent.

The 2006 allowance includes \$11.8 million to ensure that State facilities remain secure. Continued implementation of a new and more secure proximity card and video surveillance entry system is a departmental priority. The system will improve security and facilitate authorized access to State facilities while also realizing cost savings to the State. The department anticipates further savings as the new system is fully implemented.

DGS performs a variety of functions that support State agencies in achieving their mission. An investment of

\$16.8 million in the department's budget allows for the award and management of state investments in the following areas:

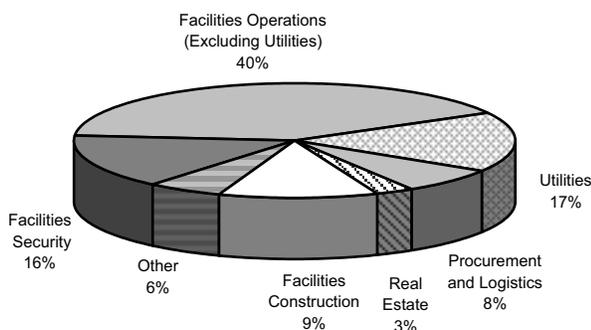
\$5.6 million for Procurement and Logistics, which leverages approximately \$141 million in commodities procurements annually. Additionally, the department expects to achieve a 3 percent savings through the successful implementation of cooperative contracting and supply chain initiatives.

\$2.1 million for Real Estate Management, which leverages approximately \$83 million in real estate transactions annually. Additionally, 85 percent of approved real estate acquisitions are estimated to be negotiated with contract prices at terms most favorable to the State.

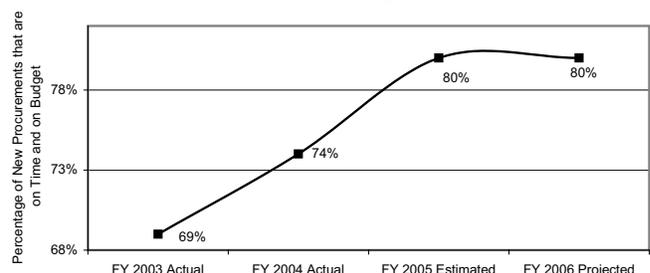
\$9 million for Facilities, Planning, Design and Construction, which leverages approximately \$754 million in capital construction, maintenance, grants, and loans annually. Additionally, the Statewide Facilities Critical Operating Maintenance Fund will receive \$2 million in General Funds to enhance efforts to properly maintain State facilities.

A new and more secure proximity card and video surveillance entry system is a departmental priority.

Expenditures



Percentage of New Procurements that are on Time and on Budget



THREE YEAR SUMMARY	FY04	FY05	FY06	Change
	Actual	Appropriation	Allowance	FY05-06
APPROPRIATIONS: (in millions of dollars)				
General Funds	47.7	51.5	49.8	-3.3%
Special Funds	1.4	1.6	1.3	-13.8%
Federal Funds	0.8	0.8	0.8	0.0%
Reimbursable Funds	23.5	25.5	24.8	-2.5%
Total	73.4	79.4	76.8	-3.2%
EXPENDITURES: (in millions of dollars)				
Office of the Secretary	4.0	5.7	4.3	-25.3%
Office of Facilities Security	10.8	11.5	11.8	1.8%
Office of Facilities Operation and Management	40.6	43.7	44.0	0.8%
Office of Procurement and Logistics	5.8	6.7	5.6	-15.1%
Office of Real Estate	2.7	2.1	2.1	0.0%
Office of Facilities Planning, Design and Construction	9.4	9.7	9.0	-6.7%
Total	73.4	79.4	76.8	-3.2%
POSITIONS:				
Authorized	728.0	712.0	657.0	-55.0
Contractual	24.3	27.8	26.5	-1.3
Total	752.3	739.8	683.5	-56.3

PERFORMANCE MEASURES

	FY 2004	FY 2005	FY 2006
	Actual	Estimated	Projected
% of Facilities Customers Satisfied with Overall Level of Service	85%	85%	85%
Number of Thefts at DGS Managed Facilities	124	109	100
% of Facilities with Prox/Camera Entry System	23%	53%	86%
% of Approved Real Estate Acquisitions Negotiated with Contract Price at Most Favorable Terms to State	85%	85%	85%

Totals may not add due to rounding.

Department of Health & Mental Hygiene

Mission: The Department of Health and Mental Hygiene (DHMH) promotes the health and quality of life of all Maryland citizens by: providing health and support services; improving the quality of health care for all; providing leadership in the development and implementation of responsible and progressive health care policy; and advocating for public health initiatives and programs. Maryland's public health is our business.

DHMH programs have enabled children and adults across Maryland to live healthier and longer lives. About 25 percent fewer children today have elevated blood lead levels compared with 2002, and 81 percent of all children are getting their immunizations. Enrollment in Medicaid and the Maryland Children's Health Program will continue to increase and, in FY 2006, will serve more than 640,000 low-income children and families, seniors, and disabled individuals at an estimated average cost of nearly \$6,500 per enrollee.

Important new initiatives and enhancements include:

Medical Malpractice Initiatives: Many physicians, especially those in obstetrics, neurosurgery, orthopedics, surgery and emergency medicine, face steep increases in insurance premiums. Medicaid reimbursements for these specialties will be increased by \$37 million and thorough investigations into medical errors and complaints will be increased.

Medicaid Buy-In: Medicaid will cover some working disabled individuals who would not otherwise be

eligible, helping to alleviate their dependence on cash assistance programs.

Combating Disease: The budget increases staffing for emergency preparedness, for response to infectious disease outbreak or bioterrorist attack, as well as support for surveillance and treatment of naturally occurring diseases such as Hepatitis C.

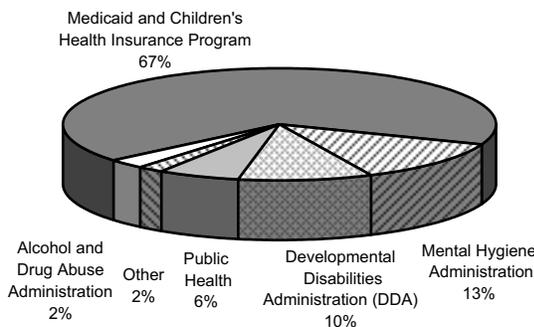
New Freedom Initiative: DHMH is continuing efforts to move individuals out of institutions and into more effective community settings. The

budget will allow forty placements of developmentally disabled residents from state institutions and will seek to substitute mental health treatment for children in community settings by shortening stays in residential treatment centers. It will also fund additional community placements for developmentally disabled young adults leaving the school system and other individuals on a waiting list.

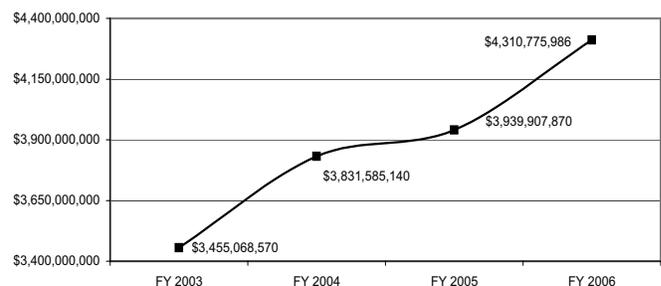
Older Adults Waiver: This program, which provides home care for seniors to avoid admission to a nursing home, will serve an additional 175 individuals.

Substance abuse treatment is working: abuse patients still using upon discharge from treatment has dropped from 25 percent in FY 2004 to 14 percent in FY 2006

Expenditures



Maryland's Medicaid Spending has Increased \$850 million since FY 2003



POSITIONS: 8,046.7

BUDGET: 6.5 BILLION
24% OF THE STATE BUDGET

THREE YEAR SUMMARY	FY04	FY05	FY06	Change
	Actual	Appropriation	Allowance	FY05-06
APPROPRIATIONS: (in millions of dollars)				
General Funds	2,865.3	3,134.0	3,335.9	6.4%
Special Funds	288.5	260.0	265.3	2.1%
Federal Funds	2,712.3	2,631.2	2,824.9	7.4%
Reimbursable Funds	24.3	21.2	24.8	16.9%
Total	5,890.4	6,046.3	6,450.9	6.7%
EXPENDITURES: (in millions of dollars)				
Medical Care Programs Administration (Medicaid)	3,831.6	3,939.9	4,310.8	9.4%
Community Health and Family Health Administration	279.4	269.6	269.7	0.0%
Mental Hygiene Administration	575.3	551.3	547.6	-0.7%
Developmental Disabilities Administration	497.9	531.6	566.8	6.6%
State Psychiatric Hospitals and Regional Institutes	253.3	258.2	257.6	-0.3%
State Residential Cntrs for the Developmentally Disabled	67.5	70.5	70.5	-0.1%
Alcohol and Drug Abuse Administration	131.0	133.2	132.1	-0.8%
AIDS Administration	47.8	53.8	54.4	1.0%
Chronic Disease Hospitals	38.9	41.3	41.2	-0.4%
All Others	167.7	196.8	200.3	1.8%
Total	5,890.4	6,046.3	6,450.9	6.7%
POSITIONS:				
Authorized	7,709.8	7,548.1	7,548.0	-0.1
Contractual	411.0	489.3	498.6	9.4
Total	8,120.8	8,037.4	8,046.7	9.3

PERFORMANCE MEASURES	FY 2004	FY 2005	FY 2006
	Actual	Estimated	Projected
Medicaid Enrollment	502,860	526,100	547,020
Children's Health Program Enrollment:	98,420	94,410	96,950
WIC Food Program Recipients	106,060	101,000	111,000
Addictions Clients Served	59,241	60,426	61,484
Mental Hygiene Clients	90,849	94,448	98,150
Developmental Disabilities Clients	20,281	22,168	22,264
Proportion of Elderly and Disabled Receiving Long Term Care in the Community Instead of in Institutions	36.9%	39.1%	40.0%
% of Substance Abuse Patients Still Using Upon Discharge from Treatment	25%	17%	14%
% of Adults Reporting that Mental Health Services Were Effective	73.5%	75.0%	75.0%

Totals may not add due to rounding.

Maryland Higher Education Commission

Mission: To coordinate a postsecondary education system comprised of different types of institutions so that they collectively function to enhance the economic development of the State, meet the career training and educational needs of the citizens of Maryland and promote civic responsibility in higher education students and graduates. The Maryland Higher Education Commission (MHEC) provides statewide planning, leadership, vision, balance, coordination and advocacy for Maryland's postsecondary educational institutions and administers state financial aid. This agency's customers are postsecondary education institutions and students.

The Maryland Higher Education Commission (MHEC) recently completed the *2004 State Plan for Postsecondary Education*. The plan outlines the challenges facing postsecondary education in the state and recommends actions to address the dramatic increase in enrollment in the coming decade and enhance student access.

Included in the MHEC allowance is an increase of \$15.5 million for need-based student aid, a 29 percent increase over 2005. These funds will significantly expand college affordability, assisting more than 6,100 additional Maryland students, a 20 percent increase over FY 2005. This increase includes \$10 million in new funds as well as \$5.5 million transferred from the phase out of the HOPE Scholarship Program. The programs with increases are the Educational Excellence Awards program, the Part-time Grant program, the Graduate and Professional Scholarship program, and the Janet L. Hoffman Loan Assistance Repayment Program. The 35 percent increase in the Loan Assistance Repayment Program will address workforce needs, particularly for teachers, nurses, nurse faculty, and other professions in critical shortage.

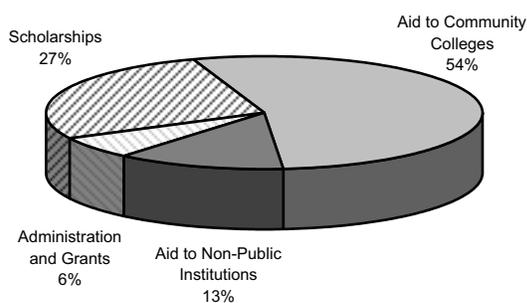
Governor Ehrlich has included an additional \$15.5 million, a 29% increase, in funding for need-based aid.

Funding for the Access and Success program and the Historically Black Institutions (HBI) Enhancement Fund will total \$12 million. These programs work to improve retention and graduation rates, as well as improve campus climate at Maryland's HBIs. These institutions play a vital role in Maryland, since half of all baccalaureate degrees awarded to African American students in Maryland are earned at an HBI.

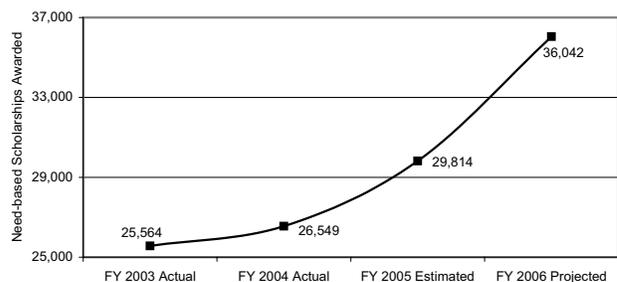
Community colleges funding, excluding fringe benefits, totals \$166.2 million, an increase of 4.7 percent from 2005. Funding for community college retirement benefits totals \$25.5 million. Community colleges support regional economic and workforce development by producing college graduates and supplying training to Maryland businesses and industry. More than 80 percent of community college career program graduates hold full-time employment in areas related to their academic major.

Aid to non-public colleges and universities is budgeted at \$46.3 million to provide accessible and affordable education for Maryland citizens; more than half of the aid used to fund scholarships.

Expenditures



In Order to Increase Higher Education Access, Forty-one Percent More Students are Receiving Need-Based Aid



THREE YEAR SUMMARY	FY04	FY05	FY06	Change
	Actual	Appropriation	Allowance	FY05-06
APPROPRIATIONS: (in millions of dollars)				
General Funds	302.5	324.7	356.8	9.9%
Special Funds	1.5	3.7	1.8	-76.1%
Federal Funds	2.0	3.6	2.3	-2.8%
Reimbursable Funds	0.2	0.2	0.2	0.0%
Total	306.2	332.2	361.0	8.7%
EXPENDITURES: (in millions of dollars)				
Administration and Grants	23.9	25.6	27.2	6.2%
Financial Aid	75.9	87.1	95.8	10.0%
Aid to Community Colleges	174.9	184.0	191.7	4.2%
Aid to Non-Public Institutions	31.5	35.5	46.3	30.4%
Total	306.2	332.2	361.0	8.7%
POSITIONS:				
Authorized	74.6	73.6	73.6	0.0
Contractual	3.0	1.0	1.0	0.0
Total	77.6	74.6	74.6	0.0

PERFORMANCE MEASURES	FY 2004	FY 2005	FY 2006
	Actual	Estimated	Projected
Scholarships Awarded	44,851	51,687	54,266
Average Award (\$)	1,786	1,787	1,754
FTE Enrollment (funding basis):			
State-Operated Institutions			
(USM, MSU, SMCM and BCCC)	104,694	107,393	109,798
Community Colleges	76,720	79,357	80,903
Non-Public Institutions	36,219	37,232	38,007

Totals may not add due to rounding.

Higher Education Institutions

Maryland's higher education institutions provide quality, access and diversity in all aspects of teaching, research and public service. State institutions include the University System of Maryland (encompassing eleven campuses and two research institutes), Morgan State University, St. Mary's College of Maryland and Baltimore City Community College.

Among higher education's most important outcomes are economic development and workforce preparedness. To help meet the state's growing enrollment demand, the University System of Maryland (USM) will open its second regional higher education center at Hagerstown in January 2005. The first center is at Shady Grove in Montgomery County. Both centers offer nursing programs, working to decrease the statewide nursing shortage.

In addition, construction is expected to be completed in 2005 for new facilities, including the Dental School at University of Maryland, Baltimore; Fine Arts Building addition and renovation at Towson University; the Social Science, Education, Health Science Building at the University of Maryland Eastern Shore; and CARB II of the University of Maryland Biotechnology Institute. The system has broken ground for the BioSciences Research Building at the University of Maryland, College Park, and will soon begin construction of the Center for Business and Graduate Studies at Bowie State University. USM's 2006 General Fund budget is \$798 million.

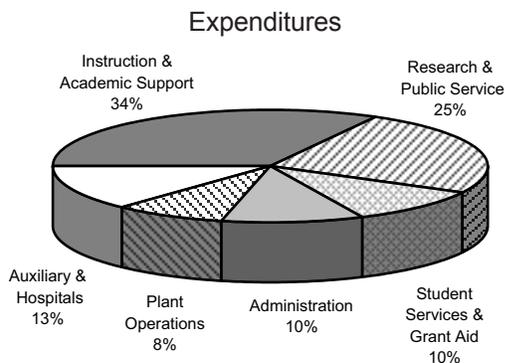
St. Mary's College of Maryland is Maryland's public honors college, offering Bachelors of Arts degrees in

twenty-three programs. St. Mary's College has the highest six-year graduation rate for all students and African American students, compared to each of the other public institutions. St. Mary's 2006 General Fund budget is \$14.6 million.

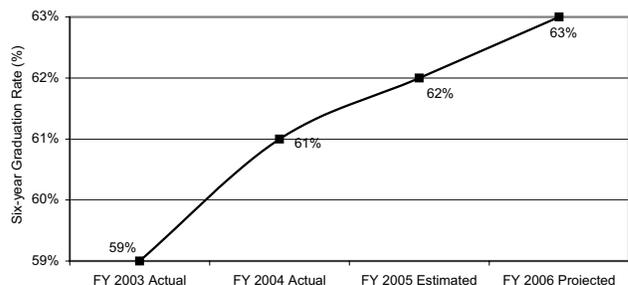
Morgan State University provides undergraduate education for a broad segment of the population, including many of the best prepared students. Morgan State University also provides graduate study and research in selected disciplines, with twenty-three Masters programs and eleven Doctorate programs. Morgan's 2006 General Fund budget is \$51 million.

Baltimore City Community College (BCCC) provides an accessible and affordable education to residents of Baltimore City. BCCC provides post-secondary education to 32 percent of recent Baltimore City high school graduates. Fifteen percent of BCCC students transfer to Maryland four-year public institutions. BCCC provides workforce training for Baltimore City businesses and residents with a wide variety of courses created under contract with specific employers. BCCC's 2006 General Fund allowance is \$33.6 million.

Governor Ehrlich's budget provides the University System of Maryland an additional \$43 million, a 5.7% increase.



Six-year Graduation Rate of First-time, Full-time Students at Public Four-year Colleges and Universities



POSITIONS: 27,469.7

BUDGET: \$3.6 BILLION
14% OF THE STATE BUDGET

THREE YEAR SUMMARY	FY04 Actual	FY05 Appropriation	FY06 Allowance	Change FY05-06
APPROPRIATIONS: (in millions of dollars)				
General Funds	837.5	851.0	897.8	5.5%
Other Current Unrestricted	1,567.6	1,734.5	1,810.3	4.4%
Subtotal Current Unrestricted	2,405.2	2,585.4	2,708.1	4.7%
Current Restricted	780.1	864.2	880.3	1.9%
Total	3,185.3	3,449.6	3,588.4	4.0%
EXPENDITURES: (in millions of dollars)				
University System of Maryland				
University of Maryland, Baltimore (UMB)	588.6	647.5	665.0	2.7%
University of Maryland, College Park (UMCP)	1,096.9	1,143.1	1,193.6	4.4%
Bowie State University (BSU)	70.0	75.4	77.7	2.9%
Towson University (TU)	238.8	263.8	272.2	3.2%
University of Maryland, Eastern Shore (UMES)	80.0	79.7	83.1	4.2%
Frostburg State University (FSU)	74.3	77.0	80.1	4.0%
Coppin State College (CSC)	54.2	57.0	61.3	7.5%
University of Baltimore (U of B)	65.8	73.3	77.8	6.1%
Salisbury University (SU)	91.7	99.6	103.7	4.2%
University of Maryland University College (UMUC)	199.8	240.3	254.3	5.8%
University of Maryland Baltimore County (UMBC)	273.1	296.9	308.6	3.9%
University of Maryland Ctr. for Environmental Science	34.9	34.6	35.3	2.1%
University of Maryland Biotechnology Institute (UMBI)	42.6	57.1	56.2	-1.5%
University System of Maryland Office (USMO)	15.3	17.6	19.4	10.1%
Subtotal University System of Maryland (USM)	2,925.9	3,162.8	3,288.1	4.0%
Other State Universities and Colleges				
Morgan State University (MSU)	145.4	163.5	171.0	4.6%
St. Mary's College of Maryland (SMCM)	42.1	51.3	53.2	3.7%
Baltimore City Community College (BCCC)	71.9	72.1	76.1	5.6%
Total	3,185.3	3,449.6	3,588.4	4.0%
POSITIONS:				
Authorized	20,957.2	21,215.2	21,353.1	137.9
Contractual	5,704.3	5,922.5	6,116.7	194.2
Total	26,661.4	27,137.6	27,469.7	332.1

PERFORMANCE MEASURES	FY 2004 Actual	FY 2005 Estimated	FY 2006 Projected
FTE Enrollment:			
University System of Maryland (Statewide)	90,026	92,493	94,505
Morgan State University	6,092	6,244	6,400
St. Mary's College of Maryland	1,990	1,946	1,946
Baltimore City Community College (credit & non credit)	6,586	6,710	6,947
Total	104,694	107,393	109,798

Department of Housing & Community Development

Mission: The Maryland Department of Housing and Community Development (DHCD) is dedicated to improving the quality of life in Maryland by working with its partners to revitalize communities, expand homeownership and affordable housing opportunities, and preserve historic sites and traditions.

The Department of Housing and Community Development (DHCD) is working to achieve the following core outcomes:

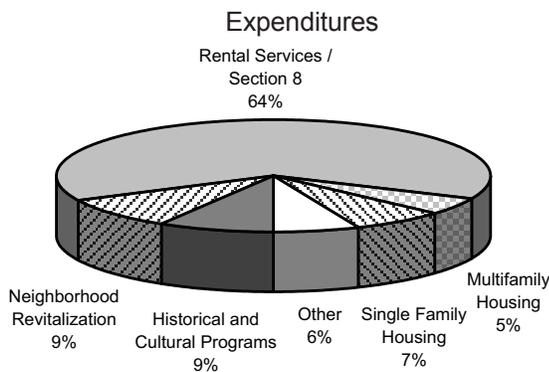
- Expanding availability of affordable housing opportunities, including homeownership for Maryland's workforce, seniors and individuals with disabilities.
- Enhancing the vibrancy of Maryland's communities through neighborhood revitalization.
- Preserving and protecting heritage resources and increasing economic development through heritage tourism and historic preservation.
- Protecting the financial health of the agency in order to support and expand the delivery of vital, life-sustaining services to Maryland residents.

DHCD's planned financing innovations are expected to enhance the leveraging of State funding and increase housing and community revitalization activities significantly in FY 2006.

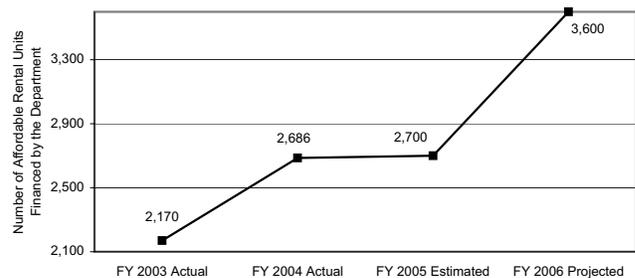
DHCD continues to expand its revenue generating activities in order to reduce its dependence on State General Funds for operations. The \$8 million operating General Fund allowance represents only 2 percent of DHCD's total allowance and is \$600,000 lower than FY 2005. Of this, \$5 million supports historic preservation and the balance supports critical housing and revitalization programs. In addition, Governor Ehrlich's continued commitment to historic preservation and community revitalization is evidenced by including \$20 million of General Funds to establish a reserve fund for the Heritage Structure Rehabilitation Tax Credit Program.

Nearly 75 percent (\$240 million) of DHCD's total allowance is dedicated to the administration of federal grant programs that directly support these goals. This is an increase of \$60 million or 33 percent over FY 2005, primarily from additional funding for the Section 8 housing program.

The special fund allowance includes \$25 million for housing and revitalization loan programs. Additionally, the General Obligation Bond Fund allowance includes \$16 million for housing programs and \$8 million for the Community Legacy Program. Every \$1 of State funds generates approximately \$28 in economic benefit to the State. DHCD's planned financing innovations are expected to enhance the leveraging of State funding and increase housing and community revitalization activities significantly in FY 2006.



DHCD's Commitment to Finance Workforce/ Affordable Rental Housing Continues to Increase



THREE YEAR SUMMARY	FY04 Actual	FY05 Appropriation	FY06 Allowance	Change FY05-06
APPROPRIATIONS: (in millions of dollars)				
General Funds	9.6	8.9	28.3*	219.2%
Special Funds	46.7	50.9	55.1	8.4%
Federal Funds	167.3	180.3	240.1	33.2%
Reimbursable Funds	1.1	1.2	1.0	-17.0%
Total	224.7	241.3	324.5	34.5%
EXPENDITURES: (in millions of dollars)				
Office of the Secretary	7.4	7.0	7.4	5.2%
Division of Credit Assurance	4.7	5.4	5.4	0.6%
Division of Historical and Cultural Programs	7.4	7.6	28.1*	270.0%
Division of Neighborhood Revitalization	24.8	29.5	29.8	1.1%
Division of Development Finance	173.2	184.2	246.0	33.5%
Division of Information Technology	2.8	3.0	2.9	-1.8%
Division of Finance and Administration	4.4	4.6	4.9	6.7%
Total	224.7	241.3	324.5	34.5%
POSITIONS:				
Authorized	365.5	385.9	384.9	-1.0
Contractual	49.3	61.7	66.1	4.4
Total	414.8	447.6	451.0	3.4

* Note: FY 2006 budget for DHCD includes \$20 million in general funds for the Heritage Structure Rehabilitation Tax Credit

PERFORMANCE MEASURES	FY 2004 Actual	FY 2005 Estimated	FY 2006 Projected
Active Single Family/Multifamily Bond-Financed Loans	15,986	16,000	17,000
Active Single Family/Multifamily State-Financed Loans	5,348	5,600	5,800
Active Neighborhood Business Development Loans	139	145	150
Number of Communities DHCD provided financial or technical assistance to help with revitalization	183	170	173
Number of Affordable Units in Rental Housing Projects Going to Initial Closing	2,686	2,700	3,600
Number of Low and Moderate-Income Residents DHCD Helped to Purchase their HSomes	1,315	2,000	2,400
DHCD's (CDA) Bond Rating on June 30 of each year	Aa	Aa	Aa

Totals may not add due to rounding.

Department of Human Resources

Mission: We will aggressively pursue opportunities to assist people in economic need, increase prevention efforts and protect vulnerable children and adults.

Child welfare represents the Department of Human Resources' (DHR) most critical field of service. Since March of 2004, 150 new caseworkers have been hired, and system development will allow Maryland's Children's Electronic Social Services Information Exchange to be rolled out in early 2005. The Governor will provide an additional \$1.4 million to hire more caseworkers, and \$10 million will be committed to the implementation of CHESSIE in FY 2006, both significant and needed investments that better serve children by allowing more caseworkers to spend additional time with children.

The Governor is providing an additional \$42.9 million for foster care and subsidized adoption payments. The Governor has also included \$1 million for the recruitment and retention of new foster care families. These investments will help sustain and expand the number of foster care families as more children are placed in stable family environments.

The State of Maryland has made historic strides in moving more individuals into jobs and off of public assistance. The number of individuals receiving cash assistance has declined by more than 70 percent from 227,000 in 1995 to 66,725 in 2004. A growing

commitment to job training and placement has translated into 40 percent of case closures remaining closed and 9,000 public assistance families obtaining and retaining employment annually.

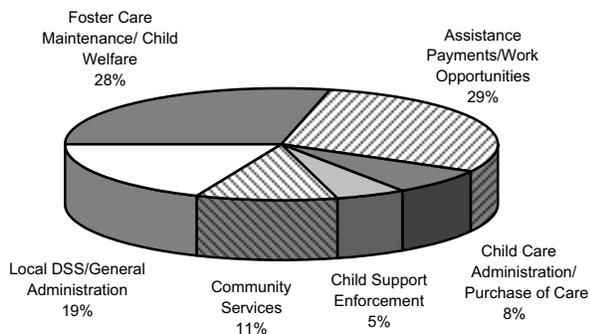
A growing commitment to job training and placement has translated into 9,000 public assistance families obtaining and retaining employment annually.

The Child Care Administration offers day care subsidies to low-income families with children. The Governor is providing funding for the placement of 2,400 new children, which helps encourage financial independence by allowing adult parents to seek and maintain employment.

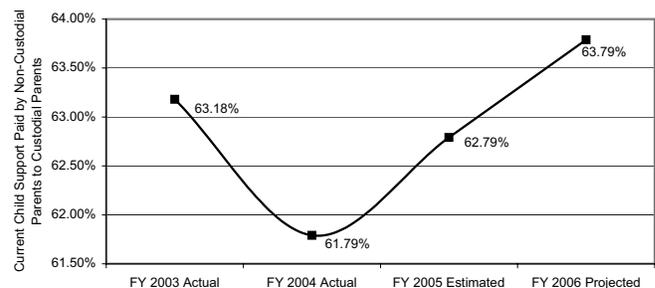
The Child Support Enforcement Administration continues to increase the rate at which support is collected for families, currently 63 percent of cases in FY 2005. \$2.2 million will be earmarked to hire sixty new child support caseworkers and ensure that Maryland residents continue to support themselves and their families.

The Community Services Administration administers social services to adults in need. A \$500,000 initiative to strengthen the bond of fathers and mothers with their children will seek to explore viable community and faith-based programs that promote family and financial responsibility.

Expenditures



Non-Custodial Parents are Increasingly Making Child Support Payments



POSITIONS: 7,383.5

BUDGET: \$1.6 BILLION
6% OF THE STATE BUDGET

THREE YEAR SUMMARY	FY04 Actual	FY05 Appropriation	FY06 Allowance	Change FY05-06
APPROPRIATIONS: (in millions of dollars)				
General Funds	550.0	563.0	565.1	0.4%
Special Funds	98.5	67.4	65.9	-2.1%
Federal Funds	906.9	927.6	1,000.1	7.8%
Reimbursable Funds	18.2	12.8	11.4	-10.9%
Total	1,573.6	1,570.6	1,642.5	4.6%
EXPENDITURES: (in millions of dollars)				
Office of the Secretary	11.1	11.8	11.6	-1.8%
Social Services Administration	24.4	25.3	27.5	8.7%
Community Services Administration	128.6	135.9	134.1	-1.4%
Child Care Administration	26.0	25.1	22.8	-9.2%
Operations Office	20.7	20.4	19.7	-3.5%
Office of Technology for Human Services	56.7	54.0	49.4	-8.6%
Local Department Operations	1,242.5	1,230.1	1,307.7	6.3%
Child Support Enforcement Administration	41.4	43.0	45.2	5.0%
Family Investment Administration	22.2	25.0	24.6	-1.5%
Total	1,573.6	1,570.6	1,642.5	4.6%
POSITIONS:				
Authorized	7,140.0	7,296.6	7,248.4	-48.2
Contractual	51.4	135.1	135.1	0.0
Total	7,191.5	7,431.7	7,383.5	-48.2

PERFORMANCE MEASURES

	FY 2004 Actual	FY 2005 Estimated	FY 2006 Projected
Public Assistance Caseload (AFDC/TANF)	70,745	67,206	65,697
Child Care Slots Subsidized	25,434	26,725	27,390
Child Protection Investigations	30,241	30,250	30,250
Foster Care & Subsidized Adoption Average Caseload	15,028	15,690	16,424
Number of Children Adopted	820	1,000	1,000
Percent of Current Child Support Paid	62%	63%	64%
Job Retention Rate of Temporary Cash Assistance Customers	73%	75%	75%

Totals may not add due to rounding.

Department of Juvenile Services

Mission: The Department of Juvenile Services embraces a balanced and restorative justice philosophy. The department strives to ensure the public safety and protection of the community, to hold juvenile offenders accountable to victims and communities, and to develop youth competency and character to assist them in becoming responsible and productive members of society.

National studies show community-based treatment as being much more effective for troubled youths than residential placements. Although this approach is often more difficult to implement, Governor Ehrlich believes in a "child-first" approach which will, in the long run, be of utmost benefit to Maryland.

youth in custody so that comprehensive treatment plans, appropriate to each youth and based on individual assessments, can be implemented to treat those with intensive needs. DJS is also planning to expand aftercare services in FY 2006 to include not only youth with intensive needs, but also "high-risk" youth.

The Department of Juvenile Services (DJS) has made much progress shifting to community placements where appropriate. The FY 2006 budget realigns funds to serve more youth in the community, rather than residential placements. The average number of youth housed in DJS facilities has been reduced from 992 in FY 2002 to 858 in FY 2004, with the statewide average daily population in secure facilities falling from 652 to 545.

DJS is expanding aftercare services in FY 2006 to include not only youth with intensive needs, but also "high-risk" youth

DJS is continuing to assess and make necessary changes at State residential facilities to ensure Maryland youth are safe and receiving appropriate services. The detention population at the Cheltenham Youth Facility is currently below one hundred youth, which is the lowest population in

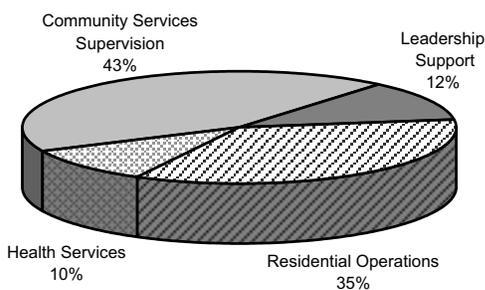
more than two years. In addition, DJS recently converted the Charles H. Hickey, Jr. School from private to public management. Improvements were made with respect to "quality of life" factors (i.e., food, clothing, and personal items) for youth detained at Hickey and population has downsized by approximately 25 percent.

Mental health treatment will help many of the youths in DJS facilities. In FY 2003, only 33 percent of youths showing signs of mental health needs received a formal assessment. Governor Ehrlich has directed DJS to ensure that 100 percent of these vulnerable youths receive a formal assessment by FY 2006; already in FY 2005, 80 percent received an assessment.

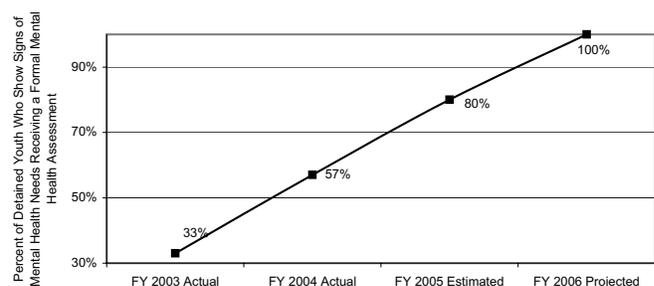
The Governor has directed the Department of Education to expand educational services at all DJS facilities so that when youths are ready to return to their communities they are also ready to learn in the classroom.

DJS, in collaboration with the Department of Health and Mental Hygiene, is working to expand services to

Expenditures



More Youths Will Receive Mental Health Assessments



POSITIONS: 2,307.7

BUDGET: \$196.2 MILLION
1% OF THE STATE BUDGET

THREE YEAR SUMMARY	FY04 Actual	FY05 Appropriation	FY06 Allowance	Change FY05-06
APPROPRIATIONS: (in millions of dollars)				
General Funds	170.3	176.7	178.7	1.1%
Special Funds	0.2	0.2	0.3	2.0%
Federal Funds	15.6	15.4	16.9	10.0%
Reimbursable Funds	2.1	0.1	0.3	118.5%
Total	188.2	192.5	196.2	1.9%
EXPENDITURES: (in millions of dollars)				
Office of the Secretary	4.6	4.0	4.1	1.6%
Departmental Support	15.4	14.0	20.5	46.2%
Professional Responsibility and Accountability	0.8	1.1	1.0	-10.2%
Residential Operations	56.7	65.4	67.8	3.6%
Health Services Division	15.5	19.0	19.8	4.2%
Community Services Supervision	95.2	88.9	83.0	-6.6%
Total	188.2	192.5	196.2	1.9%
POSITIONS:				
Authorized	1938.9	1962.8	2090.8	128.0
Contractual	306.0	276.0	216.9	-59.1
Total	2244.9	2238.8	2307.7	68.8

PERFORMANCE MEASURES	FY 2004 Actual	FY 2005 Estimated	FY 2006 Projected
Average Daily Population in Residential Programs	2,039	1,917	1,810
Number of Youth Under Informal Supervision	12,352	13,800	13,800
Number of Youth on Probation	6,840	7,500	7,500
Number of Youth on Aftercare	2,242	2,500	2,560
Percent of Youth with No New Charges while on Community Detention/Electronic Monitoring	96%	96%	96%
% of Youth Admitted to DJS Detention Who Received a Substance Abuse Assessment	42%	75%	100%
% of Youth Admitted to DJS Detention Who Received a Mental Health Assessment	57%	80%	100%
% of Youth Admitted to a DJS Residential Program Who Received a Physical Performed by a Physician	72%	85%	100%

Totals may not add due to rounding.

Department of Labor, Licensing & Regulation

Mission: The Department of Labor, Licensing and Regulation is responsible for safeguarding and protecting Maryland citizens and supporting the economic stability of the State by providing businesses, the workforce, and consumers with high quality customer-focused regulatory, employment and training services

The Department of Labor, Licensing and Regulation (DLLR) continues to make great strides in the areas of workforce development, occupational and professional licensing, health and safety, and additional improvements to consumer and business friendly regulations.

The Division of Workforce Development is providing a more streamlined and effective operation to promote and support workforce development programs throughout the State. The division's new operational model implemented at the local One-Stop Career Center level promoting cross-training and service integration has reduced duplication and inefficiencies.

Based on exemplary performance, the Division of Workforce Development received federal incentive funds totaling \$750,000. In addition, DLLR received a \$1.5 million grant from the U.S. Department of Labor to implement "Teach For The Health Of It," the Maryland Healthcare Workforce Initiative, an innovative new program aimed at solving critical shortages in Maryland's healthcare workforce. The recently launched Maryland Workforce Exchange, a web-based workforce development information, case management and job matching system currently available in the One-Stop Career Centers, will be available to all Marylanders with Internet access, regardless of location.

Increased enforcement efforts by the Office of Financial Regulation will result in better protection for Maryland citizens from fraudulent banking schemes. The Office of Financial Regulation investigation of consumer complaints regarding Fairbanks Capital Corp. imposing collection and foreclosure oriented charges that were prohibited by Maryland law resulted in refunds, credits and abandoned fees, of more than \$600,000 to Maryland consumers from Fairbanks.

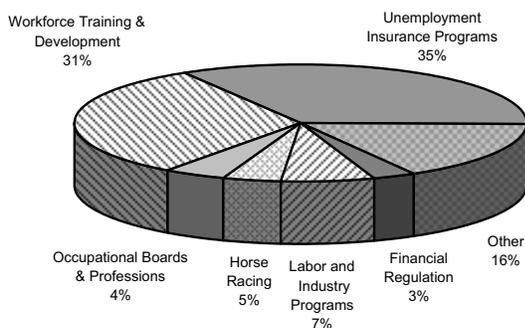
Governor Ehrlich is providing \$1.25 million for the Division of Racing to support the Maryland horse breeding industry and maintain the competitiveness of Maryland racetracks by increasing the size of prize-winning purses.

The Division of Labor and Industry expanded the Maryland Cooperative Compliance Partnership program to improve workplace safety with collaborative partnerships.

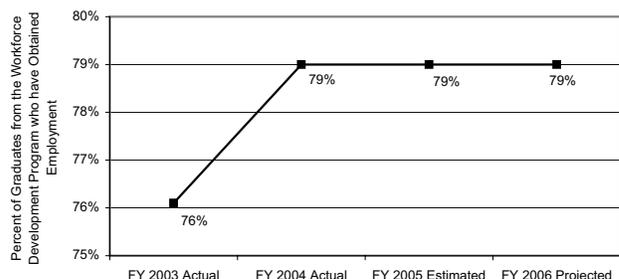
As a result of 2004 legislation, the Board of Docking Masters successfully merged with the Board of (Bay) Pilots to provide a more efficient system for regulation of those providing piloting service in Maryland waters.

"Teach For The Health Of It" is an innovative new program aimed at solving critical shortages in Maryland's healthcare workforce.

Expenditures



Maryland's Youth are Finding Employment with DLLR's Help



POSITIONS: 1,619.3

BUDGET: \$175.0 MILLION
1% OF THE STATE BUDGET

THREE YEAR SUMMARY	FY04 Actual	FY05 Appropriation	FY06 Allowance	Change FY05-06
APPROPRIATIONS: (in millions of dollars)				
General Funds	24.4	18.5	17.9	-3.2%
Special Funds	19.3	20.0	19.4	-2.9%
Federal Funds	138.0	137.2	135.8	-1.0%
Reimbursable Funds	2.5	2.8	1.9	-33.2%
Total	184.3	178.5	175.0	-2.0%
EXPENDITURES: (in millions of dollars)				
Office of the Secretary	16.7	12.1	11.4	-5.6%
Division of Administration	17.1	17.5	17.3	-1.3%
Division of Financial Regulation	4.8	5.0	5.3	6.1%
Division of Labor and Industry	10.3	12.2	11.5	-5.4%
Division of Racing	7.8	8.2	7.7	-6.6%
Division of Occupational and Professional Licensing	7.4	7.6	7.6	0.0%
Division of Workforce Development	71.5	59.6	54.7	-8.3%
Division of Unemployment Insurance	48.6	56.3	59.5	5.7%
Total	184.3	178.5	175.0	-2.0%
POSITIONS:				
Authorized	1,519.1	1,490.1	1,448.1	-42.0
Contractual	155.2	178.2	171.2	-7.0
Total	1,674.3	1,668.2	1,619.3	-49.0

PERFORMANCE MEASURES	FY 2004 Actual	FY 2005 Estimated	FY 2006 Projected
Amusement Ride Safety Violations Corrected	833	2,100	2,000
Pressure Vessels Safety Violations Corrected	896	3,750	1,000
Elevator Safety Violations Corrected	5,323	8,025	5,000
Serious Incidents — Amusement Rides	11	12	11
Serious Incidents — Boilers and Pressure Vessels	4	4	4
Serious Incidents — Elevator	28	35	30
Licensing Complaints Received	3,900	3,610	3,610
Licensing Complaint Resolution Time (within 60 days)	54%	50%	44%
Regulated Depository Institutions	78	83	85
Regulated Non-depository Institutions	6,223	6,181	6,181

Totals may not add due to rounding.

Department of Natural Resources

Mission: The Department of Natural Resources preserves, protects, enhances and restores Maryland's natural resources for the wise use and enjoyment of all citizens.

The Maryland Department of Natural Resources (DNR) is the State agency responsible for providing natural and living resource related services to citizens and visitors. DNR manages more than 446,000 acres of public lands and 17,000 miles of waterways, along with Maryland's forests, fisheries and wildlife for maximum environmental, economic, and quality of life benefits. A national leader in land conservation, DNR-managed parks and natural, historic, and cultural resources attract eleven million visitors annually.

DNR leads Maryland's effort to restore the Chesapeake Bay, the success of which rests on reestablishing a healthy oyster population, replenishing bay grasses, and stemming excess nutrient loadings.

To further the goal of bringing back the oyster population, DNR will spend \$3.9 million in FY 2006 on native oyster restoration projects. An Independent Oyster Advisory Panel of impartial researchers and scientists has been assembled to review scientific data to ensure there is adequate research and information to make a decision on oyster alternatives under consideration. If so, the panel will help determine the best restoration alternative(s); if not, they will help determine what additional research is necessary and an appropriate timeline. To replenish bay grasses, which produce oxygen, pro-

vide critical habitat for aquatic life, and reduce erosion, DNR will spend approximately \$1 million in FY 2006 on restoration projects. DNR has initiated the use of new seed harvesting, growing, and planting techniques to dramatically increase the ability to conduct large-scale bay grass restoration projects.

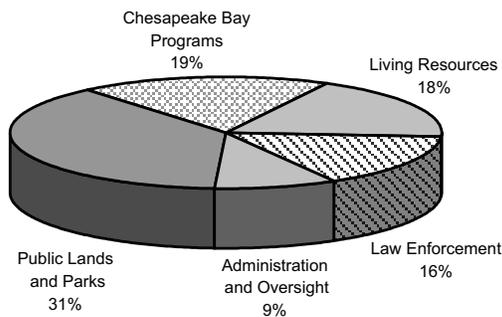
Chesapeake Bay restoration rests on reestablishing a healthy oyster population, replenishing bay grasses, and stemming excess nutrient loadings.

DNR has completed Maryland's statewide Tributary Strategy for nutrient reduction, and continues to pursue Governor Ehrlich's land preservation policy, focusing on parcels that will contribute to the restoration of the Chesapeake Bay.

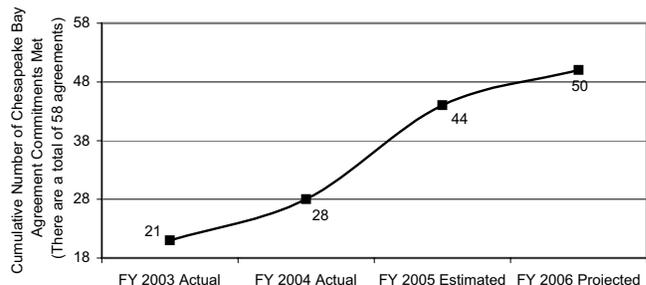
This year DNR successfully managed the State's first black bear hunt in more than fifty years, a measure aimed at reducing a burgeoning population and its impact on citizens. DNR also implemented electronic sales of hunting and fishing licenses, park passes, and other products to enhance customer service.

In FY 2006 DNR will continue to develop the State's first comprehensive Bay restoration demonstration site in partnership with the Chesapeake Bay Environmental Center. DNR will complete the consolidation of its two law enforcement organizations, the Natural Resources Police and the State Forest and Park Service Rangers, to foster fiscal, organizational, and public safety efficiencies.

Expenditures



DNR is Progressing Toward Meeting the Chesapeake Bay Agreement Commitments



POSITIONS: 1,719.7

BUDGET: \$359.3 MILLION
1% OF THE STATE BUDGET

THREE YEAR SUMMARY	FY04 Actual	FY05 Appropriation	FY06 Allowance	Change FY05-06
APPROPRIATIONS: (in millions of dollars)				
General Funds	70.7	68.5	65.5	-4.4%
Special Funds	71.4	87.2	260.4	198.7%
Federal Funds	27.5	25.8	28.4	9.8%
Reimbursable Funds	4.2	6.2	5.1	-17.6%
Total	173.8	187.7	359.3	91.4%
EXPENDITURES: (in millions of dollars)				
Office of the Secretary	11.7	13.3	13.0	-2.4%
Forestry Service	9.2	9.3	8.8	-5.1%
Wildlife and Heritage Service	8.3	8.8	8.7	-1.0%
State Forest and Park Service	38.9	39.2	37.3	-5.0%
Capital Grants and Loan Administration	20.4	26.2	202.6	673.8%
Licensing and Registration Service	3.7	3.6	3.8	5.7%
Natural Resources Police	26.6	28.4	28.2	-0.6%
Resource Planning	1.5	1.5	1.3	-13.4%
Engineering and Construction	4.9	5.9	5.3	-8.9%
Chesapeake Bay Critical Areas	2.0	2.0	2.1	2.3%
Resource Assessment Service	16.8	18.0	17.0	-5.7%
Maryland Environmental Trust	0.6	1.7	1.0	-41.3%
Watershed Services	13.8	14.2	14.9	4.7%
Fisheries Service	15.4	15.7	15.4	-1.8%
Total	173.8	187.7	359.3	91.4%
POSITIONS:				
Authorized	1,454.0	1,417.0	1,376.5	-40.5
Contractual	316.5	439.1	343.2	-95.9
Total	1,770.5	1,856.1	1,719.7	-136.4

PERFORMANCE MEASURES	FY 2004 Actual	FY 2005 Estimated	FY 2006 Projected
Cumulative Bay Commitments Met	21	36	43
Day Use Park Visitors	9,932,541	10,121,603	10,324,035
Commercial Fishing Licenses	7,450	7,530	7,550
Sport Fishing Licenses	606,000	618,200	636,300
Hunting Licenses	265,500	273,500	276,300
Miles of Riparian Forest Buffers Restored	82	80	80
Acres of Wetlands Enhanced or Restored	381	461	541

Totals may not add due to rounding.

Department of Planning

Mission: Provide information and services that improve the ability of state and local government, and community, development and environmental organizations to support desirable growth in Maryland. Promote growth in Maryland that fosters vibrant, livable communities, preserves and protects the environment and makes efficient use of State resources.

The Maryland Department of Planning (MDP) continues to help State agencies, local governments, community and environmental organizations with information and assistance to promote desirable growth in Maryland

The allowance provides \$2.0 million for Comprehensive Planning, an increase of 16 percent over FY 2005. This funding level reflects the department's lead role in developing and executing Governor Ehrlich's "Priority Places" strategy. Comprehensive Planning develops and promotes policies supporting sustainable communities, neighborhood conservation, land preservation, natural resource protection, and growth and development in Maryland. This program also provides modeling and planning analyses used to evaluate land use policies. Working with the Department of Natural Resources and the Maryland Department of Agriculture, MDP helps to ensure that State land preservation funds are spent in areas where they will have the most beneficial impact on the State's natural, agricultural, and water resources including the Chesapeake Bay.

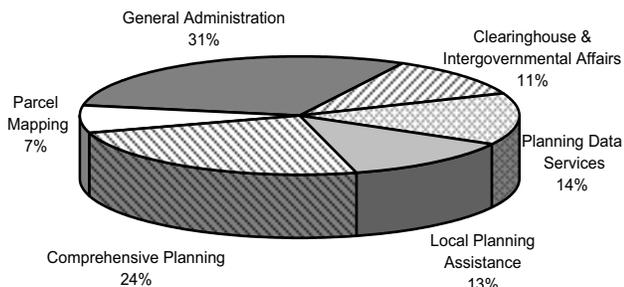
MDP helps to ensure that State land preservation funds are spent in areas where they will have the most beneficial impact.

The allowance provides \$1.8 million for planning data services and parcel mapping. MDP develops and maintains socioeconomic, demographic, cultural, geographic, land use, and property data in Maryland in support of Priority Places, neighborhood revitalization and land preservation activities. This data is provided free of charge to Maryland's citizens online via the Maryland State Data Center. The parcel mapping division combines this data with

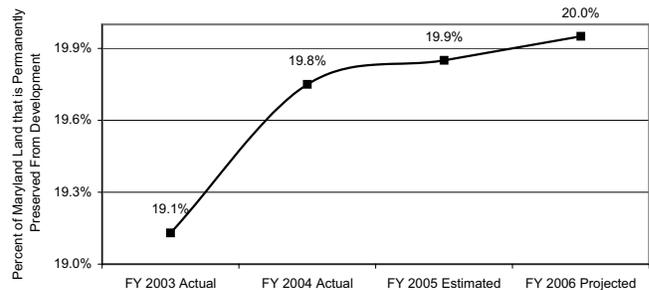
digital property maps to create high level Geographic Information System (GIS) tools that are marketed and sold by MDP. Sales of *Md Propertyview* and *Maryland Property Map* are expected to generate \$320,000 to the department in FY 2006.

Also included in the budget for FY 2006 is an allowance of \$900,000 for the State Clearinghouse and Intergovernmental Affairs unit. This program serves as the single point of contact for anyone seeking information about: 1) applications for federal and State assistance, 2) federal and State development projects, 3) planning activities, 4) the transfer or disposal of State excess real property, and 5) any other actions requiring intergovernmental coordination.

Expenditures



Twenty Percent of Maryland is Permanently Preserved From Development



THREE YEAR SUMMARY	FY04	FY05	FY06	Change
	Actual	Appropriation	Allowance	FY05-06
APPROPRIATIONS: (in millions of dollars)				
General Funds	7.4	7.8	6.8	-12.2%
Special Funds	0.3	0.3	0.3	0.0%
Federal Funds	0.3	0.0	0.0	0.0%
Reimbursable Funds	1.3	1.0	1.0	0.0%
Total	9.3	9.1	8.2	-10.2%
EXPENDITURES: (in millions of dollars)				
Administration	2.5	2.8	2.5	-13.8%
Clearinghouse and Intergovernmental Affairs	0.5	0.6	0.9	44.2%
Planning Data Services	1.6	1.5	1.2	-20.4%
Local Planning Assistance	1.8	1.7	1.1	-39.0%
Comprehensive Planning	2.1	1.7	2.0	15.8%
Parcel Mapping	0.7	0.7	0.6	-15.5%
Total	9.3	9.1	8.2	-10.2%
POSITIONS:				
Authorized	120.0	121.0	110.0	-11.0
Contractual	6.5	2.5	2.5	0.0
Total	126.5	123.5	112.5	-11.0

PERFORMANCE MEASURES	FY 2004	FY 2005	FY 2006
	Actual	Estimated	Projected
% of Improvements to Existing			
Public Schools (rather than new construction)	89%	88%	88%
Number of Parcel Records Processed and Included on Each			
Maryland Propertyview Edition Update (thousands)	2,128	2,150	2,170
Number of Guidelines Published on Land and Water			
Resource Conservation	6	5	6
Number of Plans and Proposed Development Projects			
Reviewed by the State Clearinghouse	1,321	1,400	1,1480
Number of Analyses Where Technical Assistance			
Related to Smart Growth Was Completed	60	50	46

Totals may not add due to rounding.

Department of Public Safety & Correctional Services

The Department of Public Safety and Correctional Services (DPSCS) helps keep Maryland communities safe and provides services to the victims of crime by ensuring the security, safety and well-being of defendants and offenders under the department's supervision. Additionally, the department provides criminal justice and law enforcement agencies with timely access to accurate information about defendants and offenders.

The Department of Public Safety and Correctional Services budget reflects Governor Ehrlich's commitment to secure and safe correctional communities with institutions providing treatment, educational, and training programs to give inmates the skills and ability for a successful return to society.

The Governor is providing \$20.6 million for major information technology initiatives to upgrade the IT infrastructure, replace the Maryland Automated Fingerprint System, and upgrade and expand the arrest booking and Network Live Scan systems that provide criminal history data to law enforcement.

RESTART (Reentry Enforcement Services Targeting Addictions, Rehabilitation and Treatment) pilots are underway at the Maryland Correctional Training Center and the Maryland Correctional Institution for Women. This innovative approach to corrections provides treatment, education and re-entry services based upon individual assessments of inmates. One of RESTART's major initiatives is community-based services. The Governor is providing \$250,000 to support community-based offender job-training.

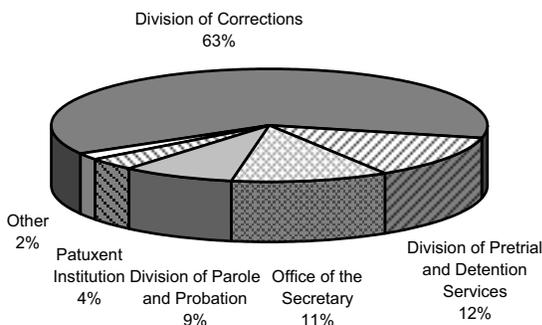
Additional correctional facilities are being built to address crowding. The Governor is providing \$10 million to open both a 256-bed correctional facility and a support services facility at the North Branch compound, and \$1.76 million in special funds for the construction of a State Use Industry (SUI) warehouse. The SUI program has allowed more inmates to receive needed work skills, which has resulted in lower recidivism rates.

RESTART—a new corrections philosophy that focuses on treatment, education, and reentry services—is being piloted at two sites this year.

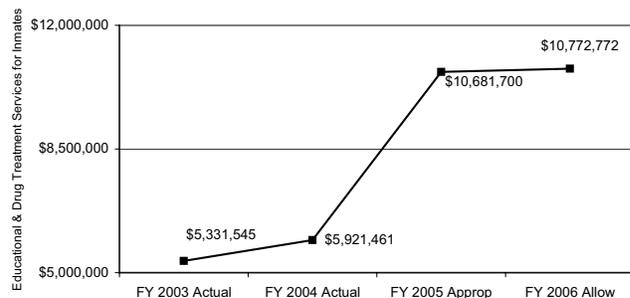
The Parole and Probation Division's proactive community supervision model provides intensive offender supervision by reducing agent caseloads to allow more time to support and reinforce positive behavioral change. An additional \$290,000 will expand enhanced drug testing to reinforce the positive behavior changes fostered by treatment programs.

The new Public Safety Education and Training Center opened in November 2004 and provides state of the art training for Maryland troopers, local law enforcement, and correctional officers, and parole and probation agents. The Governor is recommending \$43,000 in special funds to initiate a distance-learning program to allow local law enforcement agencies to receive remote video training.

Expenditures



Increased Funding for Educational and Drug Treatment Services will Lower Recidivism Rates



POSITIONS: 11,811.6

BUDGET: \$1 BILLION
4% OF THE STATE BUDGET

THREE YEAR SUMMARY	FY04 Actual	FY05 Appropriation	FY06 Allowance	Change FY05-06
APPROPRIATIONS: (in millions of dollars)				
General Funds	764.8	802.8	842.3	4.9%
Special Funds	115.1	131.2	138.9	5.9%
Federal Funds	9.4	8.1	11.0	34.9%
Reimbursable Funds	12.0	15.5	9.5	-38.7%
Total	901.4	957.6	1,001.7	4.6%
EXPENDITURES: (in millions of dollars)				
Office of the Secretary	105.3	116.2	115.1	-0.9%
Division of Correction Headquarters	29.0	30.2	38.3	26.6%
Jessup Region	90.9	95.2	96.5	1.3%
Baltimore Region	95.4	99.2	101.1	2.0%
Hagerstown Region	120.8	127.7	132.9	4.1%
Women's Facilities	24.2	24.4	27.9	14.6%
Maryland Correctional Pre-Release System	53.2	53.7	57.4	6.8%
Eastern Shore Region	67.2	71.7	72.9	1.7%
Western Maryland Region	43.0	45.0	55.8	24.0%
State Use Industries	34.0	39.3	38.0	-3.2%
Maryland Parole Commission	4.3	4.6	4.7	2.5%
Division of Parole and Probation	78.1	84.5	85.2	0.8%
Patuxent Institution	32.4	35.2	35.6	1.2%
Inmate Grievance Office	0.6	0.6	0.6	0.0%
Police and Correctional Training Commissions	5.7	7.9	8.5	6.5%
Criminal Injuries Compensation Board	4.2	6.0	5.6	-6.0%
Maryland Commission on Correctional Standards	0.3	0.5	0.5	0.0%
Division of Pretrial and Detention Services	113.0	115.7	125.1	8.1%
Total	901.4	957.6	1,001.7	4.6%
POSITIONS:				
Authorized	11,231.0	11,195.0	11,348.0	153.0
Contractual	234.6	487.7	463.6	-24.1
Total	11,465.5	11,682.7	11,811.6	128.9
PERFORMANCE MEASURES				
	FY 2004 Actual	FY 2005 Estimated	FY 2006 Projected	
Average Daily Population:				
Correctional Institutions	27,933	28,350	28,550	
Active Cases under Supervision:				
Parole and Probation	50,127	50,100	50,600	
Correctional Options:				
Intensive Parole/Probation	1,580	1,494	1,407	
Boot Camp	348	400	400	
Home Detention	304	402	302	
Arrestees Processed through Central Booking	100,848	101,000	102,000	
Totals may not add due to rounding.				

Department of State Police

Mission: To fulfill its role as the State's lead coordinating law enforcement organization with the commitment to pride, respect and integrity. DSP will effectively direct personnel and multidimensional resources in partnership with private and public entities to achieve public safety so as to improve the quality of life for the citizens of Maryland.

The Department of State Police has been serving the citizens of Maryland and transient visitors in twenty-three jurisdictional areas of Maryland since 1935. The department provides specialized statewide criminal investigative and tactical services. The Office of the State Fire Marshal is a component of this department charged with the responsibility of safeguarding life and property from hazards of fire and explosion.

The budget allots \$7.5 million to upgrade police vehicle computer systems with real time criminal database information.

The FY 2006 total funds allowance is \$292 million, of which \$63.8 million is pass through funding for the State Aid for Police Protection Fund to support local law enforcement departments, and \$10 million is for the Senator William H. Amoss Fire, Rescue and Ambulance Fund to support local fire and rescue departments.

Homeland security operations are a large part of the duties performed by the Department of State Police and reflect the Governor's statewide, all-hazards homeland security strategy. The department has played a leading role in establishing and supporting the Maryland Coordinating and Analysis Center, the first joint federal, state, and local data collection and analysis

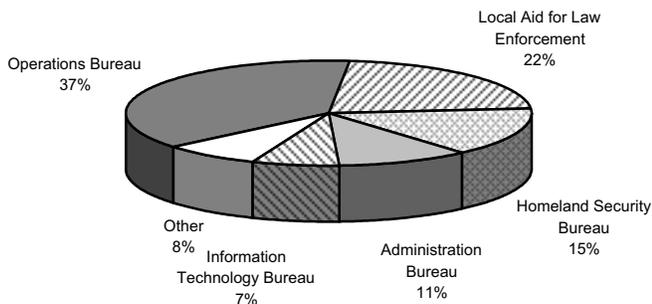
center in the country, disseminating intelligence and other information vital to the homeland security effort to many government organizations and local law enforcement.

Enhancing the communications infrastructure will aid in homeland security operations. The FY 2006 allowance includes \$7.5 million for mobile computing technology for the "Smart Car" project. This system will have the capability to retrieve information in near real time,

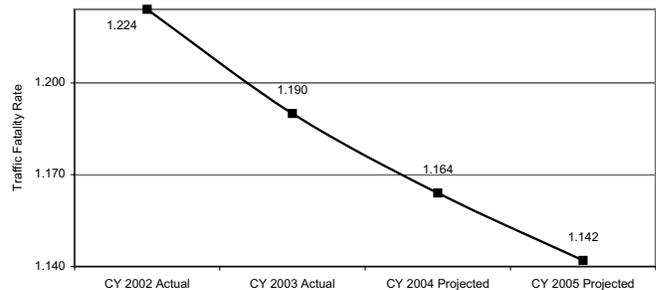
permitting troopers to directly access criminal databases without contacting police dispatchers who must access the requested information and then relay it to the troopers.

To improve overall efficiency, the department was reorganized into three bureaus: the Field Operations Bureau, the Homeland Security and Investigation Bureau, and the Support Services Bureau. The Forensic Sciences Division will move to their new facility in October 2006. The Homeland Security and Investigation Bureau is committed to combining the development of accurate and timely intelligence with effective enforcement action to reduce crime and minimize the threat of terrorist attack.

Expenditures



Maryland Roads are Becoming Safer and the Traffic Fatality Rate is Declining



THREE YEAR SUMMARY	FY04 Actual	FY05 Appropriation	FY06 Allowance	Change FY05-06
APPROPRIATIONS: (in millions of dollars)				
General Funds	134.2	212.4	229.2	7.9%
Special Funds	55.6	59.2	60.2	1.6%
Federal Funds	98.8	13.2	0.4	-96.6%
Reimbursable Funds	2.0	2.7	2.4	-10.0%
Total	290.5	287.5	292.2	1.6%
EXPENDITURES: (in millions of dollars)				
State Police	214.1	209.1	212.2	1.5%
Local Police Aid	61.1	62.4	63.9	2.4%
Fire Prevention Commission and Fire Marshal	15.3	16.0	16.1	0.8%
Total	290.5	287.5	292.2	1.6%
POSITIONS:				
Authorized	2,479.5	2,478.5	2,478.5	0.0
Contractual	29.8	47.1	44.6	-2.5
Total	2,509.3	2,525.6	2,523.1	-2.5

PERFORMANCE MEASURES	2004 Actual	2005 Estimated	2006 Projected
Traffic Safety:			
Traffic Fatality Rate	1.190	1.165	1.142
Traffic Accident Rate	199.2	193.5	189.8
Alcohol-Related Fatality Rate	.424	.423	.425
Motor Vehicle Citations	459,272	450,000	450,000
Commercial Vehicle Inspections	72,446	75,000	75,000
Crime Reduction:			
Part 1 Crime Rate	4,506	4,662	4,662
Domestic Violence Crime Rate	324.3	336.6	336.6
Firearm Homicide Rate	6.74	6.29	6.29
Vehicle Theft Rate	806	838	788
Aviation Flights:			
Medical Transport	6,249	6,200	6,200
Search and Rescue	404	409	409
Law Enforcement	1,445	1,993	1,993
Number of Helicopter Operations Flights	8,098	8,602	8,602

* Performance Measures are expressed in calendar years.

Totals may not add due to rounding.

Department of Transportation

Mission: The Department of Transportation will meet the State's transportation service and mobility needs through a seamless, integrated system that allows people and goods to move safely and efficiently. This will enhance the quality of life of our citizens, help direct population growth to existing communities and support the State's business climate.

Delivering on his promise of a More Mobile Maryland in every corner of the State, Governor Ehrlich sponsored and passed legislation in the 2004 legislative session to strengthen the Transportation Trust Fund; \$238 million in additional revenues will bolster and make safer Maryland's transportation network.

Governor Ehrlich has directed the Department of Transportation to first focus their efforts on improving Maryland's roads and mass transit networks to ensure the safety of users, and then to examine options for relieving congestions, on both Maryland's mass transit network and roads. To achieve these necessary improvements, the Governor has approved the addition of 123 projects to the Consolidated Transportation Program.

The Intercounty Connector, which is scheduled to break ground in 2006, will link two of Maryland's most important economic sectors. When completed, this eighteen-mile highway will connect the Baltimore/Washington International Airport (BWI) and its cluster of warehousing facilities with the high-tech corridor in Montgomery County. The ICC will help make surrounding roads safer by reducing congestions and is expected to generate over 14,000 new Maryland jobs.

The Maryland Transit Administration continues its work on double tracking nine point four miles of the existing Light Rail line. Double tracking will enhance service reliability and allow easier maintenance of the system. Routine maintenance and emergency repairs,

which previously may have caused delays, will be facilitated with a double tracked system.

One of the Light Rail's most important stops is the BWI airport, which is undergoing a \$1.8 billion expansion. Upon completion in spring 2005, the terminal expansion

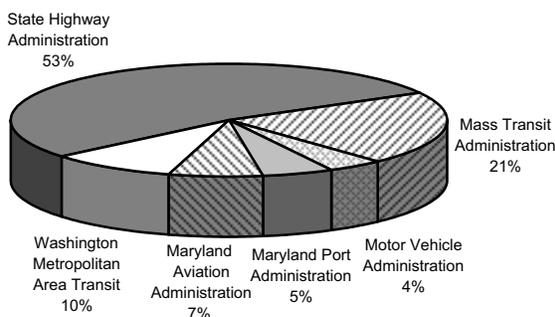
and shuttle bus improvements will make traveling in Maryland easier.

In order to better serve its customers the Motor Vehicle Administration is opening a new office in White Oak. This location, located in the quickly growing capital region, will be a convenient stop for residents in both Montgomery and Prince George's Counties.

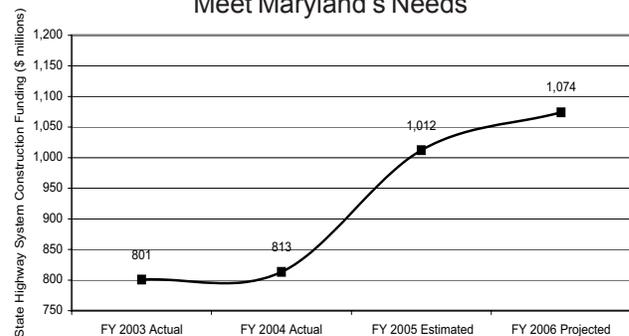
To ensure that Marylanders with disabilities are receiving appropriate mobility services, Governor Ehrlich is providing \$26 million to the Maryland Transit Administration.

Governor Ehrlich's bill resulted in \$238 million in additional revenues to bolster Maryland's transportation network.

Expenditures



Highway Funding is Increasing to Meet Maryland's Needs



POSITIONS: 9,247.9

BUDGET: \$3.8 BILLION
14% OF THE STATE BUDGET

THREE YEAR SUMMARY	FY04 Actual	FY05 Appropriation	FY06 Allowance	Change FY05-06
APPROPRIATIONS: (in millions of dollars)				
Special Funds	2,405.1	2,697.7	2,913.0	8.0%
Federal Funds	703.4	854.7	852.2	-0.3%
Reimbursable Funds	0.3	2.0	0.0	-100.0%
Total	3,108.9	3,554.4	3,765.2	5.9%
EXPENDITURES: (in millions of dollars)				
The Secretary's Office	389.2	325.2	437.7	34.6%
Debt Service Requirements	135.3	175.9	150.7	-14.3%
State Highway Administration	1,454.2	1,683.6	1,862.7	10.6%
Maryland Port Administration	174.1	199.8	181.1	-9.3%
Motor Vehicle Administration	147.6	141.2	149.1	5.6%
Mass Transit Administration	641.3	801.1	740.4	-7.6%
Maryland Aviation Administration	167.2	227.7	243.5	6.9%
Total	3,108.9	3,554.4	3,765.2	5.9%
POSITIONS:				
Authorized	9,095.5	9,043.5	9,086.5	43.0
Contractual	110.2	168.8	161.4	-7.5
Total	9,205.7	9,212.4	9,247.9	35.5

PERFORMANCE MEASURES	FY 2004 Actual	FY 2005 Estimated	FY 2006 Projected
Vehicle Titles/Registrations (millions)	4.9	5.1	5.2
MVA Walk-in Transactions (millions)	9.0	9.0	9.2
MVA Alternative Service Delivery Transactions (millions)	5.6	5.9	6.1
Bus Passenger Trips (millions)	63.8	63.8	61.7
Baltimore Heavy Rail Passenger Trips (millions)	12.4	12.4	12.4
Light Rail Passenger Trips (millions)	5.8	5.8	6.7
Commuter Rail Passenger Trips (millions)	6.7	7.1	7.4
BWI Airport Passengers Per Calendar Year (millions)	20.5	21.8	22.5
Port Tonnage (millions)	2.8	3.0	3.1
Percentage of Roadway with Acceptable Ride Quality	82%	82%	82%

Totals may not add due to rounding.

Independent Agencies

OFFICE OF ADMINISTRATIVE HEARINGS

The Office of Administrative Hearings conducts independent, impartial administrative hearings in contested cases involving the actions of State agencies. The hearings are overseen by Administrative Law Judges who adjudicate questions of fact and law.

	<u>\$ thousands</u>
Special Funds	6
Reimbursable	<u>11,108</u>
	11,114
Change from '05	-130
	-1.2%
	<u>Positions</u>
Authorized	122.0
Contractual	<u>1.0</u>
	123.0
Change from '05	-3.0

DEPARTMENT OF AGING

The Department of Aging, in partnership with local Area Agencies on Aging, identifies the needs of the State's elderly and ensures those needs are met through a network of accessible services. Services provided by the Department of Aging include: funding for senior centers, home-delivered and congregate meals, ombudsman advocates for residents of long-term care facilities, in-home assistance services, subsidized assisted-living care, and public guardianship.

	<u>\$ thousands</u>
General Funds	20,111
Special Funds	316
Federal Funds	<u>25,992</u>
	46,420
Change from '05	-753
	-1.6%
	<u>Positions</u>
Authorized	56.0
Contractual	<u>5.5</u>
	61.5
Change from '05	-1.0

STATE ARCHIVES

The State Archives collects and maintains State records of permanent value. In addition, it is responsible for State-owned art collections, including the Peabody and Annapolis collections.

	<u>\$ thousands</u>
General Funds	2,494
Special Funds	7,819
Federal Funds	<u>89</u>
	10,402
Change from '05	-219
	-2.1%
	<u>Positions</u>
Authorized	44.5
Contractual	<u>41.2</u>
	85.7
Change from '05	-1.8

DEPARTMENT OF ASSESSMENTS AND TAXATION

The Department of Assessments and Taxation conducts the property assessments that form the basis of local and State property tax levies. The department also collects corporate filing fees and other revenues, and administers the homeowners' and renters' tax credit programs. The budget includes a \$1.5 million deficiency appropriation for FY 2005 to provide funds for reimbursement of homeowners' tax credits to local governments.

	<u>\$ thousands</u>
General Funds	90,107
Special Funds	<u>3,638</u>
	93,745
Change from '05	1,034
	1.1%
	<u>Positions</u>
Authorized	677.5
Change from '05	-10.0

Totals may not add due to rounding.

MARYLAND AUTOMOBILE INSURANCE FUND

The Maryland Automobile Insurance Fund (MAIF) provides automobile insurance for Maryland residents who are unable to obtain it in the private market. It also administers and pays claims when other insurance recovery is unavailable. MAIF is an off-budget agency. Its costs are funded from premiums, other enterprise revenue and an assessment on all auto insurance for uninsured motorists. Figures are for calendar year 2005.

	<u>\$ thousands</u>
Non-budgeted	56,654
Change from '04	4,971
	9.6%
	<u>Positions</u>
Authorized	561.0
Contractual	2.0
	563.0
Change from '04	-9.0

CANAL PLACE PRESERVATION & DEVELOPMENT AUTHORITY

The authority manages a federal-state-local-private partnership that is developing the area surrounding the C&O Canal in Cumberland to promote community revitalization and economic development. Major activities include construction of festival grounds, development of special events and recreational programming, rewatering the terminus of the C&O Canal and offering interpretive excursions by boat.

	<u>\$ thousands</u>
General Funds	263
Special Funds	225
	488
Change from '05	40
	9.0%
	<u>Positions</u>
Authorized	4.0
Change from '05	0.0

OFFICE FOR CHILDREN, YOUTH & FAMILIES

For FY 2006, the Governor is proposing to restructure the Governor's Office for Children, Youth and Families (GOCYF). The restructured office will focus on interagency policy and collaboration regarding prevention, intervention and treatment programs for children and families, with the overall goal of aiding in the development of healthy children and safe, stable and self-sufficient families. It will also work to identify gaps in services, placing special attention on children with intensive needs that can only be met through coordination between State agencies.

	<u>\$ thousands</u>
General Funds	2,733
Special Funds	286
Federal Funds	634
Reimbursable	428
	4,081
Change from '05	-1,726
	-29.7%
	<u>Positions</u>
Authorized	36.0
Contractual	4.0
	40.0
Change from '05	-18.5

STATE BOARD OF CONTRACT APPEALS

The State Board of Contract Appeals hears and resolves disputes involving the formation and award of State contracts. It also adjudicates disputes relating to the performance, breach, modification and termination of contracts.

	<u>\$ thousands</u>
General Funds	566
Change from '05	39
	7.3%
	<u>Positions</u>
Authorized	5.0
Change from '05	0.0

OFFICE OF THE DEAF AND HARD OF HEARING

This agency develops policies and programs that promote the general welfare of deaf and hard of hearing individuals by ensuring access to safety and emergency services, increasing awareness of emergency preparedness needs, and serving as a state-wide resource for information of concern to individuals who are deaf or hard of hearing. An advisory council assists the office in its mission and is comprised of sixteen individuals selected from the general public and State agencies, a number of whom are deaf or hard of hearing.

	<u>\$ thousands</u>
General Funds	219
Change from '05	-9
	-4.1%
	<u>Positions</u>
Authorized	2.0
Change from '05	0.0

Totals may not add due to rounding.

MARYLAND SCHOOL FOR THE DEAF

The Maryland School for the Deaf is responsible for the educational and personal development of over 500 deaf and hard of hearing school-age children residing in the State of Maryland. The school operates campuses in Frederick and Columbia and the allowance continues funding at the state-mandated formula amount. Programs and services that MSD provides include assessment of hearing, bilingual education, visual media techniques and both career technology and on-the-job training.

	<u>\$ thousands</u>
General Funds	23,289
Special Funds	182
Federal Funds	1,139
Reimbursable	<u>1,269</u>
	25,879
Change from '05	1,565
	6.4%
	<u>Positions</u>
Authorized	316.5
Contractual	<u>70.5</u>
	387.0
Change from '05	8.5

STATE BOARD OF ELECTIONS

The State Board of Elections exercises supervision over the conduct of elections by local Boards of Supervisors of Elections. In FY 2006, the State Board of Elections will receive \$11 million in federal funds to help defray the costs of the statewide Direct Recording Electronic Voting System and a statewide Voter Registration System.

	<u>\$ thousands</u>
General Funds	4,929
Special Funds	7,707
Federal Funds	<u>10,996</u>
	23,632
Change from '05	-436
	-1.8%
	<u>Positions</u>
Authorized	32.5
Contractual	<u>9.0</u>
	41.5
Change from '05	0.0

MARYLAND INSTITUTE FOR EMERGENCY MEDICAL SERVICES SYSTEMS

The Maryland Institute for Emergency Medical Services Systems coordinates all emergency medical services in the State. It recommends funding for the Shock-Trauma Center, Maryland Fire and Rescue Institute, and the Aviation Division of the State Police from the Emergency Medical Services Operations Fund. These funds are derived from a specified share of each motor vehicle registration fee, which also supports grants for local fire, rescue and ambulance equipment. The budget continues the \$200,000 enhancement for a third year to expand centralized, dedicated Emergency Medical Response Centers in Western Maryland and the lower Eastern Shore over a four-year period.

	<u>\$ thousands</u>
Special Funds	10,772
Federal Funds	<u>350</u>
	11,122
Change from '05	194
	1.8%
	<u>Positions</u>
Authorized	91.6
Contractual	<u>9.9</u>
	101.5
Change from '05	0.4

MARYLAND ENERGY ADMINISTRATION

The Energy Administration coordinates the State's energy conservation and management efforts. It manages programs that encourage the use of renewable energy sources and promotes energy efficiency in the industrial, commercial and residential sectors.

	<u>\$ thousands</u>
General Funds	481
Special Funds	4,978
Federal Funds	837
Reimbursable	<u>92</u>
	6,388
Change from '05	583
	10.0%
	<u>Positions</u>
Authorized	20.0
Change from '05	0.0

Totals may not add due to rounding.

MARYLAND ENVIRONMENTAL SERVICE

The Maryland Environmental Service provides water supply, wastewater treatment, waste management and other environmental services to State agencies, counties, municipalities and private customers. The off-budget agency derives its revenues from user fees.

	<u>\$ thousands</u>
Non-budgeted	73,067
Change from '05	-19,662
	-21.2%
	<u>Positions</u>
Authorized	598.1
Change from '05	0.0

BOARDS, COMMISSIONS AND OFFICES

Boards, Commissions and Offices is comprised of coordinating and advisory units created by legislation or executive order. The Office of Minority Affairs, Office of Service and Volunteerism, State Ethics Commission, State Commission on Criminal Sentencing, Criminal Justice Coordinating Council and the Office of Crime Control and Prevention are among the budgeted units.

	<u>\$ thousands</u>
General Funds	23,201
Special Funds	1,933
Federal Funds	21,616
Reimbursable	<u>657</u>
	47,407
Change from '05	-5,592
	-10.6%
	<u>Positions</u>
Authorized	76.0
Contractual	<u>17.9</u>
	93.9
Change from '05	0.4

MARYLAND FOOD CENTER AUTHORITY

The Maryland Food Center Authority operates the Maryland Wholesale Produce Market and the Maryland Wholesale Seafood Market in Howard County. An off-budget agency, the authority's revenues are derived from rents, fees and other enterprise revenues.

	<u>\$ thousands</u>
Non-budgeted	3,278
Change from '05	239
	7.9%
	<u>Positions</u>
Authorized	29.0
Change from '05	0.0

HIGHER EDUCATION LABOR RELATIONS BOARD

The board's role is to oversee collective bargaining for State institutions of higher education. It investigates and takes appropriate action in response to complaints of unfair labor practices and lockouts, investigates possible violations of collective bargaining and any other relevant matters, holds hearings to resolve any issues or complaints arising under collective bargaining activities, and conducts elections of exclusive representatives for eligible collective bargaining employees.

	<u>\$ thousands</u>
Reimbursable	327
Change from '05	-72
	-18.0%
	<u>Positions</u>
Authorized	2.5
Contractual	<u>0.0</u>
	2.5
Change from '05	-0.4

Totals may not add due to rounding.

COMMISSION ON HUMAN RELATIONS

The Commission on Human Relations investigates and resolves cases of discrimination related to employment, housing and public accommodations. Efforts in fair employment practices and fair housing are supplemented by worksharing arrangements and contracts with the U.S. Equal Employment Opportunity Commission and the U.S. Department of Housing and Urban Development.

	<u>\$ thousands</u>
General Funds	2,321
Federal Funds	800
	3,122
Change from '05	-141
	-4.3%
	<u>Positions</u>
Authorized	41.6
Contractual	1.0
	42.6
Change from '05	-6.4

DEPARTMENT OF DISABILITIES

The Department of Disabilities determines policy related to Maryland citizens with disabilities, and monitors and assists with the State's compliance with the federal Americans with Disabilities Act. The department facilitates the reform of government services and supports to people with disabilities through the implementation of the State Disabilities Plan in collaboration with State agencies. In 2004 the department created a comprehensive statewide disability implementation plan to improve services, unify policies, and establish performance outcomes to measure quality, quantity, and sustainability over time. Expanding its service arm, the department in FY 2006 will assume responsibility for the Telecommunications Access of Maryland (TAM) Program. In addition, the Maryland Technology Assistance Program, a federally funded program under the Maryland Department of Disabilities, will receive \$2.7 million to provide low-interest loans to individuals with disabilities to purchase assistive technology necessary for them to live independently and pursue their personal, education and career goals.

	<u>\$ thousands</u>
General Funds	1,348
Special Funds	7,381
Federal Funds	3,715
Reimbursable	20
	12,532
Change from '05	9,396
	299.6%
	<u>Positions</u>
Authorized	26.0
Contractual	4.2
	30.2
Change from '05	3.8

INJURED WORKERS' INSURANCE FUND

The Injured Workers' Insurance Fund (IWIF) provides workers' compensation insurance to State agencies and private employers. An off-budget agency, IWIF's costs are funded from premiums and other enterprise revenue. Figures are for calendar year 2005.

	<u>\$ thousands</u>
Non-budgeted	39,332
Change from '04	2,360
	6.4%

MARYLAND INSURANCE ADMINISTRATION

The Maryland Insurance Administration (MIA) licenses, examines and audits insurance companies operating in the State. It reviews rates and policies and collects the State insurance premiums tax. The recently established Maryland Health Insurance Plan (MHIP) provides access to affordable health insurance for medically uninsurable and underinsured individuals. The MIA also administers the Senior Prescription Drug Program that serves approximately 35,000 individuals.

	<u>\$ thousands</u>
Special Funds	88,977
Change from '05	4,319
	5.1%
	<u>Positions</u>
Authorized	293.0
Contractual	8.0
	301.0
Change from '05	-7.1

Totals may not add due to rounding.

STATE LOTTERY AGENCY

The State Lottery Agency manages the Maryland Lottery, which is the third largest source of State General Fund revenue. The agency expects increased sales and revenues from Mega-Millions, Instant Tickets and Keno. Additionally, the Lottery Agency continues to be creative and forward-thinking in its mission to generate new sales and revenues for the State.

	<u>\$ thousands</u>
Special Funds	55,473
Change from '05	3,656 7.1%
	<u>Positions</u>
Authorized	174.0
Contractual	8.5
	182.5
Change from '05	3.5

MILITARY DEPARTMENT

The Military Department includes the Army National Guard, the Air National Guard and the Maryland Emergency Management Agency (MEMA). The department provides the State with highly trained personnel, equipment and facilities capable of protecting life. MEMA works to achieve Governor Ehrlich's regional vision for homeland security preparedness, response, and recovery. The Military also has a federal mission to defend the nation and its vital national security.

	<u>\$ thousands</u>
General Funds	13,485
Special Funds	174
Federal Funds	<u>35,061</u> 48,720
Change from '05	2,316 5.0%
	<u>Positions</u>
Authorized	330.0
Contractual	34.0
	364.0
Change from '05	-0.5

HISTORIC ST. MARY'S CITY COMMISSION

The commission administers Historic St. Mary's City, an outdoor history and archaeology museum that preserves, develops, researches and interprets the site of Maryland's first capital. It also develops and utilizes the scenic site for the education, enjoyment and general benefit of the public.

	<u>\$ thousands</u>
General Funds	1,907
Special Funds	<u>573</u> 2,480
Change from '05	-504 -16.9%
	<u>Positions</u>
Authorized	35.0
Contractual	8.7
	43.7
Change from '05	-4.3

AFRICAN AMERICAN MUSEUM CORPORATION

The Maryland African American Museum Corporation oversees the development and programming of the future Reginald F. Lewis Museum of Maryland African American History and Culture. The corporation receives a grant from the state each fiscal year to offset operating expenses. The FY 2006 grant to the corporation funds 75 percent of its operating expenditures. The museum is expected to open in summer 2005.

	<u>\$ thousands</u>
General Funds	2,375
Change from '05	210 9.7%

Totals may not add due to rounding.

OFFICE OF PEOPLE'S COUNSEL

The People's Counsel represents residential consumers in proceedings before the Public Service Commission, federal agencies and the courts. It is also responsible for informing the public of the transition to competition in utility services and to protect their interests in these competitive markets.

	<u>\$ thousands</u>
Special Funds	2,582
Change from '05	13
	0.5%
	<u>Positions</u>
Authorized	19.0
Change from '05	0.0

COLLEGE SAVINGS PLANS OF MARYLAND

This program provides a means for payment of the cost of tuition in advance of enrollment at any institution of higher education and is based on tuition rates at Maryland public institutions. It is an off-budget agency with its revenue derived from payments received from higher education investment contracts and interest income earned from the investments of the program. Significant State tax benefits are provided to those who purchase contracts.

	<u>\$ thousands</u>
Non-budgeted	1,992
Change from '05	-49
	-2.4%
	<u>Positions</u>
Authorized	9.5
Contractual	<u>0.0</u>
	9.5
Change from '05	0.0

PROPERTY TAX ASSESSMENT APPEALS BOARDS

Appeals Boards in each county and Baltimore City hear appeals in matters related to the assessment of property by the Maryland Department of Assessments and Taxation. Property assessments made by State assessors may be appealed to the local property tax assessment appeals boards prior to subsequent Maryland Tax Court and State Court reviews.

	<u>\$ thousands</u>
General Funds	873
Change from '05	12
	1.3%
	<u>Positions</u>
Authorized	9.0
Change from '05	0.0

STATE PROSECUTOR

The Office of the State Prosecutor (OSP) is an independent agency that investigates and, where warranted, prosecutes criminal offenses affecting the honesty and integrity of governmental officials and institutions and the electoral process. The budget provides for the hiring of two additional investigators on a contractual basis to assist the OSP.

	<u>\$ thousands</u>
General Funds	968
Change from '05	59
	6.5%
	<u>Positions</u>
Authorized	9.0
Contractual	<u>2.0</u>
	11.0
Change from '05	1.0

MARYLAND PUBLIC BROADCASTING COMMISSION

The Maryland Public Broadcasting Commission operates a network of public television stations across the State. It is also a partner in implementing distance learning and other applications of technology to promote education and citizen access.

	<u>\$ thousands</u>
General Funds	10,958
Special Funds	16,192
Federal Funds	<u>3,200</u>
	30,350
Change from '05	-3,371
	-10.0%
	<u>Positions</u>
Authorized	158.0
Contractual	<u>6.2</u>
	164.2
Change from '05	-3.3

Totals may not add due to rounding.

PUBLIC DEFENDER

The Office of the Public Defender operates in all twenty-three counties and Baltimore City. \$4.5 million is allocated for eighty-five new positions, which will help provide critical relief for attorneys with excessive caseloads. The new positions represent the second phase of a three-year plan to lower caseloads of public defenders. The FY 2006 budget also provides \$1 million to increase hourly fees for panel attorneys who represent clients when conflicts arise that preclude the Public Defender's Office from representing them.

	<u>\$ thousands</u>
General Funds	74,266
Special Funds	182
Reimbursable	<u>1,539</u>
	75,987
Change from '05	5,735
	8.2%
	<u>Positions</u>
Authorized	1,025.0
Contractual	<u>82.6</u>
	1,107.6
Change from '05	83.0

PUBLIC SERVICE COMMISSION

The Public Service Commission regulates gas, electric, telephone, water and sewage disposal companies. Also subject to the jurisdiction of the commission are electricity suppliers, fees for pilotage services to vessels, construction of a generating station and certain common carriers engaged in the transportation for hire of persons.

	<u>\$ thousands</u>
Special Funds	11,669
Change from '05	-929
	-7.4%
	<u>Positions</u>
Authorized	138.0
Contractual	<u>5.0</u>
	143.0
Change from '05	0.0

BOARD OF PUBLIC WORKS

The Board of Public Works, comprised of the Governor, Comptroller and Treasurer, reviews and approves major State contracts, State bond issuances and various other government actions. The budget allowance includes \$7.8 million in various grants, including \$2.9 million for the Maryland Zoo in Baltimore, \$2 million for the Baltimore City State's Attorney's Office, \$1.8 million for the Maryland State Firemen's Association and \$476,000 for the Historic Annapolis Foundation.

	<u>\$ thousands</u>
General Funds	7,879
Special Funds	<u>1,804</u>
	9,683
Change from '05	3,892
	67.2%
	<u>Positions</u>
Authorized	9.0
Change from '05	0.0

STATE RETIREMENT AGENCY

The State Retirement Agency manages retirement and pension programs for State employees, teachers, and other eligible government employees. The focus is on administering survivor, disability and retirement benefits of the system's participants. The agency is responsible for ensuring that sufficient assets are available to fund the benefits when due. The budget provides an enhancement of \$516,000 to address processing backlogs, increases in the volume of telephone inquiries, and employee training.

	<u>\$ thousands</u>
Special Funds	20,302
Change from '05	-685
	-3.3%
	<u>Positions</u>
Authorized	173.0
Contractual	<u>31.5</u>
	204.5
Change from '05	12.0

Totals may not add due to rounding.

INTER-AGENCY COMMITTEE FOR PUBLIC SCHOOL CONSTRUCTION

The Inter-Agency Committee for Public School Construction (IAC) includes the State Superintendent of Schools, Secretary of General Services and Secretary of Planning. The IAC reviews proposed school construction and renovation projects and makes recommendations to the Board of Public Works for allocating State funding. \$12.1 million is provided for the Aging Schools Program and \$7.5 million for repayments to the Maryland School Technology Program. Included in the FY 2006 budget is \$2.4 million in PAYGO funding for the Board of Public Works Public School Capital Appropriation.

	<u>\$ thousands</u>
General Funds	19,198
Special Funds (PAYGO)	<u>2,400</u>
	21,598
Change from '05	4,838
	28.9%
	<u>Positions</u>
Authorized	17.0
Change from '05	0.0

MARYLAND STADIUM AUTHORITY

The Stadium Authority manages the operation of Oriole Park at Camden Yards and the M&T Bank football stadium in the Camden Yards complex. Non-budgeted funds reflect rents, fees and other enterprise revenues. General funds include the State's share of debt service and operating costs for convention and conference centers in Baltimore City, Montgomery County and Ocean City. Special funds reflect lottery revenues used for debt service and construction costs on stadium projects.

	<u>\$ thousands</u>
General Funds	14,070
Special Funds	21,000
Non-budgeted	<u>36,543</u>
	71,613
Change from '05	-8,947
	-11.1%
	<u>Positions</u>
Authorized	82.8
Change from '05	-0.7

SUBSEQUENT INJURY FUND

The Subsequent Injury Fund provides compensation to injured workers whose disability is increased by a further injury. Without such a fund, employers might not take on the risk of hiring disabled workers. The fund's budget is fully offset by assessments collected from insurance carriers and disability awards.

	<u>\$ thousands</u>
Special Funds	1,774
Reimbursable	<u>16</u>
	1,790
Change from '05	30
	1.7%
	<u>Positions</u>
Authorized	16.6
Change from '05	0.0

SUPPLEMENTAL RETIREMENT AGENCY

The Supplemental Retirement Agency administers tax-sheltered, deferred compensation and related programs for State employees and teachers. Funds for the agency come from management fees paid by plan participants.

	<u>\$ thousands</u>
Special Funds	1,307
Change from '05	-172
	-11.7%
	<u>Positions</u>
Authorized	14.0
Change from '05	-2.5

Totals may not add due to rounding.

MARYLAND TAX COURT

The Tax Court considers appeals of decisions of State and local government taxing authorities. It provides both taxpayers and the taxing authority with the ability to appeal and obtain a fair and efficient hearing of a final decision, determination or order from any other unit of State or local government regarding any tax issue.

	<u>\$ thousands</u>
General Funds	569
Change from '05	1.8%
	<u>Positions</u>
Authorized	9.0
Contractual	<u>0.6</u>
	9.6
Change from '05	0.0

MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION

The Maryland Technology Development Corporation facilitates the creation and growth of businesses in Maryland through the commercialization of technology. Since July 2004, TEDCO has generated over \$3.5 million from five federal agencies to support technology transfer and business incubation activities at Maryland companies and universities. From FY2002 through August 31, 2004, TEDCO has invested \$1.5 million in twenty-five projects completed by early stage companies. These companies have gone on to obtain \$37.4 million in follow-on funding, producing a 25:1 leverage of State dollars.

	<u>\$ thousands</u>
General Funds	4,811
Change from '05	-656 -12.0%

MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS FUND

This program is a nonlapsing fund administered by the State chief information officer. The fund is used for major information technology (IT) development projects, education-related IT programs, application-server-provider initiatives, and other IT pilot and prototype projects. A significant portion of the FY 2006 funding is for Department of Public Safety and Correctional Services projects, such as the Multiple Agency Fingerprint Information System (MAFIS) -- \$12.5 million, Offender Based Management System-- \$3.5 million, Infrastructure Stabilization -- \$1.3 million, and Network LiveScan -- \$0.9 million. Additional projects include the Department of Human Resources CHESSIE project -- \$5.0 million, and \$2.5 million for Department of Budget and Management project planning for Business System Processes, the Statewide Radio System and the Statewide Disaster Recovery Center. Special funds of \$400,000 are included for Major IT Development Project Independent Validation and Verification (IV & V).

	<u>\$ thousands</u>
General Funds	25,756
Special Funds	<u>400</u>
	26,156
Change from '05	17,400 198.7%

MARYLAND TRANSPORTATION AUTHORITY

The Maryland Transportation Authority oversees Maryland's toll facilities and other authorized revenue projects. The authority operates the Susquehanna River Bridge, Potomac River Bridge, Chesapeake Bay Bridge, Baltimore Harbor Tunnel, John F. Kennedy Memorial Highway, Fort McHenry Tunnel and Francis Scott Key Bridge. It also will play a major role in the development and financing of the Intercounty Connector.

	<u>\$ thousands</u>
Non-budgeted	701,710
Change from '05	320,940 84.3%
	<u>Positions</u>
Authorized	1,592.5
Change from '05	16.5

Totals may not add due to rounding.

UNINSURED EMPLOYERS' FUND

The fund provides compensation to injured workers whose employers are not covered by appropriate insurance, as required by law. The fund seeks to recover the benefits and penalties from negligent employers. Its budget is fully offset by assessments imposed by the Workers' Compensation Commission.

	<u>\$ thousands</u>
Special Funds	975
Change from '05	12 1.3%
	<u>Positions</u>
Authorized	13.0
Change from '05	0.0

UNIVERSITY OF MARYLAND MEDICAL SYSTEM

The University of Maryland Medical System is a private, non-profit hospital corporation affiliated with the University of Maryland School of Medicine. The special fund support is a payment from the Emergency Medical Services Operations Fund to aid Shock-Trauma Unit operations, and \$2 million for replacement of Shock Trauma Center equipment. General funds support the excess uncompensated care and debt service for Montebello at Kernan Hospital.

	<u>\$ thousands</u>
General Funds	2,935
Special Funds	<u>5,117</u>
	8,052
Change from '05	-1,625 -16.8%

DEPARTMENT OF VETERANS AFFAIRS

The Maryland Department of Veterans Affairs was established to provide enhanced and quality services to Maryland's half-million veterans, their families and their survivors. The department coordinates veterans benefits and oversees the State's military monuments, veterans cemeteries, and the Charlotte Hall Veterans Home. Priority funding areas include the Veterans Service Program, to increase veterans' access to benefits and services; the Veterans Cemeteries Program, to continue upgrading the appearance of Maryland's veterans cemeteries; and the Charlotte Hall Veterans Home, to allow for an expansion in the number of residents at the facility.

	<u>\$ thousands</u>
General Funds	10,251
Special Funds	267
Federal Funds	<u>7,329</u>
	17,846
Change from '05	1,192 7.2%
	<u>Positions</u>
Authorized	66.0
Contractual	<u>2.8</u>
	68.8
Change from '05	0.8

WORKERS' COMPENSATION COMMISSION

The commission reviews and adjudicates claims under Maryland's Workers' Compensation laws. Its budget is fully recovered by assessments imposed on insurance carriers and self-insured employers.

	<u>\$ thousands</u>
Special Funds	12,283
Reimbursable	<u>30</u>
	12,313
Change from '05	-514 -4.0%
	<u>Positions</u>
Authorized	126.5
Contractual	<u>17.8</u>
	144.3
Change from '05	0.0

Totals may not add due to rounding.

Supporting Local Government

AID TO LOCAL GOVERNMENTS INCREASES BY MORE THAN 10% IN THE FISCAL YEAR 2006 BUDGET

The fiscal year 2006 allowance provides \$5.1 billion in aid to local government – an additional \$474 million over 2005. The primary increase, \$389.5 million in aid to public schools, reflects continued funding of the Bridge to Excellence in Public Schools Act enacted during the 2002 Session.

The increase for public schools reflects increases of almost \$194 million for the foundation program, \$119 million for compensatory education, and almost \$36 million for special education programs.

The tables reflect a proposed reduction in certain local aid programs as part of the overall budget balancing strategy, primarily the proposed elimination of the electricity generating property tax grant and a proposed reduction in the grants for Program Open Space.

Summary of Aid by Category

(\$ thousands)

	2005 Appropriation	2006 Allowance	\$ Change	% Change
Direct Aid				
Primary & Secondary Education	3,226,895	3,612,716	385,822	12.0%
Libraries	41,948	42,215	267	0.6%
Community Colleges	167,944	175,861	7,917	4.7%
Transportation	459,140	561,005	101,864	22.2%
Public Safety	100,100	101,203	1,103	1.1%
Disparity Grants	93,102	96,578	3,476	3.7%
Public Health	60,878	61,487	609	1.0%
Natural Resources	16,500	17,222	722	4.4%
Other	41,249	9,953	-31,296	-75.9%
Total Direct State Aid	4,207,757	4,678,241	470,484	11.2%
Retirement Contributions	429,241	432,726	3,485	0.8%
Total State Aid	4,636,998	5,110,967	473,969	10.2%
	2005 Appropriation	2006 Allowance	\$ Change	% Change
Total Aid (includes Retirement)				
Primary & Secondary Education	3,630,074	4,019,593	389,519	10.7%
Libraries	50,387	50,628	242	0.5%
Community Colleges	183,990	191,605	7,615	4.1%
Transportation	459,140	561,005	101,864	22.2%
Public Safety	100,100	101,203	1,103	1.1%
Disparity Grants	93,102	96,578	3,476	3.7%
Public Health	60,878	61,487	609	1.0%
Natural Resources	16,500	17,222	722	4.4%
Other	42,826	11,646	-31,180	-72.8%
Total State Aid	4,636,998	5,110,967	473,969	10.2%

Totals may not add due to rounding.

Total Aid to Local Government: \$5.1 billion

Summary of Total Aid by Subdivision (includes Retirement Payments)

(\$ thousands)

	2005 Appropriation	2006 Allowance	% of Total	\$ Change	% Change
Allegany	76,725	87,749	1.7%	11,025	14.4%
Anne Arundel	301,743	317,591	6.2%	15,848	5.3%
Baltimore City	979,596	1,059,323	20.7%	79,727	8.1%
Baltimore County	490,132	540,416	10.6%	50,284	10.3%
Calvert	82,792	85,259	1.7%	2,466	3.0%
Caroline	39,554	44,339	0.9%	4,785	12.1%
Carroll	135,268	150,250	2.9%	14,982	11.1%
Cecil	87,869	98,485	1.9%	10,616	12.1%
Charles	128,562	143,548	2.8%	14,986	11.7%
Dorchester	32,811	36,593	0.7%	3,782	11.5%
Frederick	175,901	201,212	3.9%	25,311	14.4%
Garrett	34,568	36,631	0.7%	2,063	6.0%
Harford	191,152	215,218	4.2%	24,066	12.6%
Howard	183,446	202,960	4.0%	19,514	10.6%
Kent	13,478	14,805	0.3%	1,327	9.8%
Montgomery	457,749	498,753	9.8%	41,004	9.0%
Prince George's	788,091	882,969	17.3%	94,878	12.0%
Queen Anne's	31,836	35,612	0.7%	3,776	11.9%
St. Mary's	79,466	90,794	1.8%	11,328	14.3%
Somerset	26,526	30,219	0.6%	3,692	13.9%
Talbot	17,754	19,613	0.4%	1,858	10.5%
Washington	109,899	128,550	2.5%	18,651	17.0%
Wicomico	89,657	101,605	2.0%	11,948	13.3%
Worcester	26,656	29,408	0.6%	2,752	10.3%
Statewide/Unallocated	55,766	59,065	1.2%	3,299	5.9%
Total	4,636,998	5,110,967	100.0%	473,969	10.2%

Totals may not add due to rounding.

Direct Aid to Local Government: \$4.7 billion

Summary of Direct Aid by Subdivision (excludes Retirement Payments)

(\$ thousands)

	2005 Appropriation	2006 Allowance	\$ Change	% Change
Allegany	71,633	82,630	10,997	15.4%
Anne Arundel	267,707	283,292	15,585	5.8%
Baltimore City	935,600	1,014,887	79,287	8.5%
Baltimore County	437,313	487,200	49,887	11.4%
Calvert	74,338	76,731	2,394	3.2%
Caroline	36,983	41,745	4,763	12.9%
Carroll	122,501	137,374	14,874	12.1%
Cecil	80,521	91,072	10,552	13.1%
Charles	117,560	132,462	14,902	12.7%
Dorchester	30,557	34,319	3,762	12.3%
Frederick	158,820	183,992	25,171	15.8%
Garrett	32,180	34,226	2,046	6.4%
Harford	173,601	197,533	23,932	13.8%
Howard	155,890	175,174	19,284	12.4%
Kent	12,131	13,446	1,315	10.8%
Montgomery	368,713	409,032	40,319	10.9%
Prince George's	728,528	822,925	94,397	13.0%
Queen Anne's	28,457	32,204	3,746	13.2%
St. Mary's	72,305	83,573	11,268	15.6%
Somerset	25,087	28,767	3,680	14.7%
Talbot	15,454	17,293	1,839	11.9%
Washington	100,632	119,212	18,580	18.5%
Wicomico	82,624	94,512	11,888	14.4%
Worcester	22,856	25,574	2,718	11.9%
Statewide/Unallocated	55,765	59,063	3,299	5.9%
Total	4,207,757	4,678,241	470,484	11.2%

Totals may not add due to rounding.

Primary and Secondary Education

Foundation Program: The foundation program is the largest single local aid program. It increases by almost \$194 million in fiscal year 2006 as part of the comprehensive legislation enacted in the 2002 Session – the Bridge to Excellence in Public Schools Act.

Under the foundation program, aid is distributed on the basis of public school enrollment and equalized for taxable wealth so that jurisdictions with smaller per pupil tax bases receive proportionately more aid.

Compensatory Education: The Compensatory Aid program is directed toward the education of children who are economically and environmentally disadvantaged. The Bridge to Excellence Act directs the aid according to the number of students receiving free or reduced price meals.

Special Education: Aid for special education is provided to school systems to help cover the additional cost of educating students with needs for special services. These funds are allocated on a formula basis for students in local schools and to support children placed in nonpublic special education schools. The fiscal year 2006 budget plan proposes reducing the State's share of the cost of nonpublic placements over a certain amount from 80 percent to 75 percent.

Student Transportation: The Bridge to Excellence Act also rebased the grant for the transportation of students to and from school and phased in an increased amount of aid for transporting special needs students.

Other Education Aid: Other education aid includes \$67.8 million to support students with limited English proficiency, \$14.1 million to Baltimore City for Partnership Funding, \$19.3 million for extended elementary education, and \$38.7 million for the second year of a grant to those subdivisions that have less than 80 percent of the statewide average wealth per pupil and provide local education funding above the local share required by the foundation program.

State Retirement System: In addition to direct aid for education, the State pays the entire cost of pension and retirement benefits for teachers, principals, administrators, and other eligible employees on behalf of each board of education.

Primary and Secondary Education

(\$ thousands)

	Foundation Program	Compen- satory Ed.	Special Ed.	Student Trans.	Other	Total Direct	\$ Change from 2005	% Change from 2005	State Retirement System	TOTAL	\$ Change from 2005	% Change from 2005
Allegany	36,040	13,176	4,729	3,359	3,191	60,495	8,781	17.0%	4,323	64,819	8,821	15.8%
Anne Arundel	146,397	20,290	22,602	15,664	5,337	210,290	14,539	7.4%	32,027	242,318	14,830	6.5%
Baltimore City	345,754	200,463	72,280	15,477	51,974	685,948	53,599	8.5%	41,966	727,914	53,980	8.0%
Baltimore County	266,323	50,780	32,263	20,591	16,648	386,606	41,106	11.9%	49,431	436,036	41,555	10.5%
Calvert	52,016	4,461	4,745	4,120	1,357	66,699	6,878	11.5%	8,275	74,973	6,954	10.2%
Caroline	19,703	6,615	1,897	1,859	1,731	31,805	3,422	12.1%	2,421	34,226	3,444	11.2%
Carroll	88,993	5,346	9,228	7,120	1,372	112,058	11,060	11.0%	12,181	124,239	11,170	9.9%
Cecil	54,091	9,445	5,904	3,753	2,694	75,887	8,370	12.4%	7,124	83,010	8,435	11.3%
Charles	83,564	12,210	6,225	7,328	3,007	112,334	14,699	15.1%	10,436	122,770	14,793	13.7%
Dorchester	14,989	4,940	1,041	1,716	1,190	23,876	2,412	11.2%	2,145	26,021	2,432	10.3%
Frederick	119,019	11,593	9,420	8,403	3,488	151,922	20,283	15.4%	16,444	168,366	20,432	13.8%
Garrett	13,554	3,658	1,185	2,141	883	21,420	1,233	6.1%	2,198	23,618	1,253	5.6%
Harford	124,102	15,182	14,147	8,904	2,531	164,865	20,044	13.8%	16,388	181,253	20,193	12.5%
Howard	107,735	8,009	10,349	10,983	4,316	141,392	14,682	11.6%	26,291	167,683	14,921	9.8%
Kent	4,783	1,423	511	1,146	980	8,844	601	7.3%	1,286	10,130	612	6.4%
Montgomery	172,961	47,243	32,570	25,920	27,656	306,351	30,799	11.2%	84,294	390,645	31,565	8.8%
Prince George's	449,836	142,345	56,544	28,767	41,505	718,997	87,426	13.8%	56,793	775,790	87,942	12.8%
Queen Anne's	16,986	1,705	1,596	2,331	978	23,596	2,324	10.9%	3,236	26,832	2,353	9.6%
St. Mary's	51,626	7,772	5,030	4,573	1,844	70,845	9,344	15.2%	6,935	77,781	9,407	13.8%
Somerset	10,534	4,961	919	1,328	1,313	19,054	3,036	19.0%	1,396	20,449	3,049	17.5%
Talbot	5,172	1,870	576	1,121	1,062	9,802	663	7.3%	2,150	11,952	683	6.1%
Washington	66,990	15,119	6,586	4,755	2,562	96,012	15,657	19.5%	8,679	104,691	15,736	17.7%
Wicomico	49,451	15,279	3,703	3,644	4,516	76,593	10,106	15.2%	6,782	83,375	10,167	13.9%
Worcester	7,690	3,276	849	2,124	1,085	15,024	979	7.0%	3,673	18,697	1,012	5.7%
Statewide/Unalloc	0	0	2,553	0	19,451	22,003	3,779	20.7%	0	22,003	3,779	20.7%
Total	2,308,308	607,161	307,453	187,124	202,672	3,612,716	385,822	12.0%	406,876	4,019,593	389,519	10.7%

Totals may not add due to rounding.

Education Aid Per Pupil

The chart below shows State aid for public schools on a per pupil basis. Local jurisdictions are listed in descending order by per pupil aid. Aid includes direct aid and contributions for teachers' retirement. Pupils are measured as full-time equivalent counts as of September 30, 2004, the same basis as used for allocating aid under the statutory formulas.

Total K-12 Education Aid - Fiscal Year 2006 Per Eligible Full-Time Equivalent Pupil

	FTE Pupils as of September 30, 2004	Aid per Pupil
Baltimore City	85,657	8,498
Somerset	2,749	7,440
Allegany	9,318	6,956
Caroline	5,106	6,703
Wicomico	13,587	6,137
Prince George's	129,321	5,999
Dorchester	4,473	5,817
Cecil	15,812	5,250
Washington	20,035	5,226
Garrett	4,566	5,173
St. Mary's	15,629	4,977
Charles	24,981	4,915
Total FTE's/Average*	829,009	4,822
Harford	38,801	4,671
Calvert	16,891	4,439
Frederick	38,200	4,408
Carroll	28,205	4,405
Kent	2,360	4,293
Baltimore County	102,466	4,255
Queen Anne's	7,227	3,713
Howard	46,919	3,574
Anne Arundel	71,639	3,382
Worcester	6,359	2,940
Montgomery	134,432	2,906
Talbot	4,277	2,794

* Excludes unallocated aid.

Libraries

Library Aid Formula: The State supports the current operating and capital expenses of local library systems. Aid is distributed on the basis of population and is equalized so that jurisdictions with smaller per capita tax bases receive more aid per capita.

State Library Network: The library network program provides aid for the State Library Resource Center at the Enoch Pratt Central Library in Baltimore and the three regional resource centers in non-metropolitan areas.

State Retirement System: In addition to direct aid for libraries, the State pays the entire cost of pension and retirement benefits for eligible librarians and other employees on behalf of the library systems. There is an exception for Montgomery County where librarians have elected to remain in the Montgomery County Retirement System rather than in the State system, in which case the State remits the lesser of the cost of retirement for the county or the State systems.

(\$ thousands)

	Formula	Network	State Retirement System	TOTAL	\$ Change from 2005
Allegany	627		66	693	8
Anne Arundel	1,736		705	2,440	-81
Baltimore City	5,427		1,052	6,480	-1
Baltimore County	4,208		981	5,189	164
Calvert	330		146	476	9
Caroline	221		68	289	3
Carroll	790		331	1,121	20
Cecil	534		110	643	2
Charles	678		134	812	9
Dorchester	199		34	233	4
Frederick	930		291	1,221	-2
Garrett	149		52	201	-1
Harford	1,231		556	1,787	35
Howard	634		656	1,290	-6
Kent	86		30	116	1
Montgomery	2,205		1,629	3,834	-22
Prince George's	5,497		992	6,489	31
Queen Anne's	113		60	172	-9
St. Mary's	504		136	641	20
Somerset	226		19	246	-2
Talbot	83		42	125	0
Washington	889		167	1,056	48
Wicomico	615		88	703	7
Worcester	119		69	188	-0
Statewide/Unallocated	0	14,183	0	14,183	6
Total	28,032	14,183	8,413	50,628	242

Totals may not add due to rounding.

Community Colleges

Current Expense Formula: The current expense formula bases funding on a percentage of the previous year's appropriation per FTE student at four-year public higher education institutions.

Unrestricted Grants and Special Programs: The budget includes \$4.3 million to fund a statewide program for out-of-county or out-of-State students in regional or health manpower shortage programs, \$3.1 million for unrestricted grants, \$2.5 million for the English for Speakers of Other Languages program, \$1.6 million for Innovative Partnerships in Technology, and funding for other out-of-county students and out-of-State student agreements.

Optional Retirement: The State distributes funds directly to the community colleges to reimburse them for the employer cost of members of the Optional Retirement System, a vendor operated, defined contribution plan offered as an alternative to the State's defined benefit pension and retirement systems.

State Retirement System: In addition to direct aid to the community colleges, the State pays the entire cost of pension and retirement benefits for eligible teachers, administrators, and other employees on behalf of each community college.

(\$ thousands)

	Formula	Unrestricted Grants & Special Programs	Optional Retirement	State Retirement System	TOTAL	\$ Change from 2005
Allegany	3,768	927	137	721	5,552	249
Anne Arundel	21,568	306	1,450	1,538	24,862	1,238
Baltimore City *	0	0	0	0	0	0
Baltimore County	30,160	492	1,495	2,791	34,938	48
Calvert	1,106	82	90	107	1,384	78
Caroline	967	80	60	96	1,203	82
Carroll	4,985	342	286	330	5,943	416
Cecil	3,241	353	288	169	4,052	308
Charles	5,336	35	432	515	6,318	375
Dorchester	852	70	53	85	1,059	72
Frederick	5,606	127	426	486	6,645	474
Garrett	1,665	996	91	154	2,906	8
Harford	7,702	141	331	741	8,914	366
Howard	8,813	461	709	796	10,779	741
Kent	392	32	24	39	488	33
Montgomery	26,119	1,495	2,628	3,791	34,033	1,164
Prince George's	18,126	274	502	2,196	21,099	1,037
Queen Anne's	1,037	85	65	103	1,290	87
St. Mary's	1,546	55	125	149	1,875	109
Somerset	564	385	25	37	1,011	-127
Talbot	1,194	98	75	119	1,486	101
Washington	4,837	592	224	486	6,139	405
Wicomico	3,255	185	146	211	3,797	235
Worcester	1,305	74	58	85	1,523	94
Statewide/Unallocated	0	4,310	0	0	4,310	23
Total	154,143	11,998	9,720	15,744	191,605	7,615

* The State assumes the cost of Baltimore City Community College, which is not reflected on this chart.

Totals may not add due to rounding.

Education - Primary and Secondary, Libraries and Community Colleges
(excluding four-year colleges and universities)

(\$ thousands)

	<u>Primary & Secondary</u>		<u>Libraries</u>		<u>Community Colleges</u>		TOTAL	\$ Change from 2005	% Change from 2005
	Direct	Retirement	Direct	Retirement	Direct	Retirement			
Allegany	60,495	4,323	627	66	4,831	721	71,064	9,077	14.6%
Anne Arundel	210,290	32,027	1,736	705	23,325	1,538	269,621	15,987	6.3%
Baltimore City*	685,948	41,966	5,427	1,052	0	0	734,394	53,979	7.9%
Baltimore County	386,606	49,431	4,208	981	32,147	2,791	476,163	41,767	9.6%
Calvert	66,699	8,275	330	146	1,278	107	76,834	7,040	10.1%
Caroline	31,805	2,421	221	68	1,107	96	35,718	3,528	11.0%
Carroll	112,058	12,181	790	331	5,613	330	131,302	11,606	9.7%
Cecil	75,887	7,124	534	110	3,882	169	87,705	8,745	11.1%
Charles	112,334	10,436	678	134	5,802	515	129,900	15,177	13.2%
Dorchester	23,876	2,145	199	34	975	85	27,314	2,508	10.1%
Frederick	151,922	16,444	930	291	6,159	486	176,232	20,904	13.5%
Garrett	21,420	2,198	149	52	2,751	154	26,725	1,260	4.9%
Harford	164,865	16,388	1,231	556	8,174	741	191,954	20,594	12.0%
Howard	141,392	26,291	634	656	9,983	796	179,752	15,655	9.5%
Kent	8,844	1,286	86	30	449	39	10,734	646	6.4%
Montgomery	306,351	84,294	2,205	1,629	30,242	3,791	428,512	32,707	8.3%
Prince George's	718,997	56,793	5,497	992	18,903	2,196	803,377	89,010	12.5%
Queen Anne's	23,596	3,236	113	60	1,187	103	28,295	2,431	9.4%
St. Mary's	70,845	6,935	504	136	1,726	149	80,297	9,537	13.5%
Somerset	19,054	1,396	226	19	974	37	21,706	2,920	15.5%
Talbot	9,802	2,150	83	42	1,367	119	13,563	784	6.1%
Washington	96,012	8,679	889	167	5,653	486	111,887	16,189	16.9%
Wicomico	76,593	6,782	615	88	3,585	211	87,875	10,409	13.4%
Worcester	15,024	3,673	119	69	1,438	85	20,407	1,106	5.7%
Statewide/Unallocated	22,003	0	14,183	0	4,310	0	40,497	3,808	10.4%
Total	3,612,716	406,876	42,215	8,413	175,861	15,744	4,261,826	397,375	10.3%

*The State assumes the cost of Baltimore City Community College.

Totals may not add due to rounding.

Police, Fire & Public Safety

Aid for Police Protection: The State gives grants to the subdivisions to help provide for police protection services, which are distributed through a formula based on population and population density. Grants are shared between counties and municipalities on the basis of expenditures, and municipalities receive an additional grant based on the number of police officers.

Aid for Fire, Rescue and Ambulance Systems: Counties and municipalities receive grants for fire, rescue and ambulance equipment and capital renovations.

Special Grants: The budget includes funding for the Baltimore City foot patrol, violent crime grants, and community policing; drug enforcement and violent crime grant programs in Prince George's County; and STOP Gun Violence Grants. Also included are special funds awarded by the Vehicle Theft Prevention Council, grants from the State's telephone surcharge for the "911" emergency system, and grants to help enforce school bus safety laws.

(\$ thousands)

	Police Aid	Fire & Rescue	Special Grants	TOTAL	\$ Change from 2005
Allegany	861	244	0	1,105	-8
Anne Arundel	6,556	817	0	7,374	89
Baltimore City*	82	976	6,620	7,678	-246
Baltimore County	9,661	1,195	0	10,856	98
Calvert	754	200	0	954	21
Caroline	319	200	0	519	0
Carroll	1,552	265	0	1,817	22
Cecil	902	205	0	1,107	21
Charles	1,183	231	0	1,414	29
Dorchester	355	215	0	569	3
Frederick	2,177	360	0	2,538	56
Garrett	241	200	0	441	0
Harford	2,664	371	0	3,035	507
Howard	3,013	385	0	3,398	83
Kent	194	207	0	401	-3
Montgomery	14,761	1,305	0	16,066	246
Prince George's	13,779	1,112	4,004	18,896	109
Queen Anne's	397	200	0	597	7
St. Mary's	808	200	0	1,008	14
Somerset	241	200	0	441	2
Talbot	383	215	0	598	-9
Washington	1,385	232	0	1,616	21
Wicomico	955	225	0	1,180	34
Worcester	662	241	0	902	7
Statewide/Unallocated	0	0	16,694	16,694	0
Total	63,885	10,000	27,318	101,203	1,103

* In addition, the State assumes the cost of the Baltimore City Detention Center and Central Booking and Intake Facility, which is not reflected on this chart.

Totals may not add due to rounding.

Transportation

Highway User Revenues: The motor vehicle fuel tax, motor vehicle registration fees, a share of the motor vehicle titling tax, and a share of the corporate income tax are designated as Highway User Revenues. The State shares 30 percent of these revenues with the counties and municipalities to help fund the construction and maintenance of local roads. The distribution is made according to a formula based on locally maintained road mileage and vehicle registrations. Baltimore City, the only subdivision that maintains state and federal highways in addition to its own, receives the greater of \$157.5 million or 38 percent of the local highway user revenue allocation plus 11.5 percent of the increase in local share.

The table reflects a contingent reduction of \$582,600, the effect of a proposal to exempt the sale of gasoline for State use from the State's gas tax, which would slightly reduce total highway user revenues.

Elderly and Disabled Transportation: Grants are provided to fund local transportation services for elderly and disabled persons, with 60 percent of the money distributed equally among the counties and Baltimore City and 40 percent based on the distribution of the elderly and disabled populations. In addition, funding is included to help defray the cost of providing paratransit services required under the federal Americans with Disabilities Act.

(\$ thousands)

	Highway Users	Elderly & Disabled	TOTAL	\$ Change from 2005	% Change from 2005
Allegany	7,580	206	7,786	1,716	28.3%
Anne Arundel	32,145	664	32,809	7,276	28.5%
Baltimore City	226,169	380	226,549	27,682	13.9%
Baltimore County	43,489	397	43,885	9,844	28.9%
Calvert	6,453	196	6,649	1,461	28.2%
Caroline	5,108	120	5,228	1,156	28.4%
Carroll	14,445	151	14,597	3,270	28.9%
Cecil	7,954	134	8,089	1,801	28.6%
Charles	9,854	311	10,166	2,231	28.1%
Dorchester	5,711	173	5,884	1,293	28.2%
Frederick	18,830	621	19,452	4,262	28.1%
Garrett	6,489	120	6,609	1,469	28.6%
Harford	16,400	270	16,670	3,712	28.7%
Howard	15,832	595	16,427	3,584	27.9%
Kent	2,936	120	3,056	665	27.8%
Montgomery	45,673	380	46,053	10,339	28.9%
Prince George's	39,017	784	39,800	8,832	28.5%
Queen Anne's	5,773	122	5,895	1,307	28.5%
St. Mary's	7,652	267	7,919	1,732	28.0%
Somerset	3,411	169	3,580	772	27.5%
Talbot	4,646	120	4,767	1,052	28.3%
Washington	12,060	336	12,396	2,730	28.2%
Wicomico	9,218	189	9,406	2,087	28.5%
Worcester	7,038	294	7,332	1,593	27.8%
Statewide/Unallocated	0	0	0	0	
Total	553,883	7,122	561,005	101,864	22.2%

Totals may not add due to rounding.

Miscellaneous

Local Health Grants: This program funds a wide range of preventive health services such as family planning, maternity and child care assistance, cancer control, and AIDS education and outreach.

Disparity Grants: Grants are distributed to subdivisions whose per capita income tax revenues are less than 75 percent of the statewide average.

Program Open Space: This program provides for the acquisition and development of parks. The table assumes the enactment of legislation altering the allocation of transfer tax revenues providing for a portion to be transferred to the General Fund.

Other: Other miscellaneous grants include grants to Baltimore City of a \$5 share of each security interest-filing fee collected by the Motor Vehicle Administration, payments in lieu of taxes, and a grant to the Baltimore City State's Attorney's office. The chart reflects the fiscal year 2006 plan to eliminate the Electricity Generating Equipment Property Tax Grant.

	(\$ thousands)						
	Local Health	Disparity Grant	Program Open Space	Other	State Retirement System	TOTAL	\$ Change from 2005*
Allegany	1,494	6,100	191	0	9	7,795	240
Anne Arundel	5,186	0	2,077	495	29	7,787	316
Baltimore City	10,970	69,695	1,370	7,250	1,418	90,702	-1,236
Baltimore County	7,111	0	2,337	50	13	9,511	369
Calvert	614	0	208	0	0	822	41
Caroline	885	1,889	91	0	8	2,873	101
Carroll	2,031	0	468	0	34	2,534	84
Cecil	1,332	0	242	0	10	1,584	49
Charles	1,643	0	425	0	0	2,068	72
Dorchester	705	2,033	78	0	10	2,826	167
Frederick	2,496	0	495	0	0	2,991	88
Garrett	719	2,040	97	0	0	2,856	-654
Harford	2,867	0	692	0	0	3,559	112
Howard	2,009	0	1,227	105	43	3,384	192
Kent	552	0	59	0	3	614	19
Montgomery	4,994	0	3,122	0	6	8,122	478
Prince George's	8,250	9,762	2,639	181	63	20,896	4,672
Queen Anne's	689	0	127	0	10	825	31
St. Mary's	1,336	0	235	0	0	1,571	46
Somerset	703	3,733	56	0	0	4,491	-2
Talbot	542	0	135	0	9	685	32
Washington	2,278	0	367	0	6	2,651	68
Wicomico	1,562	1,326	245	0	11	3,143	-582
Worcester	517	0	242	0	7	766	46
Statewide/Unallocated	0	0	0	1,873	1	1,874	-509
Total	61,487	96,578	17,222	9,953	1,693	186,933	4,242

*Excluding the effect of eliminating the Electricity Generating Equipment Property Tax grant.
Totals may not add due to rounding.

Retirement Contributions

Under this statutory program, the State pays on behalf of each county board of education, library system, and community college the entire cost of pension and retirement benefits for eligible teachers, librarians, and employees. There is an exception for Montgomery County where librarians have elected to remain in the Montgomery County Retirement System rather than in the State system, in which case the State remits the lesser of the cost of retirement for the county or the State systems. In addition, the State provides retirement benefits for certain local employees, primarily in the offices of local sheriffs and State's attorneys.

There is no distribution of funds directly to the subdivisions, but rather lump sum payments are made to the State's retirement board. Each subdivision's share of the State's retirement appropriation, however, can be estimated based on county-by-county salary data. The appropriation reflects the "corridor" method of funding certain retirement systems whereby the contribution rates remain constant as long as the overall funding is at least 90 percent and no more than 110 percent of full funding.

(\$ thousands)

	Boards of Education	Libraries	Community Colleges	Certain Local Employees	TOTAL	\$ Change over 2005	% Change over 2005
Allegany	4,323	66	721	9	5,119	28	0.5%
Anne Arundel	32,027	705	1,538	29	34,299	264	0.8%
Baltimore City	41,966	1,052	0	1,418	44,436	440	1.0%
Baltimore County	49,431	981	2,791	13	53,216	397	0.8%
Calvert	8,275	146	107	0	8,527	73	0.9%
Caroline	2,421	68	96	8	2,593	22	0.9%
Carroll	12,181	331	330	34	12,876	108	0.8%
Cecil	7,124	110	169	10	7,413	64	0.9%
Charles	10,436	134	515	0	11,086	85	0.8%
Dorchester	2,145	34	85	10	2,274	21	0.9%
Frederick	16,444	291	486	0	17,220	139	0.8%
Garrett	2,198	52	154	0	2,405	17	0.7%
Harford	16,388	556	741	0	17,684	133	0.8%
Howard	26,291	656	796	43	27,786	230	0.8%
Kent	1,286	30	39	3	1,358	12	0.9%
Montgomery	84,294	1,629	3,791	6	89,721	685	0.8%
Prince George's	56,793	992	2,196	63	60,045	481	0.8%
Queen Anne's	3,236	60	103	10	3,409	30	0.9%
St. Mary's	6,935	136	149	0	7,221	60	0.8%
Somerset	1,396	19	37	0	1,452	12	0.8%
Talbot	2,150	42	119	9	2,320	20	0.9%
Washington	8,679	167	486	6	9,338	71	0.8%
Wicomico	6,782	88	211	11	7,093	60	0.9%
Worcester	3,673	69	85	7	3,834	34	0.9%
Unallocated	0	0	0	1	1	0	37.2%
Total	406,876	8,413	15,744	1,693	432,726	3,485	0.8%

Totals may not add due to rounding.

Local Aid and Assumed Costs

In addition to direct aid and contributions to the State's retirement systems on behalf of local boards of education, library systems, and community colleges, the State has assumed the cost of the Baltimore City Detention Center and Central Booking and Intake Facility as well as the cost of the Baltimore City Community College. In addition, the State provides funding for debt service and operating deficits of the convention centers in Baltimore City, Montgomery County, and Ocean City and support for the Hippodrome Performing Arts Center in Baltimore City.

These assumed functions, direct aid, and retirement payments total \$5.27 billion of the State's operating budget, making support for local government by far the largest component of State spending.

Direct Aid, Retirement Contributions, and Assumed Costs

(\$ thousands)

	Direct Aid	State Retirement	Assumed Costs	TOTAL	\$ Change from 2005	% Change from 2005
Allegany	82,630	5,119	0	87,749	11,025	14.4%
Anne Arundel	283,292	34,299	0	317,591	15,848	5.3%
Baltimore City	1,014,887	44,436	152,101	1,211,424	88,145	7.8%
Baltimore County	487,200	53,216	0	540,416	50,284	10.3%
Calvert	76,731	8,527	0	85,259	2,466	3.0%
Caroline	41,745	2,593	0	44,339	4,785	12.1%
Carroll	137,374	12,876	0	150,250	14,982	11.1%
Cecil	91,072	7,413	0	98,485	10,616	12.1%
Charles	132,462	11,086	0	143,548	14,986	11.7%
Dorchester	34,319	2,274	0	36,593	3,782	11.5%
Frederick	183,992	17,220	0	201,212	25,311	14.4%
Garrett	34,226	2,405	0	36,631	2,063	6.0%
Harford	197,533	17,684	0	215,218	24,066	12.6%
Howard	175,174	27,786	0	202,960	19,514	10.6%
Kent	13,446	1,358	0	14,805	1,327	9.8%
Montgomery	409,032	89,721	1,753	500,505	40,910	8.9%
Prince George's	822,925	60,045	0	882,969	94,878	12.0%
Queen Anne's	32,204	3,409	0	35,612	3,776	11.9%
St. Mary's	83,573	7,221	0	90,794	11,328	14.3%
Somerset	28,767	1,452	0	30,219	3,692	13.9%
Talbot	17,293	2,320	0	19,613	1,858	10.5%
Washington	119,212	9,338	0	128,550	18,651	17.0%
Wicomico	94,512	7,093	0	101,605	11,948	13.3%
Worcester	25,574	3,834	2,763	32,171	2,798	9.5%
Statewide/Unallocated	59,063	1	0	59,065	3,299	5.9%
Total	4,678,241	432,726	156,617	5,267,584	482,339	10.1%

Totals may not add due to rounding.

Appendix I

Appropriation Detail All Budgeted Funds - \$ thousands

	Fiscal Years		
	<u>2004</u>	<u>2005</u>	<u>2006</u>
Health and Mental Hygiene	5,866,110	6,025,106	6,426,132
State Department of Education	4,279,088	4,677,790	5,115,602
Transportation	3,108,516	3,552,384	3,765,224
University System of Maryland	2,925,909	3,162,816	3,288,091
Human Resources	1,555,428	1,557,873	1,631,134
Public Safety and Correctional Services	889,361	942,064	992,229
Public Debt	536,819	1,184,840	617,575
Maryland Higher Education Commission	306,001	332,025	360,824
Natural Resources	169,604	181,544	354,220
Judiciary	304,357	320,954	342,572
State Reserve Fund	10,000	106,653	333,685
Housing and Community Development	223,639	240,024	323,484
State Police	288,559	284,882	289,831
Department of the Environment	157,036	164,442	197,910
Juvenile Services	186,178	192,345	195,887
Labor, Licensing and Regulation	181,728	175,676	173,101
Morgan State University	145,423	163,483	170,982
Agriculture	64,079	70,287	106,292
Business and Economic Development	92,785	96,670	100,118
Disparity Grants	105,831	93,102	96,578
State Department of Assessments and Taxation	79,565	92,712	93,745
Maryland Insurance Administration	69,611	84,658	88,977
Comptroller of Maryland	75,329	80,098	80,578
Baltimore City Community College	71,876	72,050	76,116
Office of the Public Defender	60,356	68,875	74,448
Statewide Compensation and Other Adjustments	0	1,300	72,500
General Assembly of Maryland	59,860	61,320	63,769
Lottery Agency	50,689	51,817	55,473
St. Mary's College of Maryland	42,063	51,272	53,190
General Services	49,908	53,876	51,954
Military Department	148,871	46,404	48,720
Executive - Boards, Commissions and Offices	38,600	51,866	46,750
Department of Aging	47,326	47,172	46,420
Maryland Stadium Authority	32,379	34,663	35,070
Budget and Management	41,019	46,096	34,894
Electricity Property Tax Grants	26,202	30,615	30,615
Maryland Public Broadcasting Commission	28,034	33,721	30,350
Major Info. Tech. Development Project Fund	0	8,757	26,156
Maryland School for the Deaf	22,221	23,176	24,611
State Board of Elections	11,043	24,068	23,632
Office of the Attorney General	18,971	20,390	20,734

Note: These totals differ from those on the individual department summaries because these figures exclude reimbursable funds.

(continued on next page)

Appendix I

Appropriation Detail All Budgeted Funds - \$ thousands

	Fiscal Years		
	<u>2004</u>	<u>2005</u>	<u>2006</u>
Retirement and Pension Systems	19,898	20,988	20,302
Public School Construction	13,184	14,360	19,198
Department of Veterans Affairs	14,494	16,654	17,846
Department of Disabilities	2,111	2,981	12,443
Workers' Compensation Commission	12,671	12,797	12,283
Public Service Commission	12,152	12,598	11,669
Inst. For Emergency Medical Services Systems	11,142	10,928	11,122
State Archives	10,886	10,620	10,402
Board of Public Works	9,539	5,790	9,683
Executive Department	8,154	8,572	8,487
University of Maryland Medical System	9,677	9,677	8,052
Department of Planning	7,958	8,120	7,160
Maryland Energy Administration	5,356	5,702	6,296
State Treasurer's Office	4,148	4,297	5,130
Maryland Technology Dev. Corporation	4,000	5,467	4,811
Office for Children, Youth and Families	4,084	5,061	3,653
Security Interest Filing Fees	3,103	3,196	3,150
Commission on Human Relations	3,545	3,263	3,122
Secretary of State	2,693	2,937	2,675
Office of the People's Counsel	2,407	2,569	2,582
Historic St. Mary's City Commission	2,453	2,984	2,480
Board of Public Works - Capital Appropriation	2,400	4,000	2,400
African American Museum Corporation	1,075	2,165	2,375
Subsequent Injury Fund	1,771	1,744	1,774
Retirement - Local Employees	1,625	1,577	1,693
Supplemental Retirement Plans	1,534	1,480	1,307
Uninsured Employers' Fund	912	963	975
Office of the State Prosecutor	823	909	968
Property Tax Assessment Appeals Boards	864	861	873
Maryland Tax Court	542	559	569
State Board of Contract Appeals	470	527	566
Canal Place Authority	442	448	488
Office of the Deaf and Hard of Hearing	218	228	219
Registers of Wills	0	75	25
Office of Administrative Hearings	38	309	6
Office for Smart Growth	461	0	0
Total	22,547,203	24,695,275	26,156,957
Proposed Deficiency Appropriations (App. C)		165,748	
Contingent Reductions			-253,430
Adjusted Total	22,547,203	24,861,023	25,903,527

Totals may not add due to rounding.

Appropriation Detail General Funds - \$ thousands

	Fiscal Years		
	<u>2004</u>	<u>2005</u>	<u>2006</u>
State Department of Education	3,483,208	3,816,123	4,216,854
Health and Mental Hygiene	2,865,340	3,133,980	3,335,874
State Operated Inst. Of Higher Education	837,538	850,960	897,791
Public Safety and Correctional Services	764,810	802,759	842,349
Human Resources	550,021	562,954	565,103
Maryland Higher Education Commission	302,495	324,747	356,753
State Reserve Fund	10,000	106,653	333,685
Judiciary	269,525	280,530	302,085
State Police	134,207	212,444	229,231
Juvenile Services	170,340	176,739	178,737
Disparity Grants	105,831	93,102	96,578
State Department of Assessments and Taxation	76,411	88,895	90,107
Office of the Public Defender	60,233	68,691	74,266
Statewide Compensation and Other Adjustments	0	1,300	72,500
Comptroller of Maryland	62,197	66,578	66,074
Natural Resources	70,656	68,545	65,508
General Assembly of Maryland	59,860	61,320	63,769
Business and Economic Development	55,489	57,590	59,688
General Services	47,697	51,523	49,829
Department of the Environment	38,764	37,192	33,813
Electricity Property Tax Grants	26,202	30,615	30,615
Housing and Community Development *	9,649	8,851	28,253
Budget and Management	28,701	30,156	26,892
Major Info. Tech. Development Project Fund	0	8,757	25,756
Maryland School for the Deaf	20,929	22,028	23,289
Executive - Boards, Commissions and Offices	9,343	23,451	23,201
Agriculture	26,922	25,654	23,075
Department of Aging	20,609	20,655	20,111
Public School Construction	13,184	14,360	19,198
Labor, Licensing and Regulation	24,414	18,505	17,920
Office of the Attorney General	16,112	17,412	16,620
Maryland Stadium Authority	10,498	13,428	14,070

* Note: FY06 budget for DHCD includes \$20 million in general funds for the Heritage Structure Rehabilitation Tax Credit

(continued on next page)

Appendix I

Appropriation Detail General Funds - \$ thousands

	Fiscal Years		
	<u>2004</u>	<u>2005</u>	<u>2006</u>
Military Department	13,383	13,621	13,485
Maryland Public Broadcasting Commission	10,787	11,219	10,958
Department of Veterans Affairs	8,812	9,327	10,251
Executive Department	8,154	8,572	8,487
Board of Public Works	3,010	3,987	7,879
Department of Planning	7,365	7,796	6,842
State Board of Elections	5,064	5,297	4,929
Maryland Technology Dev. Corporation	4,000	5,467	4,811
State Treasurer's Office	3,635	3,677	4,345
Security Interest Filing Fees	3,103	3,196	3,150
University of Maryland Medical System	2,714	2,714	2,935
Office for Children, Youth and Families	3,780	4,159	2,733
State Archives	2,413	2,465	2,494
African American Museum Corporation	1,075	2,165	2,375
Commission on Human Relations	2,478	2,542	2,321
Secretary of State	2,308	2,451	2,239
Historic St. Mary's City Commission	1,979	2,021	1,907
Retirement - Local Employees	1,625	1,577	1,693
Department of Disabilities	611	1,239	1,348
Office of the State Prosecutor	823	909	968
Property Tax Assessment Appeals Boards	864	861	873
Maryland Tax Court	542	559	569
State Board of Contract Appeals	470	527	566
Maryland Energy Administration	380	502	481
Canal Place Authority	246	252	263
Office of the Deaf and Hard of Hearing	218	228	219
Registers of Wills	0	75	25
Board of Public Works - Capital Appropriation	0	1,200	0
Office for Smart Growth	461	0	0
Administrative Hearings	0	303	0
Total	10,261,480	11,195,406	12,298,739
Proposed Deficiency Appropriations (App. C)		94,102	
Contingent Reductions			-78,550
Adjusted Total	10,261,480	11,289,509	12,220,190

Totals may not add due to rounding.

Position Summary Full-Time Equivalent Positions

	Fiscal Years					
	2004		2005		2006	
	Auth.	Contr.	Auth.	Contr.	Auth.	Contr.
University System of Maryland	19,087	4,888	19,288	5,106	19,416	5,268
Public Safety and Correctional Services	11,231	235	11,195	488	11,348	464
Transportation	9,096	110	9,044	169	9,087	161
Health and Mental Hygiene	7,710	411	7,548	489	7,548	499
Human Resources	7,140	51	7,297	135	7,248	135
Judiciary	3,224	390	3,224	391	3,328	359
State Police	2,480	30	2,479	47	2,479	45
Juvenile Services	1,939	306	1,963	276	2,091	217
Labor, Licensing and Regulation	1,519	155	1,490	178	1,448	171
State Department of Education	1,336	113	1,386	113	1,389	115
Natural Resources	1,454	317	1,417	439	1,377	343
Comptroller of Maryland	1,103	21	1,115	31	1,116	27
Office of the Public Defender	872	53	940	85	1,025	83
Morgan State University	951	486	985	489	985	533
Department of the Environment	951	16	954	46	956	44
General Assembly of Maryland	730	-	740	-	740	-
State Department of Assessments and Taxation	696	-	688	0	678	0
General Services	728	24	712	28	657	27
Baltimore City Community College	544	307	544	301	553	289
Budget and Management	472	16	468	21	436	12
Agriculture	436	35	430	47	429	44
St. Mary's College of Maryland	375	24	398	27	399	27
Housing and Community Development	366	49	386	62	385	66
Military Department	331	50	330	35	330	34
Maryland School for the Deaf	317	66	317	62	317	71
Business and Economic Development	299	37	299	36	298	32
Maryland Insurance Administration	294	5	296	12	293	8
Office of the Attorney General	240	14	241	-	241	-
Lottery Agency	170	11	168	11	174	9
Retirement and Pension Systems	164	21	163	30	173	32
Maryland Public Broadcasting Commission	162	6	160	7	158	6
Public Service Commission	140	4	138	5	138	5
Workers' Compensation Commission	129	9	127	18	127	18
Office of Administrative Hearings	126	-	125	1	122	1
Department of Planning	120	7	121	3	110	3
Inst. For Emergency Medical Services Systems	93	12	92	10	92	10
Executive Department	86	4	84	4	81	2

Totals may not add due to rounding.

(continued on next page)

Appendix II

Position Summary Full-Time Equivalent Positions

	Fiscal Years					
	<u>2004</u>		<u>2005</u>		<u>2006</u>	
	Auth.	Contr.	Auth.	Contr.	Auth.	Contr.
Executive - Boards, Commissions and Offices	81	19	77	17	76	18
Maryland Higher Education Commission	75	3	74	1	74	1
Department of Veterans Affairs	67	2	66	2	66	3
Department of Aging	56	14	56	7	56	6
State Treasurer's Office	54	-	55	-	55	-
State Archives	45	49	45	43	45	41
Commission on Human Relations	48	6	45	4	42	1
Office for Children, Youth and Families	48	8	50	9	36	4
Historic St. Mary's City Commission	35	13	35	13	35	9
State Board of Elections	33	11	33	9	33	9
Secretary of State	35	1	35	1	32	1
Department of Disabilities	15	4	21	5	26	4
Maryland Energy Administration	20	1	20	-	20	-
Office of the People's Counsel	18	1	18	1	19	-
Public School Construction	17	-	17	-	17	-
Subsequent Injury Fund	17	-	17	-	17	-
Supplemental Retirement Plans	17	-	17	-	14	-
Uninsured Employers' Fund	13	-	13	-	13	-
Office of the State Prosecutor	9	1	9	1	9	2
Maryland Tax Court	9	1	9	1	9	1
Board of Public Works	9	-	9	-	9	-
Property Tax Assessment Appeals Boards	9	-	9	-	9	-
State Board of Contract Appeals	5	-	5	-	5	-
Canal Place Authority	4	-	4	-	4	-
Higher Education Labor Relations Board	3	0	3	0	3	-
Office of the Deaf and Hard of Hearing	2	-	2	-	2	-
Office for Smart Growth	5	-	-	-	-	-
Total	77,852	8,412	78,089	9,311	78,491	9,255

Totals may not add due to rounding.

APPENDICES

- A. General Fund Budget Summary for Fiscal Years 2005 and 2006**
- B. Estimated Revenues for Fiscal Years Ending June 30, 2005 and 2006**
- C. Summary of Operating Budgets for the Fiscal Years Ending June 30, 2005 and 2006**
- D. Summary of Operating Budgets by Object Classification for Fiscal Years 2005 and 2006**
- E. Personnel Detail**
- F. Fiscal Year 2004 - 2010 Forecast**
- G. Spending Affordability**
- H. Budget Bill Contingent and Restrictive Language**
- I. Recoveries of Indirect Costs from Federal Grants and Contracts for Fiscal Year 2004**
- J. Statewide Central Services Cost Allocation Plan for the Fiscal Year Ending June 30, 2002**
- K. Share of the State Budget Providing Services to Children**
- L. Summary of Budgeted Federal Revenues by Major Federal Sources**
- M. Cigarette Restitution Fund Fiscal Years 2004 - 2006**
- N. Major Publicly Funded Programs for the Aged Administered by the State of Maryland**

**APPENDIX A
GENERAL FUND BUDGET SUMMARY (\$)**

Fiscal Year 2005

General Fund Balance, June 30, 2004 available for 2005 operations		452,658,409
2005 Estimated Revenues (Bd. of Rev. Estimates - December, 2004 est.)	11,020,296,000	
Adjustments to revenues:		
Revenue from Maryland Environmental Service Settlement (Bristol-Meyers Squibb)	809,384 1,512,004	
	2,321,388	
<i>Subtotal Revenues</i>		11,022,617,388
Transfer from Revenue Stabilization Account		91,000,000
Transfer from special funds - prior session (see detail)		383,552,462
2005 General Fund Appropriations		
Appropriated by the 2004 General Assembly	11,195,406,487	
Deficiency appropriations	94,102,158	
Estimated agency reversions	(20,000,000)	
	11,269,508,645	
<i>Subtotal Appropriations</i>		11,269,508,645
2005 General Funds Reserved for 2006 Operations		680,319,614

Fiscal Year 2006

2005 General Funds Reserved for 2006 Operations		680,319,614
2006 Estimated Revenues (Bd. of Rev. Estimates - December, 2004 est.)	11,306,303,000	
Adjustments to revenues:		
Withholding from lump-sum retirement distributions	30,000,000	
Tax clearance for drivers' registration and license renewals	15,000,000	
Streamlined bank account attachment process	8,000,000	
Adjust withholding to 6% for out-of-state realty sales	6,000,000	
Reduce withholding allowances for debtors	5,000,000	
Other (see detail)	3,843,859	
	67,843,859	
<i>Subtotal Revenues</i>		11,374,146,859
Transfer from special funds - 2005 Session (see detail)		163,269,798
2006 General Fund Appropriations	12,298,739,319	
Reductions contingent on legislation	(78,549,671)	
Estimated agency reversions	(20,000,000)	
	12,200,189,648	
<i>Subtotal Appropriations</i>		12,200,189,648
2006 General Fund Unappropriated Balance		17,546,623

**APPENDIX A
GENERAL FUND BUDGET SUMMARY (cont.)
Detail - Fiscal Years 2005 and 2006**

	2005	2006
Transfers from special funds - prior Sessions		
Transfer taxes - FY 2005 revenues	77,093,722	
Local share of transportation revenues	102,440,128	
Transfer taxes	70,280,722	
Transfer taxes - anticipated FY 2004 overattainment	41,886,000	
Share of accelerated disbursement of unclaimed taxes	81,000,000	
Central Collection Unit	4,500,000	
State Use Industries	2,000,000	
OAG - Homebuilders Registration Fund	500,000	
DHMH - Spinal Cord Injury Trust Fund	2,557,790	
DHMH - various boards	879,000	
Racing Commission	415,100	
	<u>383,552,462</u>	<u>-</u>
 Transfers from special funds - 2005 Session		
Transfer taxes - remaining FY 2004 overattainment		21,776,868
Transfer taxes - FY 2006 revenues		141,492,930
		<u>- 163,269,798</u>
 Other adjustments to revenues		
Eliminate discount for paper filing of sales tax returns		3,000,000
Authorize reciprocal refund and vendor discounts with local govt		1,000,000
Add insurance licenses to tax clearance requirement		1,000,000
DPSCS - Probationer fees		1,300,000
Tax credit for veterans		(2,400,000)
Federal reimbursement for cemetery expansion		631,000
Rosewood revenue loss (contingent)		(687,141)
		<u>- 3,843,859</u>

**APPENDIX A
GENERAL FUND BUDGET SUMMARY (cont.)
Detail - Fiscal Years 2005 and 2006**

	2005	2006
Reductions to allowance contingent on legislation		
Electricity Generating Equipment Property Tax Grant		30,615,201
Agencies on Aging - reduce hold harmless		162,725
Senior Citizens Activities Centers		500,000
DHMH - indirect cost assessment (MHCC and HSCRC)		1,833,000
DHMH - Maryland Pharmacy Assistance Program offset (MPAP)		11,750,000
DHMH - Medicaid estate recoveries		29,000
DHMH - DDA community services		1,227,038
DHMH - Increase pharmacy co-pays in Medicaid		102,000
DNR - Increase POS support of Parks operations		3,000,000
DPSCS - Police and Correctional Training Commissions		750,906
MSDE - Aid to Education - Nonpublic Placements		5,799,866
MHEC - Aid to Non-Public Institutions (Sellinger)		10,094,601
MHEC - Baltimore City Community College		1,628,829
DBED - Tourism		1,000,000
Arts Council		180,000
DHCD - Heritage tax credit fee		400,000
MDE - wetlands permit fees		1,000,000
Statewide - eliminate deferred comp match		7,601,505
Statewide - eliminate gas tax on gas for State cars		875,000
		- 78,549,671
		- 78,549,671

APPENDIX B
ESTIMATED REVENUES FOR THE FISCAL YEARS ENDING JUNE 30, 2005 AND 2006

	2005 APPROPRIATION				2006 ALLOWANCE			
	GENERAL FUNDS	SPECIAL FUNDS	FEDERAL FUNDS	TOTAL FUNDS	GENERAL FUNDS	SPECIAL FUNDS	FEDERAL FUNDS	TOTAL FUNDS
PROPERTY TAXES								
PROPERTY TAXES		512,824,104		512,824,104		523,985,692		523,985,692
PROPERTY TRANSFER TAXES		132,797,000		132,797,000		194,492,000		194,492,000
Overattainment from prior years		25,374,354		25,374,354		21,776,868		21,776,868
Transfer to the General Fund		(147,374,444)		(147,374,444)				
FRANCHISE AND CORPORATION TAXES								
FRANCHISE TAX ON GROSS RECEIPTS	137,168,000			137,168,000	136,185,000			136,185,000
ORGANIZATION AND CAPITALIZATION FEES	475,000			475,000	475,000			475,000
FRANCHISE TAX ON NET EARNINGS OF FINANCIAL INSTITUTIONS	(750,000)			(750,000)	(750,000)			(750,000)
RECORDING FEES	11,000,000			11,000,000	11,000,000			11,000,000
CORPORATION FILING FEES	58,500,000			58,500,000	59,378,000			59,378,000
DEATH TAXES								
COLLATERAL INHERITANCE TAX	45,105,000			45,105,000	46,637,000			46,637,000
DIRECT INHERITANCE TAX	360,000			360,000	240,000			240,000
MARYLAND ESTATE TAX	118,816,000			118,816,000	113,519,000			113,519,000
ALCOHOLIC BEVERAGE TAXES AND LICENSES								
TAX ON LIQUOR	12,802,000			12,802,000	13,021,000			13,021,000
TAX ON WINE	4,696,000			4,696,000	4,828,000			4,828,000
TAX ON BEER	9,459,000			9,459,000	9,537,000			9,537,000
ALCOHOLIC BEVERAGE LICENSES	1,000,000			1,000,000	1,000,000			1,000,000
INCOME TAXES								
CORPORATION INCOME TAXES	571,136,000	180,359,000		751,495,000	466,676,000	147,371,000		614,047,000
INDIVIDUAL INCOME TAXES	5,376,238,000			5,376,238,000	5,718,090,000			5,718,090,000
RETAIL SALES AND USE TAXES								
	3,086,586,000	23,265,000		3,109,851,000	3,229,679,000	23,940,000		3,253,619,000
TOBACCO TAX AND LICENSES								
TOBACCO TAX	262,300,000			262,300,000	257,191,000			257,191,000
TAX ON OTHER TOBACCO PRODUCTS	7,922,000			7,922,000	8,556,000			8,556,000
INSURANCE COMPANY TAXES, LICENSES, AND FEES								
	274,072,000			274,072,000	277,313,000			277,313,000
HORSE RACING TAXES AND LICENSES								
	240,000	4,269,500		4,509,500	240,000	4,269,500		4,509,500
DISTRICT COURT FEES AND COSTS								
	84,299,000			84,299,000	83,707,000			83,707,000
INTEREST ON INVESTMENTS								
	50,846,000	2,500,000		53,346,000	42,346,000	2,000,000		44,346,000
HOSPITAL PATIENT RECOVERIES								
STATE HOSPITAL RECOVERIES - MEDICAID	52,177,000			52,177,000	51,821,000			51,821,000
STATE HOSPITAL RECOVERIES - MEDICARE	2,513,000			2,513,000	2,599,000			2,599,000
STATE HOSPITAL RECOVERIES - INSURANCE & SPONSORS	5,645,000			5,645,000	5,631,000			5,631,000
DISPROPORTIONATE SHARE PAYMENTS	23,700,000			23,700,000	23,700,000			23,700,000

APPENDIX B
ESTIMATED REVENUES FOR THE FISCAL YEARS ENDING JUNE 30, 2005 AND 2006

	2005 APPROPRIATION				2006 ALLOWANCE			
	GENERAL FUNDS	SPECIAL FUNDS	FEDERAL FUNDS	TOTAL FUNDS	GENERAL FUNDS	SPECIAL FUNDS	FEDERAL FUNDS	TOTAL FUNDS
MISCELLANEOUS TAXES, FEES AND OTHER REVENUES								
EXCESS FEES OF OFFICE	4,856,000			4,856,000	4,728,000			4,728,000
UNCLAIMED PROPERTY REVENUE	137,000,000			137,000,000	42,500,000			42,500,000
LOCAL SHARE OF COST OF INCOME TAX ADMINISTRATION	12,522,000			12,522,000	12,397,000			12,397,000
UNINSURED MOTORIST PENALTY FEES	35,962,000			35,962,000	36,286,000			36,286,000
MISCELLANEOUS	4,704,000			4,704,000	4,732,000			4,732,000
ANNUITY BOND FUND MISCELLANEOUS REVENUES		40,959,267		40,959,267		93,589,044		93,589,044
BUDGETED TOBACCO SETTLEMENT RECOVERIES		117,891,518		117,891,518		122,740,882		122,740,882
LEGISLATIVE	300,000			300,000	300,000			300,000
JUDICIAL REVIEW AND LEGAL								
JUDICIARY								
COURT OF APPEALS	118,100			118,100	121,600			121,600
COURT OF SPECIAL APPEALS	93,700			93,700	96,500			96,500
CIRCUIT COURT JUDGES		1,377,448	614,230	1,991,678		1,377,448	658,764	2,036,212
STATE BOARD OF LAW EXAMINERS	820,700			820,700	845,300			845,300
ADMINISTRATIVE OFFICE OF THE COURTS		22,321,644		22,321,644		20,897,096		20,897,096
STATE LAW LIBRARY		11,500		11,500		11,500		11,500
CLERKS OF THE CIRCUIT COURT	46,273,500	5,000,000	2,076,935	53,350,435	41,273,600	5,000,000	2,095,649	48,369,249
MAJOR TECHNOLOGY DEVELOPMENT PROJECTS		9,022,288		9,022,288		10,446,836		10,446,836
OFFICE OF THE PUBLIC DEFENDER	1,500,000	184,786		1,684,786	1,500,000	181,614		1,681,614
OFFICE OF THE ATTORNEY GENERAL	20,900,000	1,424,873	1,553,320	23,878,193	21,000,000	2,452,470	1,661,295	25,113,765
PUBLIC SERVICE COMMISSION	60,000	12,597,759		12,657,759	60,000	11,669,097		11,729,097
OFFICE OF THE PEOPLE'S COUNSEL		2,568,813		2,568,813		2,582,232		2,582,232
SUBSEQUENT INJURY FUND	12,000	1,744,383		1,756,383	12,000	1,774,070		1,786,070
UNINSURED EMPLOYERS' FUND	9,000	962,681		971,681	9,000	975,127		984,127
WORKERS' COMPENSATION COMMISSION		12,797,085		12,797,085		12,282,953		12,282,953
Less: Tobacco Settlement Recoveries (Office of the Atty General)		(168,764)		(168,764)		(179,000)		(179,000)
TOTAL	69,787,000	69,844,496	4,244,485	143,875,981	64,918,000	69,471,443	4,415,708	138,805,151
EXECUTIVE AND ADMINISTRATIVE CONTROL								
BOARD OF PUBLIC WORKS	20,000	1,803,744		1,823,744		1,803,744		1,803,744
BOARD OF PUBLIC WORKS - CAPITAL		2,400,000	400,000	2,800,000		2,400,000		2,400,000
DEPARTMENT OF DISABILITIES	45,000	92,258	1,649,565	1,786,823	45,000	7,380,502	3,714,591	11,140,093
MARYLAND ENERGY ADMINISTRATION	31,300	4,337,719	862,624	5,231,643	32,300	4,977,973	836,810	5,847,083
OFFICE FOR CHILDREN, YOUTH AND FAMILIES	10,000	429,175	472,455	911,630	10,000	285,975	633,567	929,542
EXECUTIVE DEPT - BOARDS, COMMISSIONS AND OFFICES	400,000	2,034,490	26,380,506	28,814,996	400,000	1,932,956	21,616,328	23,949,284
SECRETARY OF STATE	1,749,000	485,690		2,234,690	1,936,000	435,550		2,371,550
HISTORIC ST. MARY'S CITY COMMISSION		703,284	259,904	963,188		572,958		572,958
DEPARTMENT OF AGING		769,360	25,748,149	26,517,509		315,944	25,992,157	26,308,101
COMMISSION ON HUMAN RELATIONS	1,000		720,956	721,956	1,000		800,297	801,297
MARYLAND STADIUM AUTHORITY		21,235,000		21,235,000		21,000,000		21,000,000
STATE BOARD OF ELECTIONS		5,667,482	13,104,107	18,771,589		7,707,381	10,996,115	18,703,496
DEPARTMENT OF PLANNING		324,610		324,610		318,151		318,151
MILITARY DEPARTMENT	2,000	174,267	32,608,365	32,784,632	2,000	174,267	35,060,628	35,236,895
MD INSTITUTE FOR EMERGENCY MEDICAL SERVICES SYSTEM		10,627,795	300,186	10,927,981		10,772,233	350,000	11,122,233
DEPARTMENT OF VETERANS AFFAIRS		263,350	7,064,492	7,327,842		266,650	7,328,568	7,595,218
STATE ARCHIVES		7,968,686	186,070	8,154,756		7,819,238	88,602	7,907,840

APPENDIX B
ESTIMATED REVENUES FOR THE FISCAL YEARS ENDING JUNE 30, 2005 AND 2006

	2005 APPROPRIATION				2006 ALLOWANCE			
	GENERAL FUNDS	SPECIAL FUNDS	FEDERAL FUNDS	TOTAL FUNDS	GENERAL FUNDS	SPECIAL FUNDS	FEDERAL FUNDS	TOTAL FUNDS
MARYLAND INSURANCE ADMINISTRATION	2,100,000	84,658,182		86,758,182	2,200,000	88,977,218		91,177,218
CANAL PLACE PRESERVATION AND DEVELOPMENT AUTHORITY		195,551		195,551		225,246		225,246
OFFICE OF ADMINISTRATIVE HEARINGS	2,010,000	6,000		2,016,000	2,010,000	6,000		2,016,000
TOTAL	6,368,300	144,176,643	109,757,379	260,302,322	6,636,300	157,371,986	107,417,663	271,425,949
FINANCIAL AND REVENUE ADMINISTRATION								
COMPTROLLER OF THE TREASURY	2,200,000	13,520,282		15,720,282	2,842,200	14,504,179		17,346,379
STATE TREASURER	5,000,000	620,640		5,620,640	5,000,000	784,524		5,784,524
STATE DEPARTMENT OF ASSESSMENTS AND TAXATION	2,194,700	3,816,500		6,011,200	1,700,000	3,638,030		5,338,030
STATE LOTTERY AGENCY	446,195,000	51,816,944		498,011,944	461,059,000	55,473,323		516,532,323
TOTAL	455,589,700	69,774,366	-	525,364,066	470,601,200	74,400,056	-	545,001,256
DEPARTMENT OF BUDGET AND MANAGEMENT	1,094,900	15,939,747		17,034,647	883,000	8,002,519		8,885,519
MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS FUND						400,000		400,000
RETIREMENT PROGRAMS								
MARYLAND STATE RETIREMENT AND PENSION SYSTEMS		20,987,526		20,987,526		20,302,177		20,302,177
TEACHERS AND EMPLOYEES SUPPLEMENTAL RETIREMENT PLANS		1,479,592		1,479,592		1,307,193		1,307,193
TOTAL	-	22,467,118	-	22,467,118	-	21,609,370	-	21,609,370
DEPARTMENT OF GENERAL SERVICES	1,225,000	1,551,164	801,432	3,577,596	100,000	1,337,060	787,855	2,224,915
DEPARTMENT OF TRANSPORTATION								
MOTOR VEHICLE FUEL TAXES AND LICENSES		762,800,000		762,800,000		779,900,000		779,900,000
MOTOR VEHICLE TITLING TAX		733,000,000		733,000,000		750,000,000		750,000,000
MOTOR VEHICLE REGISTRATION		348,700,000		348,700,000		351,500,000		351,500,000
MOTOR VEHICLE ADMINISTRATION FEES		221,350,000		221,350,000		230,673,000		230,673,000
PORT ADMINISTRATION		90,123,000		90,123,000		88,300,000		88,300,000
MASS TRANSIT ADMINISTRATION		109,556,000		109,556,000		109,907,000		109,907,000
AVIATION ADMINISTRATION		125,258,000		125,258,000		154,166,097		154,166,097
BOND PROCEEDS		35,000,000		35,000,000		320,000,000		320,000,000
CAPITAL REIMBURSEMENT		64,100,000		64,100,000		10,000,000		10,000,000
MISCELLANEOUS		17,750,000		17,750,000		17,500,000		17,500,000
MARYLAND TRANSPORTATION AUTHORITY TRANSFER		43,000,000		43,000,000		43,000,000		43,000,000
TRANSFER FROM THE GENERAL FUND						50,000,000		50,000,000
REVENUE TRANSFERS TO THE GENERAL FUND								
FUEL TAX (CHESAPEAKE BAY 2.3%)	13,315,000	(13,315,000)			13,615,000	(13,615,000)		
SPECIAL LICENSE TAGS	2,030,000	(2,030,000)			2,100,000	(2,100,000)		
SECURITY INTEREST FILING FEES	8,680,000	(8,680,000)			8,820,000	(8,820,000)		

APPENDIX B
ESTIMATED REVENUES FOR THE FISCAL YEARS ENDING JUNE 30, 2005 AND 2006

	2005 APPROPRIATION				2006 ALLOWANCE			
	GENERAL FUNDS	SPECIAL FUNDS	FEDERAL FUNDS	TOTAL FUNDS	GENERAL FUNDS	SPECIAL FUNDS	FEDERAL FUNDS	TOTAL FUNDS
REVENUE TRANSFERS TO OTHER SPECIAL FUNDS								
FUEL TAX (COMPTROLLER)		(6,931,537)		(6,931,537)		(6,949,776)		(6,949,776)
FUEL TAX (DNR)		(3,474,000)		(3,474,000)		(3,552,000)		(3,552,000)
GASOLINE AND MOTOR VEHICLE REVENUES (DEPT OF ENVIRON)		(493,000)		(493,000)		(493,000)		(493,000)
GASOLINE AND MOTOR VEHICLE REVENUES (STATE POLICE)		(21,768,669)		(21,768,669)		(22,250,877)		(22,250,877)
SCHOLARSHIP FUNDS (SPECIAL LICENSE TAGS)		(380,000)		(380,000)		(380,000)		(380,000)
EMS OPERATIONS FUND (MED-EVAC SURCHARGE)		(62,850,000)		(62,850,000)		(62,473,000)		(62,473,000)
TRANSFER (TO)/FROM TRANSPORTATION TRUST FUND RESERVE		61,170,017		61,170,017		(44,182,588)		(44,182,588)
ESTIMATE FOR SALES TAX OVER/(UNDER) BRE ESTIMATE		35,000		35,000		(40,000)		(40,000)
ESTIMATE FOR CORP TAX OVER/(UNDER) BRE ESTIMATE		(359,000)		(359,000)		(371,000)		(371,000)
OTHER FEDERAL FUNDS			854,699,624	854,699,624			852,194,572	852,194,572
TOTAL TRANSPORTATION	24,025,000	2,491,560,811	854,699,624	3,370,285,435	24,535,000	2,739,718,856	852,194,572	3,616,448,428
DEPARTMENT OF NATURAL RESOURCES	558,100	87,175,390	25,822,945	113,556,435	368,000	260,354,751	28,357,087	289,079,838
Less: Property Transfer Tax		(9,796,910)		(9,796,910)		(179,389,853)		(179,389,853)
Racing Revenue		(13,000)		(13,000)		(13,000)		(13,000)
Net Total	558,100	77,378,480	25,822,945	103,759,525	368,000	80,964,898	28,357,087	109,689,985
DEPARTMENT OF AGRICULTURE	85,000	35,533,339	9,099,349	44,717,688	67,000	73,892,206	9,324,994	83,284,200
Less: Property Transfer Tax						(35,879,015)		(35,879,015)
Racing Revenue		(1,460,000)		(1,460,000)		(1,460,000)		(1,460,000)
Tobacco Settlement Recoveries		(5,653,000)		(5,653,000)		(5,956,000)		(5,956,000)
Net Total	85,000	28,420,339	9,099,349	37,604,688	67,000	30,597,191	9,324,994	39,989,185
DEPARTMENT OF HEALTH AND MENTAL HYGIENE	17,262,000	259,966,666	2,631,159,660	2,908,388,326	17,536,800	265,331,378	2,824,927,091	3,107,795,269
Less: Tobacco Settlement Recoveries		(109,069,754)		(109,069,754)		(113,605,882)		(113,605,882)
Net Total	17,262,000	150,896,912	2,631,159,660	2,799,318,572	17,536,800	151,725,496	2,824,927,091	2,994,189,387
DEPARTMENT OF HUMAN RESOURCES	1,823,600	67,362,261	927,556,604	996,742,465	1,821,500	65,920,471	1,000,110,795	1,067,852,766
DEPARTMENT OF LABOR, LICENSING, AND REGULATION	13,377,400	19,975,739	137,195,065	170,548,204	17,611,800	19,396,938	135,784,010	172,792,748
Less: Racing Revenue	(240,000)	(2,796,500)		(3,036,500)	(240,000)	(2,796,500)		(3,036,500)
Net Total	13,137,400	17,179,239	137,195,065	167,511,704	17,371,800	16,600,438	135,784,010	169,756,248
DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONAL SERVIC	7,914,200	131,166,917	8,137,884	147,219,001	7,914,100	138,905,208	10,974,100	157,793,408
STATE DEPARTMENT OF EDUCATION	24,023,000	10,576,756	851,090,851	885,690,607	24,010,000	8,743,442	890,004,755	922,758,197
Less: Tobacco Settlement Recoveries		(3,000,000)		(3,000,000)		(3,000,000)		(3,000,000)
Net Total	24,023,000	7,576,756	851,090,851	882,690,607	24,010,000	5,743,442	890,004,755	919,758,197
MARYLAND PUBLIC BROADCASTING COMMISSION	100	19,123,124	3,378,461	22,501,685	100	16,192,079	3,200,000	19,392,179
UNIVERSITY OF MARYLAND MEDICAL SYSTEM		6,963,757		6,963,757		5,117,381		5,117,381
MARYLAND HIGHER EDUCATION COMMISSION	1,300,000	3,690,704	3,587,687	8,578,391	1,500,000	1,812,469	2,259,020	5,571,489

APPENDIX B
ESTIMATED REVENUES FOR THE FISCAL YEARS ENDING JUNE 30, 2005 AND 2006

	2005 APPROPRIATION				2006 ALLOWANCE			
	GENERAL FUNDS	SPECIAL FUNDS	FEDERAL FUNDS	TOTAL FUNDS	GENERAL FUNDS	SPECIAL FUNDS	FEDERAL FUNDS	TOTAL FUNDS
SUPPORT FOR STATE OPERATED INST OF HIGHER EDUCATION		5,968,000		5,968,000		6,010,967		6,010,967
MARYLAND SCHOOL FOR THE DEAF	11,200	212,758	934,921	1,158,879	11,100	182,424	1,139,275	1,332,799
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT	846,000	50,855,176	180,318,534	232,019,710	1,015,000	55,106,142	240,125,469	296,246,611
Less: Property Transfer Tax		(1,000,000)		(1,000,000)		(1,000,000)		(1,000,000)
Net Total	846,000	49,855,176	180,318,534	231,019,710	1,015,000	54,106,142	240,125,469	295,246,611
DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT		38,521,759	558,015	39,079,774		39,836,291	594,145	40,430,436
DEPARTMENT OF THE ENVIRONMENT	457,500	61,996,407	65,253,414	127,707,321	302,100	94,747,574	69,349,192	164,398,866
DEPARTMENT OF JUVENILE SERVICES	239,000	248,000	15,358,081	15,845,081	250,000	253,000	16,896,837	17,399,837
DEPARTMENT OF STATE POLICE	2,900,000	59,204,252	13,233,139	75,337,391	2,900,000	60,151,754	448,100	63,499,854
PUBLIC DEBT - RELATED EXPENSES ON STATE BONDS		631,056,322		631,056,322				
APPENDIX B SUBTOTAL NO. 1	11,020,296,000	5,064,987,807	5,842,187,530	21,927,471,337	11,306,303,000	4,975,330,501	6,198,310,668	22,479,944,169
DEFICIENCY APPROPRIATIONS								
DEPARTMENT OF BUDGET AND MANAGEMENT		13,645,949		13,645,949				
DEPARTMENT OF HEALTH AND MENTAL HYGIENE			58,000,000	58,000,000				
APPENDIX B SUBTOTAL NO. 2	11,020,296,000	5,078,633,756	5,900,187,530	21,999,117,286	11,306,303,000	4,975,330,501	6,198,310,668	22,479,944,169
ADJUSTMENT TO REVENUES								
Revenue from Maryland Environmental Service	809,384			809,384				
Settlement (Bristol-Meyers Squibb)	1,512,004			1,512,004				
Withholding from lump-sum retirement distributions					30,000,000			30,000,000
Tax clearance for drivers' registration and license renewals					15,000,000			15,000,000
Streamlined bank account attachment process					8,000,000			8,000,000
Adjust withholding to 6% for out-of-state realty sales					6,000,000			6,000,000
Reduce withholding allowances for debtors					5,000,000			5,000,000
Other					3,843,859			3,843,859
APPENDIX B SUBTOTAL NO. 3	11,022,617,388	5,078,633,756	5,900,187,530	22,001,438,674	11,374,146,859	4,975,330,501	6,198,310,668	22,547,788,028

APPENDIX B
ESTIMATED REVENUES FOR FISCAL YEARS ENDING JUNE 30, 2005 AND 2006

	FY 2005 APPROPRIATION			FY 2006 ALLOWANCE		
	CURRENT	CURRENT	TOTAL	CURRENT	CURRENT	TOTAL
	UNRESTRICTED	RESTRICTED	FUNDS	UNRESTRICTED	RESTRICTED	FUNDS
	FUND	FUND		FUNDS	FUNDS	FUNDS
HIGHER EDUCATION:						
University of Maryland, Baltimore	346,576,962	300,932,071	647,509,033	364,063,228	300,932,071	664,995,299
University of Maryland, College Park	887,466,177	255,669,000	1,143,135,177	929,881,177	263,669,000	1,193,550,177
Bowie State University	58,939,022	16,500,000	75,439,022	61,150,746	16,500,000	77,650,746
Towson University	239,282,259	24,500,000	263,782,259	248,298,740	23,900,000	272,198,740
University of Maryland Eastern Shore	58,996,098	20,697,665	79,693,763	61,954,475	21,096,837	83,051,312
Frostburg State University	70,122,132	6,887,868	77,010,000	73,191,604	6,887,868	80,079,472
Coppin State University	38,850,419	18,136,370	56,986,789	41,331,504	19,950,007	61,281,511
University of Baltimore	65,117,893	8,150,000	73,267,893	69,475,159	8,293,683	77,768,842
Salisbury University	93,088,227	6,475,992	99,564,219	97,229,637	6,475,992	103,705,629
University of Maryland University College	230,269,537	10,000,000	240,269,537	244,291,901	10,000,000	254,291,901
University of Maryland, Baltimore County	212,239,995	84,651,494	296,891,489	222,343,479	86,239,896	308,583,375
University of Maryland Center for Environmental S	17,554,615	17,056,039	34,610,654	18,275,260	17,056,039	35,331,299
University of Maryland Biotechnology Institute	32,055,011	25,000,000	57,055,011	31,221,876	25,000,000	56,221,876
University System of Maryland Office	14,601,000	3,000,000	17,601,000	16,381,000	3,000,000	19,381,000
Baltimore City Community College	49,863,324	22,186,898	72,050,222	53,709,915	22,405,962	76,115,877
St. Mary's College of Maryland	47,672,348	3,600,000	51,272,348	49,590,164	3,600,000	53,190,164
Morgan State University	122,744,832	40,738,024	163,482,856	125,716,816	45,264,941	170,981,757
Total - Four-year Institutions	2,585,439,851	864,181,421	3,449,621,272	2,708,106,681	880,272,296	3,588,378,977
Less: General & Special Funds in Higher Education						
General Funds			850,960,233			897,791,141
Special Funds			5,968,000			6,010,967
Total Higher Education			2,592,693,039			2,684,576,869
GRAND TOTAL FOR APPENDIX B			24,594,131,713			25,232,364,897

**APPENDIX C
SUMMARY OF OPERATING BUDGETS FOR FISCAL YEARS ENDING JUNE 30, 2005 AND 2006**

	2005 APPROPRIATION				2006 ALLOWANCE			
	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS
PAYMENTS TO CIVIL DIVISIONS OF THE STATE								
DISPARITY GRANTS	93,102,399	-	-	93,102,399	96,578,133	-	-	96,578,133
SECURITY INTEREST FILING FEES	3,196,000	-	-	3,196,000	3,150,000	-	-	3,150,000
RETIREMENT CONTRIBUTION - CERTAIN LOCAL EMPLOYEES	1,576,711	-	-	1,576,711	1,692,545	-	-	1,692,545
ELECTRICITY GENERATING EQUIPMENT PROPERTY TAX GRANTS	30,615,201	-	-	30,615,201	30,615,201	-	-	30,615,201
TOTAL PAYMENTS TO CIVIL DIVISIONS OF THE STATE	128,490,311	-	-	128,490,311	132,035,879	-	-	132,035,879
LEGISLATIVE								
GENERAL ASSEMBLY OF MARYLAND								
SENATE	9,269,738	-	-	9,269,738	9,486,811	-	-	9,486,811
HOUSE OF DELEGATES	17,366,258	-	-	17,366,258	17,970,565	-	-	17,970,565
GENERAL LEGISLATIVE EXPENSES	951,831	-	-	951,831	955,403	-	-	955,403
DEPARTMENT OF LEGISLATIVE SERVICES								
OFFICE OF THE EXECUTIVE DIRECTOR	9,512,563	-	-	9,512,563	9,847,774	-	-	9,847,774
OFFICE OF LEGISLATIVE AUDITS	8,845,855	-	-	8,845,855	9,354,708	-	-	9,354,708
OFFICE OF LEGISLATIVE INFORMATION SYSTEMS	3,850,158	-	-	3,850,158	4,060,094	-	-	4,060,094
OFFICE OF POLICY ANALYSIS	11,523,278	-	-	11,523,278	12,093,734	-	-	12,093,734
TOTAL LEGISLATIVE	61,319,681	-	-	61,319,681	63,769,089	-	-	63,769,089
JUDICIARY								
COURT OF APPEALS	6,749,221	-	-	6,749,221	7,208,769	-	-	7,208,769
COURT OF SPECIAL APPEALS	6,981,518	-	-	6,981,518	7,100,869	-	-	7,100,869
CIRCUIT COURT JUDGES	43,154,233	1,377,448	614,230	45,145,911	46,061,128	1,377,448	658,764	48,097,340
DISTRICT COURT	109,057,870	-	-	109,057,870	116,119,936	-	-	116,119,936
MARYLAND JUDICIAL CONFERENCE	10,000	-	-	10,000	225,000	-	-	225,000
ADMINISTRATIVE OFFICE OF THE COURTS	10,771,365	22,321,644	-	33,093,009	12,367,824	20,897,096	-	33,264,920
COURT RELATED AGENCIES	4,501,667	-	-	4,501,667	4,722,330	-	-	4,722,330
STATE LAW LIBRARY	1,842,208	11,500	-	1,853,708	1,987,619	11,500	-	1,999,119
JUDICIAL INFORMATION SYSTEMS	19,623,627	-	-	19,623,627	20,465,513	-	-	20,465,513
CLERKS OF THE CIRCUIT COURT	64,782,271	5,000,000	2,076,935	71,859,206	69,567,313	5,000,000	2,095,649	76,662,962
FAMILY LAW DIVISION	11,374,921	-	-	11,374,921	12,584,675	-	-	12,584,675
MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS	1,681,444	9,022,288	-	10,703,732	3,673,672	10,446,836	-	14,120,508
TOTAL JUDICIARY	280,530,345	37,732,880	2,691,165	320,954,390	302,084,648	37,732,880	2,754,413	342,571,941
OFFICE OF THE PUBLIC DEFENDER								
GENERAL ADMINISTRATION	4,689,825	75,000	-	4,764,825	5,378,093	-	-	5,378,093
DISTRICT OPERATIONS	57,390,248	109,786	-	57,500,034	61,639,415	181,614	-	61,821,029
APPELLATE AND INMATE SERVICES	4,598,614	-	-	4,598,614	5,055,288	-	-	5,055,288
INVOLUNTARY INSTITUTIONALIZATION SERVICES	1,182,814	-	-	1,182,814	1,211,957	-	-	1,211,957
CAPITAL DEFENSE DIVISION	829,002	-	-	829,002	981,247	-	-	981,247
TOTAL OFFICE OF THE PUBLIC DEFENDER	68,690,503	184,786	-	68,875,289	74,266,000	181,614	-	74,447,614
OFFICE OF THE ATTORNEY GENERAL								
LEGAL COUNSEL AND ADVICE	5,337,961	-	-	5,337,961	5,341,913	-	-	5,341,913
SECURITIES DIVISION	2,319,570	-	-	2,319,570	2,368,085	-	-	2,368,085
CONSUMER PROTECTION DIVISION	2,494,572	1,242,381	-	3,736,953	1,593,063	2,273,470	-	3,866,533
ANTITRUST DIVISION	943,952	-	-	943,952	958,187	-	-	958,187
MEDICAID FRAUD CONTROL UNIT	537,464	-	1,553,320	2,090,784	554,140	-	1,661,295	2,215,435
CIVIL LITIGATION DIVISION	1,615,394	171,264	-	1,786,658	1,716,626	179,000	-	1,895,626
CRIMINAL APPEALS DIVISION	1,871,258	-	-	1,871,258	1,842,507	-	-	1,842,507
CRIMINAL INVESTIGATION DIVISION	1,223,886	11,228	-	1,235,114	1,246,192	-	-	1,246,192
EDUCATIONAL AFFAIRS DIVISION	594,753	-	-	594,753	549,350	-	-	549,350
CORRECTIONAL LITIGATION DIVISION	473,227	-	-	473,227	450,225	-	-	450,225
TOTAL OFFICE OF THE ATTORNEY GENERAL	17,412,037	1,424,873	1,553,320	20,390,230	16,620,288	2,452,470	1,661,295	20,734,053

**APPENDIX C
SUMMARY OF OPERATING BUDGETS FOR FISCAL YEARS ENDING JUNE 30, 2005 AND 2006**

	2005 APPROPRIATION				2006 ALLOWANCE			
	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS
OFFICE OF THE STATE PROSECUTOR								
GENERAL ADMINISTRATION	909,413	-	-	909,413	968,109	-	-	968,109
MARYLAND TAX COURT								
ADMINISTRATION AND APPEALS	558,638	-	-	558,638	568,926	-	-	568,926
PUBLIC SERVICE COMMISSION								
GENERAL ADMINISTRATION AND HEARINGS	-	6,630,770	-	6,630,770	-	5,567,438	-	5,567,438
TELECOMMUNICATIONS DIVISION	-	585,231	-	585,231	-	570,556	-	570,556
ENGINEERING INVESTIGATIONS	-	864,899	-	864,899	-	835,626	-	835,626
ACCOUNTING INVESTIGATIONS	-	581,055	-	581,055	-	573,530	-	573,530
COMMON CARRIER INVESTIGATIONS	-	1,025,008	-	1,025,008	-	1,029,314	-	1,029,314
WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION	-	290,116	-	290,116	-	338,116	-	338,116
RATE RESEARCH AND ECONOMICS	-	642,386	-	642,386	-	629,287	-	629,287
HEARING EXAMINER DIVISION	-	806,721	-	806,721	-	777,455	-	777,455
STAFF ATTORNEY	-	765,658	-	765,658	-	814,840	-	814,840
INTEGRATED RESOURCE PLANNING DIVISION	-	405,915	-	405,915	-	532,935	-	532,935
TOTAL PUBLIC SERVICE COMMISSION	-	12,597,759	-	12,597,759	-	11,669,097	-	11,669,097
OFFICE OF THE PEOPLE'S COUNSEL								
GENERAL ADMINISTRATION	-	2,568,813	-	2,568,813	-	2,582,232	-	2,582,232
SUBSEQUENT INJURY FUND								
GENERAL ADMINISTRATION	-	1,744,383	-	1,744,383	-	1,774,070	-	1,774,070
UNINSURED EMPLOYERS' FUND								
GENERAL ADMINISTRATION	-	962,681	-	962,681	-	975,127	-	975,127
WORKERS' COMPENSATION COMMISSION								
GENERAL ADMINISTRATION	-	12,387,365	-	12,387,365	-	12,282,953	-	12,282,953
MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS	-	409,720	-	409,720	-	-	-	-
TOTAL WORKERS' COMPENSATION COMMISSION	-	12,797,085	-	12,797,085	-	12,282,953	-	12,282,953
BOARD OF PUBLIC WORKS								
ADMINISTRATION OFFICE	639,462	-	-	639,462	643,881	-	-	643,881
CONTINGENT FUND	750,000	-	-	750,000	750,000	-	-	750,000
WETLANDS ADMINISTRATION	140,572	-	-	140,572	154,467	-	-	154,467
MISCELLANEOUS GRANTS TO PRIVATE NON-PROFIT GROUPS	631,535	1,803,744	-	2,435,279	4,045,624	1,803,744	-	5,849,368
MISCELLANEOUS GRANTS TO LOCAL GOVERNMENTS	1,735,000	-	-	1,735,000	1,985,000	-	-	1,985,000
PAYMENTS OF JUDGMENTS AGAINST THE STATE	90,000	-	-	90,000	300,000	-	-	300,000
TOTAL BOARD OF PUBLIC WORKS	3,986,569	1,803,744	-	5,790,313	7,878,972	1,803,744	-	9,682,716
BOARD OF PUBLIC WORKS - CAPITAL APPROPRIATION								
PUBLIC WORKS CAPITAL APPROPRIATION	1,200,000	-	400,000	1,600,000	-	-	-	-
PUBLIC SCHOOL CAPITAL APPROPRIATION	-	2,400,000	-	2,400,000	-	2,400,000	-	2,400,000
TOTAL BOARD OF PUBLIC WORKS - CAPITAL APPROPRIATION	1,200,000	2,400,000	400,000	4,000,000	-	2,400,000	-	2,400,000
EXECUTIVE DEPARTMENT - GOVERNOR								
GENERAL EXECUTIVE DIRECTION AND CONTROL	8,572,391	-	-	8,572,391	8,486,534	-	-	8,486,534
OFFICE OF THE DEAF AND HARD OF HEARING								
EXECUTIVE DIRECTION	228,237	-	-	228,237	218,889	-	-	218,889
DEPARTMENT OF DISABILITIES								
GENERAL ADMINISTRATION	1,239,183	92,258	1,649,565	2,981,006	1,347,547	7,380,502	3,714,591	12,442,640

**APPENDIX C
SUMMARY OF OPERATING BUDGETS FOR FISCAL YEARS ENDING JUNE 30, 2005 AND 2006**

	2005 APPROPRIATION				2006 ALLOWANCE			
	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS
MARYLAND ENERGY ADMINISTRATION								
GENERAL ADMINISTRATION	501,869	1,337,719	862,624	2,702,212	481,157	1,977,973	836,810	3,295,940
COMMUNITY ENERGY LOAN PROGRAM-CAPITAL APPROPRIATION	-	1,500,000	-	1,500,000	-	1,500,000	-	1,500,000
STATE AGENCY LOAN PROGRAM-CAPITAL APPROPRIATION	-	1,500,000	-	1,500,000	-	1,000,000	-	1,000,000
ENERGY EFFICIENCY AND ECONOMIC DEVELOPMENT LOAN PROGRAM	-	-	-	-	-	500,000	-	500,000
TOTAL MARYLAND ENERGY ADMINISTRATION	501,869	4,337,719	862,624	5,702,212	481,157	4,977,973	836,810	6,295,940
OFFICE FOR CHILDREN, YOUTH AND FAMILIES								
OFFICE FOR CHILDREN, YOUTH AND FAMILIES	4,159,115	429,175	472,455	5,060,745	2,733,277	285,975	633,567	3,652,819
EXECUTIVE DEPT-BOARDS, COMMISSIONS AND OFFICES								
SURVEY COMMISSIONS	144,454	-	-	144,454	136,922	-	-	136,922
OFFICE OF MINORITY AFFAIRS	713,022	-	-	713,022	1,069,888	-	-	1,069,888
OFFICE OF SERVICE AND VOLUNTEERISM	425,433	41,140	8,629,856	9,096,429	562,976	-	4,456,456	5,019,432
STATE ETHICS COMMISSION	693,623	109,422	-	803,045	662,638	127,582	-	790,220
HEALTH CLAIMS ARBITRATION OFFICE	550,243	85,262	-	635,505	-	-	-	-
STATE COMMISSION ON UNIFORM STATE LAWS	41,845	-	-	41,845	39,663	-	-	39,663
GOVERNOR'S OFFICE OF CRIME CONTROL AND PREVENTION	20,025,457	1,508,856	17,750,650	39,284,963	19,905,364	1,510,556	17,159,872	38,575,792
VOLUNTEER MARYLAND	193,536	289,810	-	483,346	162,454	294,818	-	457,272
STATE COMMISSION ON CRIMINAL SENTENCING POLICY	333,398	-	-	333,398	316,131	-	-	316,131
GOVERNOR'S GRANTS OFFICE	330,345	-	-	330,345	344,807	-	-	344,807
TOTAL EXECUTIVE DEPT-BOARDS, COMMISSIONS AND OFFICES	23,451,356	2,034,490	26,380,506	51,866,352	23,200,843	1,932,956	21,616,328	46,750,127
SECRETARY OF STATE								
OFFICE OF THE SECRETARY OF STATE	2,451,106	485,690	-	2,936,796	2,239,000	435,550	-	2,674,550
HISTORIC ST. MARY'S CITY COMMISSION								
ADMINISTRATION	2,021,226	703,284	259,904	2,984,414	1,907,401	572,958	-	2,480,359
INTERAGENCY COMMITTEE FOR SCHOOL CONSTRUCTION								
GENERAL ADMINISTRATION	1,222,487	-	-	1,222,487	1,210,213	-	-	1,210,213
AGING SCHOOLS PROGRAM	13,137,859	-	-	13,137,859	17,988,136	-	-	17,988,136
TOTAL INTERAGENCY COMMITTEE FOR SCHOOL CONSTRUCTION	14,360,346	-	-	14,360,346	19,198,349	-	-	19,198,349
DEPARTMENT OF AGING								
GENERAL ADMINISTRATION	20,154,733	769,360	25,748,149	46,672,242	19,611,439	315,944	25,992,157	45,919,540
SENIOR CENTERS OPERATING FUND	500,000	-	-	500,000	500,000	-	-	500,000
TOTAL DEPARTMENT OF AGING	20,654,733	769,360	25,748,149	47,172,242	20,111,439	315,944	25,992,157	46,419,540
COMMISSION ON HUMAN RELATIONS								
GENERAL ADMINISTRATION	2,542,050	-	720,956	3,263,006	2,321,426	-	800,297	3,121,723
MARYLAND STADIUM AUTHORITY								
MARYLAND STADIUM FACILITIES FUND	-	21,235,000	-	21,235,000	-	21,000,000	-	21,000,000
BALTIMORE CONVENTION CENTER	7,974,458	-	-	7,974,458	8,674,204	-	-	8,674,204
OCEAN CITY CONVENTION CENTER-CAPITAL CONSTRUCTION BUDGET	2,716,705	-	-	2,716,705	2,763,000	-	-	2,763,000
MONTGOMERY COUNTY CONFERENCE CENTER	1,846,920	-	-	1,846,920	1,752,700	-	-	1,752,700
HIPPODROME PERFORMING ARTS CENTER-CAPITAL APPROPRIATION	890,187	-	-	890,187	880,000	-	-	880,000
TOTAL MARYLAND STADIUM AUTHORITY	13,428,270	21,235,000	-	34,663,270	14,069,904	21,000,000	-	35,069,904

**APPENDIX C
SUMMARY OF OPERATING BUDGETS FOR FISCAL YEARS ENDING JUNE 30, 2005 AND 2006**

	2005 APPROPRIATION				2006 ALLOWANCE			
	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS
STATE BOARD OF ELECTIONS								
GENERAL ADMINISTRATION	4,167,154	-	-	4,167,154	3,798,633	-	-	3,798,633
HELP AMERICA VOTE ACT	1,129,726	5,167,482	12,104,107	18,401,315	1,130,000	5,707,381	6,996,115	13,833,496
MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS	-	500,000	1,000,000	1,500,000	-	2,000,000	4,000,000	6,000,000
TOTAL STATE BOARD OF ELECTIONS	5,296,880	5,667,482	13,104,107	24,068,469	4,928,633	7,707,381	10,996,115	23,632,129
MARYLAND STATE BOARD OF CONTRACT APPEALS								
CONTRACT APPEALS RESOLUTION	527,331	-	-	527,331	565,963	-	-	565,963
DEPARTMENT OF PLANNING								
GENERAL ADMINISTRATION	2,849,208	-	-	2,849,208	2,410,145	-	-	2,410,145
STATE CLEARINGHOUSE AND INTERGOVERNMENTAL AFFAIRS	626,421	-	-	626,421	903,462	-	-	903,462
PLANNING DATA SERVICES	1,469,725	-	-	1,469,725	1,169,509	-	-	1,169,509
LOCAL PLANNING ASSISTANCE	1,596,442	-	-	1,596,442	938,768	-	-	938,768
COMPREHENSIVE PLANNING	1,065,539	-	-	1,065,539	1,364,257	-	-	1,364,257
PARCEL MAPPING	188,346	324,610	-	512,956	55,554	318,151	-	373,705
TOTAL DEPARTMENT OF PLANNING	7,795,681	324,610	-	8,120,291	6,841,695	318,151	-	7,159,846
MILITARY DEPARTMENT OPERATIONS AND MAINTENANCE								
ADMINISTRATIVE HEADQUARTERS	2,413,908	52,276	166,882	2,633,066	2,196,016	52,276	107,126	2,355,418
AIR OPERATIONS AND MAINTENANCE	715,762	-	3,198,831	3,914,593	680,041	-	3,675,471	4,355,512
ARMY OPERATIONS AND MAINTENANCE	5,131,043	121,991	2,539,521	7,792,555	5,060,810	121,991	4,496,702	9,679,503
STATE OPERATIONS	2,786,661	-	2,167,057	4,953,718	3,053,744	-	2,070,119	5,123,863
MARYLAND EMERGENCY MANAGEMENT AGENCY	2,573,991	-	24,536,074	27,110,065	2,494,389	-	24,711,210	27,205,599
TOTAL MILITARY DEPARTMENT OPERATIONS AND MAINTENANCE	13,621,365	174,267	32,608,365	46,403,997	13,485,000	174,267	35,060,628	48,719,895
MARYLAND INSTITUTE FOR EMERGENCY MEDICAL SERVICES SYSTEMS								
GENERAL ADMINISTRATION	-	10,627,795	300,186	10,927,981	-	10,772,233	350,000	11,122,233
DEPARTMENT OF VETERANS AFFAIRS								
SERVICE PROGRAM	1,171,015	-	-	1,171,015	1,332,330	-	-	1,332,330
CEMETERY PROGRAM	1,847,647	148,000	599,680	2,595,327	1,697,352	162,000	667,590	2,526,942
MEMORIALS AND MONUMENTS PROGRAM	399,053	-	-	399,053	360,546	-	-	360,546
VETERANS HOME PROGRAM	5,908,933	115,350	6,464,812	12,489,095	6,229,828	104,650	6,660,978	12,995,456
CAPITAL APPROPRIATION-VETERANS HOME PROGRAM	-	-	-	-	631,000	-	-	631,000
TOTAL DEPARTMENT OF VETERANS AFFAIRS	9,326,648	263,350	7,064,492	16,654,490	10,251,056	266,650	7,328,568	17,846,274
STATE ARCHIVES								
ARCHIVES	2,292,028	7,935,977	186,070	10,414,075	2,366,552	7,748,868	88,602	10,204,022
ARTISTIC PROPERTY	173,446	32,709	-	206,155	127,153	70,370	-	197,523
TOTAL STATE ARCHIVES	2,465,474	7,968,686	186,070	10,620,230	2,493,705	7,819,238	88,602	10,401,545
MARYLAND INSURANCE ADMINISTRATION								
INSURANCE ADMINISTRATION AND REGULATION								
ADMINISTRATION AND OPERATIONS	-	21,759,049	-	21,759,049	-	22,290,483	-	22,290,483
HEALTH INSURANCE SAFETY NET PROGRAMS								
MARYLAND HEALTH INSURANCE PROGRAM	-	39,399,133	-	39,399,133	-	39,422,006	-	39,422,006
SENIOR PRESCRIPTION DRUG PROGRAM	-	23,500,000	-	23,500,000	-	27,264,729	-	27,264,729
TOTAL HEALTH INSURANCE SAFETY NET PROGRAMS	-	62,899,133	-	62,899,133	-	66,686,735	-	66,686,735
TOTAL MARYLAND INSURANCE ADMINISTRATION	-	84,658,182	-	84,658,182	-	88,977,218	-	88,977,218
CANAL PLACE PRESERVATION AND DEVELOPMENT AUTHORITY								
GENERAL ADMINISTRATION	252,401	195,551	-	447,952	262,914	225,246	-	488,160

**APPENDIX C
SUMMARY OF OPERATING BUDGETS FOR FISCAL YEARS ENDING JUNE 30, 2005 AND 2006**

	2005 APPROPRIATION				2006 ALLOWANCE			
	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS
OFFICE OF ADMINISTRATIVE HEARINGS								
GENERAL ADMINISTRATION	302,526	6,000	-	308,526	-	6,000	-	6,000
COMPTROLLER OF MARYLAND								
OFFICE OF THE COMPTROLLER								
EXECUTIVE DIRECTION	2,285,548	346,159	-	2,631,707	2,265,097	368,770	-	2,633,867
FINANCIAL AND SUPPORT SERVICES	1,619,399	245,046	-	1,864,445	1,718,440	261,551	-	1,979,991
TOTAL OFFICE OF THE COMPTROLLER	3,904,947	591,205	-	4,496,152	3,983,537	630,321	-	4,613,858
GENERAL ACCOUNTING DIVISION								
ACCOUNTING CONTROL AND REPORTING	4,891,312	-	-	4,891,312	4,906,026	-	-	4,906,026
BUREAU OF REVENUE ESTIMATES								
ESTIMATING OF REVENUES	449,220	-	-	449,220	447,820	-	-	447,820
REVENUE ADMINISTRATION DIVISION								
REVENUE ADMINISTRATION	31,331,620	1,614,438	-	32,946,058	30,648,343	2,180,695	-	32,829,038
MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS	-	200,000	-	200,000	-	-	-	-
TOTAL REVENUE ADMINISTRATION DIVISION	31,331,620	1,814,438	-	33,146,058	30,648,343	2,180,695	-	32,829,038
COMPLIANCE DIVISION								
COMPLIANCE ADMINISTRATION	18,799,552	6,862,654	-	25,662,206	19,097,831	7,341,867	-	26,439,698
REGULATORY AND ENFORCEMENT DIVISION								
REGULATORY AND ENFORCEMENT ADMINISTRATION	3,647,006	1,954,947	-	5,601,953	3,663,135	2,091,229	-	5,754,364
MOTOR FUEL TAX DIVISION								
MOTOR FUEL TAX ADMINISTRATION	-	2,297,038	-	2,297,038	-	2,260,067	-	2,260,067
CENTRAL PAYROLL BUREAU								
PAYROLL MANAGEMENT	3,553,978	-	-	3,553,978	3,326,853	-	-	3,326,853
TOTAL COMPTROLLER OF MARYLAND	66,577,635	13,520,282	-	80,097,917	66,073,545	14,504,179	-	80,577,724
STATE TREASURER'S OFFICE								
TREASURY MANAGEMENT								
TREASURY MANAGEMENT	3,654,851	370,640	-	4,025,491	4,323,439	484,524	-	4,807,963
BOND SALE EXPENSES								
BOND SALE EXPENSES	22,000	250,000	-	272,000	22,000	300,000	-	322,000
TOTAL STATE TREASURER'S OFFICE	3,676,851	620,640	-	4,297,491	4,345,439	784,524	-	5,129,963
STATE DEPARTMENT OF ASSESSMENTS AND TAXATION								
OFFICE OF THE DIRECTOR	2,156,025	-	-	2,156,025	2,220,855	-	-	2,220,855
REAL PROPERTY VALUATION	31,396,912	-	-	31,396,912	30,894,845	-	-	30,894,845
OFFICE OF INFORMATION TECHNOLOGY	4,199,594	-	-	4,199,594	3,548,781	-	-	3,548,781
BUSINESS PROPERTY VALUATION	3,042,464	-	-	3,042,464	3,085,173	-	-	3,085,173
TAX CREDIT PAYMENTS	46,219,544	-	-	46,219,544	48,500,000	-	-	48,500,000
PROPERTY TAX CREDIT PROGRAMS	1,880,463	16,500	-	1,896,963	1,857,658	16,500	-	1,874,158
CHARTER UNIT	-	3,800,000	-	3,800,000	-	3,621,530	-	3,621,530
TOTAL STATE DEPARTMENT OF ASSESSMENTS AND TAXATION	88,895,002	3,816,500	-	92,711,502	90,107,312	3,638,030	-	93,745,342

**APPENDIX C
SUMMARY OF OPERATING BUDGETS FOR FISCAL YEARS ENDING JUNE 30, 2005 AND 2006**

	2005 APPROPRIATION				2006 ALLOWANCE			
	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS
STATE LOTTERY AGENCY								
ADMINISTRATION AND OPERATIONS	-	51,816,944	-	51,816,944	-	55,473,323	-	55,473,323
PROPERTY TAX ASSESSMENT APPEALS BOARDS								
PROPERTY TAX ASSESSMENT APPEALS BOARDS	861,412	-	-	861,412	872,950	-	-	872,950
REGISTERS OF WILLS								
SUPPLEMENT FOR REGISTERS OF WILLS	75,000	-	-	75,000	25,000	-	-	25,000
DEPARTMENT OF BUDGET AND MANAGEMENT								
OFFICE OF THE SECRETARY								
EXECUTIVE DIRECTION	1,374,284	-	-	1,374,284	1,156,807	-	-	1,156,807
DIVISION OF FINANCE AND ADMINISTRATION	3,156,946	-	-	3,156,946	2,666,773	-	-	2,666,773
CENTRAL COLLECTION UNIT	-	7,816,864	-	7,816,864	-	7,936,993	-	7,936,993
DIVISION OF PROCUREMENT POLICY AND ADMINISTRATION	1,822,709	-	-	1,822,709	1,537,211	-	-	1,537,211
TOTAL OFFICE OF THE SECRETARY	6,353,939	7,816,864	-	14,170,803	5,360,791	7,936,993	-	13,297,784
OFFICE OF PERSONNEL SERVICES AND BENEFITS								
EXECUTIVE DIRECTION	2,002,456	-	-	2,002,456	1,586,232	-	-	1,586,232
DIVISION OF EMPLOYEE RELATIONS	1,270,799	-	-	1,270,799	1,045,279	-	-	1,045,279
DIVISION OF EMPLOYEE DEVELOPMENT AND TRAINING	411,436	-	-	411,436	-	-	-	-
DIVISION OF SALARY ADMINISTRATION AND CLASSIFICATION	1,378,495	-	-	1,378,495	1,254,541	-	-	1,254,541
DIVISION OF RECRUITMENT AND EXAMINATION	2,207,047	-	-	2,207,047	2,170,893	-	-	2,170,893
STATEWIDE EXPENSES	1,254,156	-	-	1,254,156	72,476,195	-	-	72,476,195
STATE LABOR RELATIONS BOARD	210,331	-	-	210,331	50,548	-	-	50,548
TOTAL OFFICE OF PERSONNEL SERVICES AND BENEFITS	8,734,720	-	-	8,734,720	78,583,688	-	-	78,583,688
OFFICE OF INFORMATION TECHNOLOGY								
STATE CHIEF OF INFORMATION TECHNOLOGY	982,134	124,200	-	1,106,334	445,245	23,651	-	468,896
DIVISION OF ENTERPRISE INFRASTRUCTURE SYSTEMS	2,187,543	-	-	2,187,543	2,202,365	-	-	2,202,365
DIVISION OF STATEWIDE INFORMATION TECHNOLOGY SUPPORT	9,812,720	250,000	-	10,062,720	9,638,051	-	-	9,638,051
DIVISION OF TELECOMMUNICATIONS	-	7,748,683	-	7,748,683	-	41,875	-	41,875
TOTAL OFFICE OF INFORMATION TECHNOLOGY	12,982,397	8,122,883	-	21,105,280	12,285,661	65,526	-	12,351,187
OFFICE OF BUDGET ANALYSIS								
BUDGET ANALYSIS AND FORMULATION	2,010,343	-	-	2,010,343	2,147,855	-	-	2,147,855
OFFICE OF CAPITAL BUDGETING								
CAPITAL BUDGET ANALYSIS AND FORMULATION	1,375,022	-	-	1,375,022	1,013,690	-	-	1,013,690
TOTAL DEPARTMENT OF BUDGET AND MANAGEMENT	31,456,421	15,939,747	-	47,396,168	99,391,685	8,002,519	-	107,394,204
MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS FUND								
MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS FUND	8,756,672	-	-	8,756,672	25,756,409	400,000	-	26,156,409
MARYLAND STATE RETIREMENT AND PENSION SYSTEMS								
STATE RETIREMENT AGENCY	-	20,987,526	-	20,987,526	-	20,302,177	-	20,302,177
TEACHERS AND STATE EMPLOYEES SUPPLEMENTAL RETIREMENT PLANS								
MARYLAND SUPPLEMENTAL RETIREMENT PLAN BOARD AND STAFF	-	1,479,592	-	1,479,592	-	1,307,193	-	1,307,193

**APPENDIX C
SUMMARY OF OPERATING BUDGETS FOR FISCAL YEARS ENDING JUNE 30, 2005 AND 2006**

	2005 APPROPRIATION				2006 ALLOWANCE			
	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS
DEPARTMENT OF GENERAL SERVICES								
OFFICE OF THE SECRETARY								
EXECUTIVE DIRECTION	1,724,273	-	-	1,724,273	1,443,651	-	-	1,443,651
ADMINISTRATION	2,992,140	-	-	2,992,140	2,809,688	-	-	2,809,688
TOTAL OFFICE OF THE SECRETARY	4,716,413	-	-	4,716,413	4,253,339	-	-	4,253,339
OFFICE OF FACILITIES SECURITY								
FACILITIES SECURITY	8,201,384	-	232,049	8,433,433	7,445,624	-	228,299	7,673,923
OFFICE OF FACILITIES OPERATION AND MAINTENANCE								
FACILITIES OPERATION AND MAINTENANCE	25,291,081	381,261	569,383	26,241,725	25,945,950	485,168	559,556	26,990,674
MAINTENANCE OF WOODSTOCK CENTER	-	21,400	-	21,400	-	-	-	-
WOODSTOCK CENTER - CAPITAL APPROPRIATION	-	300,000	-	300,000	-	-	-	-
TOTAL OFFICE OF FACILITIES OPERATION AND MAINTENANCE	25,291,081	702,661	569,383	26,563,125	25,945,950	485,168	559,556	26,990,674
OFFICE OF PROCUREMENT AND LOGISTICS								
PROCUREMENT AND LOGISTICS	3,109,578	848,503	-	3,958,081	2,780,683	851,892	-	3,632,575
OFFICE OF REAL ESTATE								
REAL ESTATE MANAGEMENT	1,266,172	-	-	1,266,172	1,234,513	-	-	1,234,513
OFFICE OF FACILITIES PLANNING, DESIGN AND CONSTRUCTION								
FACILITIES PLANNING, DESIGN AND CONSTRUCTION	8,938,841	-	-	8,938,841	8,168,925	-	-	8,168,925
TOTAL DEPARTMENT OF GENERAL SERVICES	51,523,469	1,551,164	801,432	53,876,065	49,829,034	1,337,060	787,855	51,953,949
DEPARTMENT OF TRANSPORTATION								
THE SECRETARY'S OFFICE								
EXECUTIVE DIRECTION	-	22,454,969	-	22,454,969	-	22,561,555	-	22,561,555
OPERATING GRANTS-IN-AID	-	4,359,018	8,072,995	12,432,013	-	4,116,386	7,007,893	11,124,279
FACILITIES AND CAPITAL EQUIPMENT	-	31,723,238	8,442,000	40,165,238	-	24,207,591	12,174,000	36,381,591
WASHINGTON METROPOLITAN AREA TRANSIT-OPERATING	-	153,920,633	-	153,920,633	-	168,200,000	-	168,200,000
WASHINGTON METROPOLITAN AREA TRANSIT-CAPITAL	-	42,900,000	16,768,000	59,668,000	-	145,641,000	21,060,000	166,701,000
OFFICE OF TRANSPORTATION TECHNOLOGY SERVICES	-	36,093,322	-	36,093,322	-	32,684,508	-	32,684,508
TOTAL THE SECRETARY'S OFFICE	-	291,451,180	33,282,995	324,734,175	-	397,411,040	40,241,893	437,652,933
DEBT SERVICE REQUIREMENTS								
DEBT SERVICE REQUIREMENTS	-	175,887,819	-	175,887,819	-	150,746,733	-	150,746,733
STATE HIGHWAY ADMINISTRATION								
STATE SYSTEM CONSTRUCTION AND EQUIPMENT	-	488,186,430	523,300,000	1,011,486,430	-	541,300,000	532,700,000	1,074,000,000
STATE SYSTEM MAINTENANCE	-	165,967,815	5,230,547	171,198,362	-	165,076,958	5,701,541	170,778,499
COUNTY AND MUNICIPALITY CAPITAL FUNDS	-	4,500,000	27,600,000	32,100,000	-	4,500,000	39,772,000	44,272,000
HIGHWAY SAFETY OPERATING PROGRAM	-	5,807,976	8,194,422	14,002,398	-	5,897,098	8,195,407	14,092,505
COUNTY AND MUNICIPALITY FUNDS	-	451,665,416	-	451,665,416	-	554,110,927	-	554,110,927
MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS	-	1,715,349	600,000	2,315,349	-	2,462,783	3,000,000	5,462,783
TOTAL STATE HIGHWAY ADMINISTRATION	-	1,117,842,986	564,924,969	1,682,767,955	-	1,273,347,766	589,368,948	1,862,716,714
MARYLAND PORT ADMINISTRATION								
PORT OPERATIONS	-	98,300,327	-	98,300,327	-	96,113,778	-	96,113,778
PORT FACILITIES AND CAPITAL EQUIPMENT	-	99,187,557	2,178,000	101,365,557	-	77,460,036	7,543,000	85,003,036
TOTAL MARYLAND PORT ADMINISTRATION	-	197,487,884	2,178,000	199,665,884	-	173,573,814	7,543,000	181,116,814
MOTOR VEHICLE ADMINISTRATION								
MOTOR VEHICLE OPERATIONS	-	125,208,846	465,929	125,674,775	-	129,692,657	15,000	129,707,657

**APPENDIX C
SUMMARY OF OPERATING BUDGETS FOR FISCAL YEARS ENDING JUNE 30, 2005 AND 2006**

	2005 APPROPRIATION				2006 ALLOWANCE			
	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS
FACILITIES AND CAPITAL EQUIPMENT	-	8,976,813	-	8,976,813	-	15,305,439	-	15,305,439
MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS	-	5,872,000	-	5,872,000	-	4,087,000	-	4,087,000
TOTAL MOTOR VEHICLE ADMINISTRATION	-	140,057,659	465,929	140,523,588	-	149,085,096	15,000	149,100,096
MARYLAND TRANSIT ADMINISTRATION								
TRANSIT ADMINISTRATION	-	42,370,894	-	42,370,894	-	42,207,995	-	42,207,995
BUS OPERATIONS	-	147,700,908	30,278,599	177,979,507	-	159,492,907	30,278,599	189,771,506
RAIL OPERATIONS	-	116,087,398	12,604,351	128,691,749	-	119,570,521	12,604,351	132,174,872
FACILITIES AND CAPITAL EQUIPMENT	-	185,253,000	159,934,000	345,187,000	-	130,977,222	138,082,000	269,059,222
STATEWIDE PROGRAMS OPERATIONS	-	64,392,339	10,469,281	74,861,620	-	64,702,403	10,469,281	75,171,684
MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS	-	29,760,000	2,281,000	32,041,000	-	25,588,000	6,463,000	32,051,000
TOTAL MARYLAND TRANSIT ADMINISTRATION	-	585,564,539	215,567,231	801,131,770	-	542,539,048	197,897,231	740,436,279
MARYLAND AVIATION ADMINISTRATION								
AIRPORT OPERATIONS	-	122,638,744	240,500	122,879,244	-	159,881,359	240,500	160,121,859
AIRPORT FACILITIES AND CAPITAL EQUIPMENT	-	63,398,000	36,047,000	99,445,000	-	65,317,000	13,534,000	78,851,000
MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS	-	3,356,000	1,993,000	5,349,000	-	1,128,000	3,354,000	4,482,000
TOTAL MARYLAND AVIATION ADMINISTRATION	-	189,392,744	38,280,500	227,673,244	-	226,326,359	17,128,500	243,454,859
TOTAL DEPARTMENT OF TRANSPORTATION	-	2,697,684,811	854,699,624	3,552,384,435	-	2,913,029,856	852,194,572	3,765,224,428
DEPARTMENT OF NATURAL RESOURCES								
OFFICE OF THE SECRETARY								
SECRETARIAT	163,019	1,836,071	50,806	2,049,896	306,009	1,954,684	-	2,260,693
OFFICE OF THE ATTORNEY GENERAL	565,587	478,348	-	1,043,935	576,398	507,035	-	1,083,433
FINANCE AND ADMINISTRATIVE SERVICE	1,525,825	2,605,540	87,907	4,219,272	1,408,431	2,379,629	157,297	3,945,357
HUMAN RESOURCE SERVICE	549,926	566,864	-	1,116,790	405,342	572,371	-	977,713
INFORMATION TECHNOLOGY SERVICE	2,410,717	1,177,841	-	3,588,558	2,671,866	909,677	-	3,581,543
OFFICE OF COMMUNICATIONS AND MARKETING	577,158	671,616	-	1,248,774	471,142	634,577	-	1,105,719
TOTAL OFFICE OF THE SECRETARY	5,792,232	7,336,280	138,713	13,267,225	5,839,188	6,957,973	157,297	12,954,458
FORESTRY SERVICE								
FORESTRY SERVICE	5,789,585	1,779,802	1,487,158	9,056,545	5,194,693	1,886,533	1,476,406	8,557,632
WILDLIFE AND HERITAGE SERVICE								
WILDLIFE AND HERITAGE SERVICE	205,671	6,078,243	2,479,445	8,763,359	99,687	5,971,489	2,586,424	8,657,600
STATE FOREST AND PARK SERVICE								
STATE-WIDE OPERATION	23,327,489	12,567,398	452,876	36,347,763	22,785,467	12,417,451	135,338	35,338,256
REVENUE OPERATIONS	-	1,618,975	-	1,618,975	-	1,399,012	-	1,399,012
TOTAL STATE FOREST AND PARK SERVICE	23,327,489	14,186,373	452,876	37,966,738	22,785,467	13,816,463	135,338	36,737,268
CAPITAL GRANTS & LOAN ADMINISTRATION								
OPERATIONS	143,775	4,355,594	67,560	4,566,929	141,170	4,716,862	67,560	4,925,592
OUTDOOR RECREATION LAND LOAN	-	6,363,000	2,000,000	8,363,000	-	172,355,093	4,000,000	176,355,093
WATERWAY SERVICE PROJECTS	-	11,950,000	500,000	12,450,000	-	20,000,000	500,000	20,500,000
SHORE EROSION CONTROL CAPITAL PROJECTS	-	500,000	-	500,000	-	500,000	-	500,000
TOTAL CAPITAL GRANTS & LOAN ADMINISTRATION	143,775	23,168,594	2,567,560	25,879,929	141,170	197,571,955	4,567,560	202,280,685
LICENSING AND REGISTRATION SERVICE								
GENERAL DIRECTION	-	3,595,080	-	3,595,080	-	3,801,708	-	3,801,708
NATURAL RESOURCES POLICE								
GENERAL DIRECTION	3,245,341	2,769,213	1,042,931	7,057,485	3,194,053	2,737,412	1,043,369	6,974,834
FIELD OPERATIONS	14,919,801	3,262,737	1,213,647	19,396,185	14,446,486	3,389,447	1,288,604	19,124,537

**APPENDIX C
SUMMARY OF OPERATING BUDGETS FOR FISCAL YEARS ENDING JUNE 30, 2005 AND 2006**

	2005 APPROPRIATION				2006 ALLOWANCE			
	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS
WATERWAY MANAGEMENT SERVICES	-	1,841,828	83,238	1,925,066	-	2,010,716	86,612	2,097,328
TOTAL NATURAL RESOURCES POLICE	18,165,142	7,873,778	2,339,816	28,378,736	17,640,539	8,137,575	2,418,585	28,196,699
RESOURCE PLANNING								
RESOURCE PLANNING ADMINISTRATION	932,340	579,705	-	1,512,045	764,394	545,609	-	1,310,003
ENGINEERING AND CONSTRUCTION								
GENERAL DIRECTION	1,157,133	3,122,219	-	4,279,352	1,149,279	2,989,424	-	4,138,703
OCEAN CITY MAINTENANCE	-	1,000,000	-	1,000,000	-	1,000,000	-	1,000,000
TOTAL ENGINEERING AND CONSTRUCTION	1,157,133	4,122,219	-	5,279,352	1,149,279	3,989,424	-	5,138,703
CHESAPEAKE BAY CRITICAL AREA COMMISSION								
CHESAPEAKE BAY CRITICAL AREA COMMISSION	2,030,218	-	-	2,030,218	2,076,928	-	-	2,076,928
RESOURCE ASSESSMENT SERVICE								
SUPPORT SERVICES	253,570	252,638	4,986	511,194	318,264	225,589	-	543,853
MONITORING AND NON-TIDAL ASSESSMENT	1,036,503	981,203	394,744	2,412,450	929,414	969,136	449,018	2,347,568
POWER PLANT ASSESSMENT PROGRAM	-	6,415,133	-	6,415,133	-	6,042,479	-	6,042,479
TIDEWATER ECOSYSTEM ASSESSMENT	1,684,118	810,782	1,923,021	4,417,921	1,521,122	615,482	1,926,960	4,063,564
MARYLAND GEOLOGICAL SURVEY	1,649,495	551,367	186,573	2,387,435	1,577,139	461,511	214,191	2,252,841
TOTAL RESOURCE ASSESSMENT SERVICE	4,623,686	9,011,123	2,509,324	16,144,133	4,345,939	8,314,197	2,590,169	15,250,305
MARYLAND ENVIRONMENTAL TRUST								
GENERAL DIRECTION	535,832	1,018,335	-	1,554,167	524,716	335,201	-	859,917
WATERSHED SERVICES								
GENERAL DIRECTION	326,631	99,736	380,714	807,081	411,765	44,898	210,418	667,081
PROGRAM DEVELOPMENT AND OPERATION	2,102,745	1,035,535	2,219,534	5,357,814	1,623,658	1,369,254	2,176,238	5,169,150
COASTAL ZONE MANAGEMENT	188,038	61,936	7,657,657	7,907,631	198,236	65,385	8,536,793	8,800,414
TOTAL WATERSHED SERVICES	2,617,414	1,197,207	10,257,905	14,072,526	2,233,659	1,479,537	10,923,449	14,636,645
FISHERIES SERVICE								
GENERAL DIRECTION, POLICY AND OXFORD RESTORATION AND ENHANCEMENT-HATCHERIES	1,909,421	1,699,864	924,690	4,533,975	1,836,229	2,000,212	805,400	4,641,841
RESTORATION AND ENHANCEMENT-HATCHERIES	281,240	2,681,907	1,341,640	4,304,787	197,142	2,826,703	1,299,564	4,323,409
RESOURCE MANAGEMENT	371,091	2,050,192	1,323,818	3,745,101	359,066	2,158,745	1,396,895	3,914,706
SHELLFISH RESTORATION AND MANAGEMENT	662,994	796,688	-	1,459,682	320,066	561,427	-	881,493
TOTAL FISHERIES SERVICE	3,224,746	7,228,651	3,590,148	14,043,545	2,712,503	7,547,087	3,501,859	13,761,449
TOTAL DEPARTMENT OF NATURAL RESOURCES	68,545,263	87,175,390	25,822,945	181,543,598	65,508,162	260,354,751	28,357,087	354,220,000
DEPARTMENT OF AGRICULTURE								
OFFICE OF THE SECRETARY								
EXECUTIVE DIRECTION	2,224,948	-	-	2,224,948	2,244,489	-	-	2,244,489
ADMINISTRATIVE SERVICES	985,124	-	-	985,124	985,141	-	59,462	1,044,603
CENTRAL SERVICES	537,626	526,043	285,000	1,348,669	826,632	585,719	315,000	1,727,351
MARYLAND AGRICULTURAL COMMISSION	146,167	-	-	146,167	150,814	-	-	150,814
MARYLAND AGRICULTURAL LAND PRESERVATION FOUNDATION	-	1,295,843	-	1,295,843	-	1,439,053	64,788	1,503,841
CAPITAL APPROPRIATION	-	17,780,000	4,575,303	22,355,303	-	52,569,015	5,000,000	57,569,015
TOTAL OFFICE OF THE SECRETARY	3,893,865	19,601,886	4,860,303	28,356,054	4,207,076	54,593,787	5,439,250	64,240,113
OFFICE OF MARKETING, ANIMAL INDUSTRIES AND CONSUMER SERVICES								
OFFICE OF THE ASSISTANT SECRETARY	99,361	-	-	99,361	146,171	-	-	146,171
WEIGHTS AND MEASURES	450,694	1,294,193	-	1,744,887	510,245	1,199,501	-	1,709,746
EGG INSPECTION, GRADING AND GRAIN	47,643	1,186,989	60,300	1,294,932	23,882	1,302,440	28,000	1,354,322
MARYLAND AGRICULTURAL STATISTICS SERVICES	92,607	-	15,600	108,207	87,485	-	12,000	99,485

**APPENDIX C
SUMMARY OF OPERATING BUDGETS FOR FISCAL YEARS ENDING JUNE 30, 2005 AND 2006**

	2005 APPROPRIATION				2006 ALLOWANCE			
	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS
ANIMAL HEALTH	2,376,251	570,363	300,000	3,246,614	2,295,301	536,469	232,968	3,064,738
STATE BOARD OF VETERINARY MEDICAL EXAMINERS	-	301,766	-	301,766	-	326,774	-	326,774
MARYLAND HORSE INDUSTRY BOARD	54,712	88,000	-	142,712	57,038	100,325	-	157,363
AQUACULTURE DEVELOPMENT AND SEAFOOD MARKETING	508,745	15,000	-	523,745	379,300	8,000	-	387,300
MARKETING AND AGRICULTURE DEVELOPMENT	880,404	1,276,500	1,380,941	3,537,845	690,589	1,617,500	1,246,249	3,554,338
MARYLAND AGRICULTURAL FAIR BOARD	-	1,459,417	-	1,459,417	-	1,460,000	-	1,460,000
STATE TOBACCO AUTHORITY	-	12,800	-	12,800	-	8,734	-	8,734
TOBACCO TRANSITION PROGRAM	-	4,653,000	-	4,653,000	-	4,525,000	-	4,525,000
RURAL MARYLAND COUNCIL	112,811	-	117,179	229,990	113,554	-	81,749	195,303
MD AGRICULTURAL EDUCATION AND RURAL DEVELOPMENT ASSISTANCE FUND	146,392	-	-	146,392	-	-	-	-
TOTAL OFFICE OF MARKETING, ANIMAL INDUSTRIES AND CONSUMER SERVICES	4,769,620	10,858,028	1,874,020	17,501,668	4,303,565	11,084,743	1,600,966	16,989,274
OFFICE OF PLANT INDUSTRIES AND PEST MANAGEMENT								
OFFICE OF THE ASSISTANT SECRETARY	166,323	-	-	166,323	149,037	-	-	149,037
FOREST PEST MANAGEMENT	955,083	202,005	643,239	1,800,327	745,208	265,640	651,009	1,661,857
MOSQUITO CONTROL	1,799,027	1,250,461	-	3,049,488	1,908,326	1,036,811	-	2,945,137
PESTICIDE REGULATION	129,550	541,757	378,511	1,049,818	90,028	573,315	356,831	1,020,174
PLANT PROTECTION AND WEED MANAGEMENT	1,330,791	291,765	533,177	2,155,733	1,138,570	250,760	496,383	1,885,713
TURF AND SEED	649,931	332,886	-	982,817	635,391	320,363	-	955,754
STATE CHEMIST	-	1,980,330	125,000	2,105,330	-	1,760,624	117,000	1,877,624
TOTAL OFFICE OF PLANT INDUSTRIES AND PEST MANAGEMENT	5,030,705	4,599,204	1,679,927	11,309,836	4,666,560	4,207,513	1,621,223	10,495,296
OFFICE OF RESOURCE CONSERVATION								
OFFICE OF THE ASSISTANT SECRETARY	178,380	-	-	178,380	151,476	-	-	151,476
PROGRAM PLANNING AND DEVELOPMENT	2,798,728	-	-	2,798,728	2,452,412	-	-	2,452,412
RESOURCE CONSERVATION OPERATIONS	6,474,951	74,221	685,099	7,234,271	6,507,791	79,153	663,555	7,250,499
RESOURCE CONSERVATION GRANTS	2,507,839	400,000	-	2,907,839	786,120	3,927,010	-	4,713,130
TOTAL OFFICE OF RESOURCE CONSERVATION	11,959,898	474,221	685,099	13,119,218	9,897,799	4,006,163	663,555	14,567,517
TOTAL DEPARTMENT OF AGRICULTURE	25,654,088	35,533,339	9,099,349	70,286,776	23,075,000	73,892,206	9,324,994	106,292,200
DEPARTMENT OF HEALTH AND MENTAL HYGIENE								
OFFICE OF THE SECRETARY								
EXECUTIVE DIRECTION	2,647,792	-	-	2,647,792	2,950,837	-	-	2,950,837
FINANCIAL MANAGEMENT ADMINISTRATION	4,423,486	-	2,500,502	6,923,988	4,274,742	-	2,514,994	6,789,736
OFFICE OF HEALTH CARE QUALITY	8,496,449	622,023	4,808,923	13,927,395	8,582,622	632,659	4,893,552	14,108,833
HEALTH PROFESSIONALS BOARDS AND COMMISSION	175,703	7,786,785	-	7,962,488	221,000	8,311,710	-	8,532,710
BOARD OF NURSING	-	5,259,525	-	5,259,525	-	5,558,978	-	5,558,978
STATE BOARD OF PHYSICIANS	-	6,238,833	-	6,238,833	-	6,903,448	-	6,903,448
TOTAL OFFICE OF THE SECRETARY	15,743,430	19,907,166	7,309,425	42,960,021	16,029,201	21,406,795	7,408,546	44,844,542
OPERATIONS								
EXECUTIVE DIRECTION	5,924,327	-	3,647,284	9,571,611	5,865,557	-	3,747,584	9,613,141
INFORMATION RESOURCES MANAGEMENT ADMINISTRATION	2,937,031	-	4,832,057	7,769,088	2,826,688	-	3,892,360	6,719,048
GENERAL SERVICES ADMINISTRATION	3,105,153	60,000	2,432,150	5,597,303	2,668,901	60,000	4,030,830	6,759,731
MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS	-	-	1,419,214	1,419,214	-	-	-	-
TOTAL OPERATIONS	11,966,511	60,000	12,330,705	24,357,216	11,361,146	60,000	11,670,774	23,091,920
DEPUTY SECRETARY FOR PUBLIC HEALTH SERVICES								
EXECUTIVE DIRECTION	2,797,389	-	96,272	2,893,661	2,955,229	-	173,541	3,128,770
COMMUNITY HEALTH ADMINISTRATION								
COMMUNITY HEALTH SERVICES	7,588,533	10,000	31,551,718	39,150,251	7,802,891	10,000	29,971,856	37,784,747
CORE PUBLIC HEALTH SERVICES	60,877,984	-	4,493,000	65,370,984	61,486,987	-	4,493,000	65,979,987
TOTAL COMMUNITY HEALTH ADMINISTRATION	68,466,517	10,000	36,044,718	104,521,235	69,289,878	10,000	34,464,856	103,764,734

**APPENDIX C
SUMMARY OF OPERATING BUDGETS FOR FISCAL YEARS ENDING JUNE 30, 2005 AND 2006**

	2005 APPROPRIATION				2006 ALLOWANCE			
	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS
FAMILY HEALTH ADMINISTRATION								
FAMILY HEALTH SERVICES AND PRIMARY CARE	24,255,858	2,542	69,600,356	93,858,756	24,295,415	54,310	78,910,377	103,260,102
PREVENTION AND DISEASE CONTROL	20,029,463	40,850,464	10,128,495	71,008,422	22,300,869	29,701,400	10,434,074	62,436,343
TOTAL FAMILY HEALTH ADMINISTRATION	44,285,321	40,853,006	79,728,851	164,867,178	46,596,284	29,755,710	89,344,451	165,696,445
AIDS ADMINISTRATION								
AIDS ADMINISTRATION	5,629,871	79,682	48,118,801	53,828,354	5,009,267	111,052	49,234,685	54,355,004
OFFICE OF THE CHIEF MEDICAL EXAMINER								
POST MORTEM EXAMINING SERVICES	7,108,799	-	130,783	7,239,582	7,492,652	-	155,784	7,648,436
WESTERN MARYLAND CENTER								
SERVICES AND INSTITUTIONAL OPERATIONS	18,215,862	828,327	-	19,044,189	18,653,551	842,267	-	19,495,818
DEER'S HEAD CENTER								
SERVICES AND INSTITUTIONAL OPERATIONS	16,551,249	4,572,270	-	21,123,519	16,777,793	4,303,659	-	21,081,452
LABORATORIES ADMINISTRATION								
LABORATORY SERVICES	16,752,099	80,000	3,422,546	20,254,645	16,208,604	-	3,249,868	19,458,472
ALCOHOL AND DRUG ABUSE ADMINISTRATION								
ALCOHOL AND DRUG ABUSE ADMINISTRATION	79,172,883	17,810,510	32,803,690	129,787,083	78,132,883	17,864,122	32,783,772	128,780,777
MENTAL HYGIENE ADMINISTRATION								
PROGRAM DIRECTION	5,123,839	-	1,015,580	6,139,419	4,975,677	-	1,385,496	6,361,173
COMMUNITY SERVICES	80,941,903	80,000	24,412,157	105,434,060	83,596,010	31,119	23,969,388	107,596,517
COMMUNITY SERVICES FOR MEDICAID RECIPIENTS	238,272,177	-	199,946,769	438,218,946	237,045,070	-	194,803,400	431,848,470
TOTAL MENTAL HYGIENE ADMINISTRATION	324,337,919	80,000	225,374,506	549,792,425	325,616,757	31,119	220,158,284	545,806,160
MARYLAND PSYCHIATRIC RESEARCH CENTER								
SERVICES AND INSTITUTIONAL OPERATIONS	3,809,691	-	-	3,809,691	-	-	-	-
WALTER P. CARTER COMMUNITY MENTAL HEALTH CENTER								
SERVICES AND INSTITUTIONAL OPERATIONS	12,895,526	70,752	-	12,966,278	13,022,676	70,752	-	13,093,428
THOMAS B. FINAN HOSPITAL CENTER								
SERVICES AND INSTITUTIONAL OPERATIONS	14,402,328	628,548	13,500	15,044,376	14,826,012	643,154	13,500	15,482,666
REGIONAL INSTITUTE FOR CHILDREN & ADOLESCENTS-BALTIMORE CITY								
SERVICES AND INSTITUTIONAL OPERATIONS	8,251,028	3,332,234	83,868	11,667,130	7,825,818	4,180,437	80,343	12,086,598
CROWNSVILLE HOSPITAL CENTER								
SERVICES AND INSTITUTIONAL OPERATIONS	5,436,033	478,623	-	5,914,656	1,943,302	404,330	-	2,347,632
EASTERN SHORE HOSPITAL CENTER								
SERVICES AND INSTITUTIONAL OPERATIONS	15,412,808	223,159	-	15,635,967	15,525,304	49,831	-	15,575,135
SPRINGFIELD HOSPITAL CENTER								
SERVICES AND INSTITUTIONAL OPERATIONS	65,491,744	275,837	-	65,767,581	67,365,545	290,507	-	67,656,052
SPRING GROVE HOSPITAL CENTER								
SERVICES AND INSTITUTIONAL OPERATIONS	65,882,729	469,336	32,100	66,384,165	68,234,891	471,126	36,364	68,742,381

**APPENDIX C
SUMMARY OF OPERATING BUDGETS FOR FISCAL YEARS ENDING JUNE 30, 2005 AND 2006**

	2005 APPROPRIATION				2006 ALLOWANCE			
	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS
CLIFTON T. PERKINS HOSPITAL CENTER								
SERVICES AND INSTITUTIONAL OPERATIONS	35,728,104	92,000	-	35,820,104	36,809,536	92,000	-	36,901,536
JOHN L. GILDNER REGIONAL INSTITUTE FOR CHILDREN AND ADOLESCENTS								
SERVICES AND INSTITUTIONAL OPERATIONS	10,076,450	99,964	68,236	10,244,650	9,473,212	936,234	65,218	10,474,664
UPPER SHORE COMMUNITY MENTAL HEALTH CENTER								
SERVICES AND INSTITUTIONAL OPERATIONS	7,329,097	150,380	-	7,479,477	7,381,814	169,482	-	7,551,296
REGIONAL INSTITUTE FOR CHILDREN & ADOLESCENTS-SOUTHERN MD								
SERVICES AND INSTITUTIONAL OPERATIONS	5,466,310	2,500	34,269	5,503,079	5,067,595	519,805	32,760	5,620,160
DEVELOPMENTAL DISABILITIES ADMINISTRATION								
PROGRAM DIRECTION	4,240,306	-	425,726	4,666,032	4,335,947	-	441,691	4,777,638
COMMUNITY SERVICES	325,746,480	3,100,000	198,075,785	526,922,265	340,755,193	3,176,950	218,130,054	562,062,197
TOTAL DEVELOPMENTAL DISABILITIES ADMINISTRATION	329,986,786	3,100,000	198,501,511	531,588,297	345,091,140	3,176,950	218,571,745	566,839,835
ROSEWOOD CENTER								
SERVICES AND INSTITUTIONAL OPERATIONS	39,148,070	151,995	-	39,300,065	39,032,902	187,639	-	39,220,541
HOLLY CENTER								
SERVICES AND INSTITUTIONAL OPERATIONS	17,099,679	111,154	5,315	17,216,148	16,969,097	105,698	3,810	17,078,605
POTOMAC CENTER								
SERVICES AND INSTITUTIONAL OPERATIONS	9,406,995	5,000	-	9,411,995	9,480,347	10,000	-	9,490,347
JOSEPH D. BRANDENBURG CENTER								
SERVICES AND INSTITUTIONAL OPERATIONS	4,141,866	-	-	4,141,866	4,230,106	-	-	4,230,106
DEPUTY SECRETARY FOR HEALTH CARE FINANCING								
EXECUTIVE DIRECTION	3,762	-	3,626	7,388	77,091	-	81,805	158,896
MEDICAL CARE PROGRAMS ADMINISTRATION								
OFFICE OF OPERATIONS AND ELIGIBILITY	10,317,815	-	19,564,887	29,882,702	10,662,353	-	20,284,217	30,946,570
MEDICAL CARE PROVIDER REIMBURSEMENTS	1,795,007,617	72,595,549	1,874,874,870	3,742,478,036	1,975,642,489	81,800,000	2,034,256,343	4,091,698,832
OFFICE OF HEALTH SERVICES	11,110,801	33,429	8,208,098	19,352,328	10,919,370	33,429	7,740,746	18,693,545
OFFICE OF PLANNING, DEVELOPMENT AND FINANCE	2,727,306	-	3,287,704	6,015,010	3,096,012	-	3,516,900	6,612,912
KIDNEY DISEASE TREATMENT SERVICES	10,540,429	274,032	-	10,814,461	9,751,680	322,000	-	10,073,680
MARYLAND CHILDREN'S HEALTH PROGRAM	43,279,320	1,269,526	80,375,879	124,924,725	49,322,419	846,353	91,598,779	141,767,551
MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS	-	-	745,500	745,500	-	-	-	-
TOTAL MEDICAL CARE PROGRAMS ADMINISTRATION	1,872,983,288	74,172,536	1,987,056,938	3,934,212,762	2,059,394,323	83,001,782	2,157,396,985	4,299,793,090
HEALTH REGULATORY COMMISSIONS								
MARYLAND HEALTH CARE COMMISSION	-	20,124,187	-	20,124,187	-	18,934,896	-	18,934,896
HEALTH SERVICES COST REVIEW COMMISSION	-	72,197,500	-	72,197,500	-	77,702,031	-	77,702,031
TOTAL HEALTH REGULATORY COMMISSIONS	-	92,321,687	-	92,321,687	-	96,636,927	-	96,636,927
TOTAL DEPARTMENT OF HEALTH AND MENTAL HYGIENE	3,133,980,144	259,966,666	2,631,159,660	6,025,106,470	3,335,873,956	265,331,378	2,824,927,091	6,426,132,425
DEPARTMENT OF HUMAN RESOURCES								
OFFICE OF THE SECRETARY								
OFFICE OF THE SECRETARY	5,671,569	-	3,724,316	9,395,885	5,338,847	-	3,757,522	9,096,369
CITIZEN'S REVIEW BOARD FOR CHILDREN COMMISSIONS	993,426	-	520,975	1,514,401	1,024,400	-	542,201	1,566,601
COMMISSIONS	886,835	-	-	886,835	922,310	-	-	922,310
TOTAL OFFICE OF THE SECRETARY	7,551,830	-	4,245,291	11,797,121	7,285,557	-	4,299,723	11,585,280

**APPENDIX C
SUMMARY OF OPERATING BUDGETS FOR FISCAL YEARS ENDING JUNE 30, 2005 AND 2006**

	2005 APPROPRIATION				2006 ALLOWANCE			
	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS
SOCIAL SERVICES ADMINISTRATION								
GENERAL ADMINISTRATION-STATE	12,826,114	-	12,376,272	25,202,386	12,440,517	425,000	14,545,448	27,410,965
COMMUNITY SERVICES ADMINISTRATION								
GENERAL ADMINISTRATION	494,403	-	128,970	623,373	693,710	-	162,450	856,160
MARYLAND OFFICE FOR NEW AMERICANS (MONA)	96,274	-	6,766,762	6,863,036	-	-	5,467,315	5,467,315
LEGAL SERVICES	8,563,566	-	4,627,129	13,190,695	8,675,726	-	4,670,244	13,345,970
SHELTER AND NUTRITION	7,030,665	-	875,917	7,906,582	7,278,662	-	855,345	8,134,007
ADULT SERVICES	12,746,797	-	7,357,614	20,104,411	12,231,730	-	8,003,752	20,235,482
VICTIM SERVICES	5,926,548	-	9,900,085	15,826,633	6,196,556	-	9,426,248	15,622,804
OFFICE OF HOME ENERGY PROGRAMS	-	34,126,617	36,873,109	70,999,726	-	33,219,701	36,795,691	70,015,392
TOTAL COMMUNITY SERVICES ADMINISTRATION	34,858,253	34,126,617	66,529,586	135,514,456	35,076,384	33,219,701	65,381,045	133,677,130
CHILD CARE ADMINISTRATION								
GENERAL ADMINISTRATION	11,323,877	-	13,758,593	25,082,470	8,937,186	-	13,829,448	22,766,634
OPERATIONS OFFICE								
DIVISION OF BUDGET, FINANCE AND PERSONNEL	8,426,102	-	4,899,847	13,325,949	7,510,810	-	4,463,933	11,974,743
DIVISION OF ADMINISTRATIVE SERVICES	3,604,825	-	3,472,221	7,077,046	3,904,535	-	3,805,779	7,710,314
TOTAL OPERATIONS OFFICE	12,030,927	-	8,372,068	20,402,995	11,415,345	-	8,269,712	19,685,057
OFFICE OF TECHNOLOGY FOR HUMAN SERVICES								
MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS	-	1,135,100	9,250,609	10,385,709	-	747,440	7,687,871	8,435,311
GENERAL ADMINISTRATION	21,049,251	-	20,372,289	41,421,540	17,900,358	-	23,044,514	40,944,872
TOTAL OFFICE OF TECHNOLOGY FOR HUMAN SERVICES	21,049,251	1,135,100	29,622,898	51,807,249	17,900,358	747,440	30,732,385	49,380,183
LOCAL DEPARTMENT OPERATIONS								
FOSTER CARE MAINTENANCE PAYMENTS	172,523,936	142,657	81,570,067	254,236,660	216,438,059	718,651	89,106,085	306,262,795
LOCAL FAMILY INVESTMENT PROGRAM	49,580,376	2,170,304	80,654,834	132,405,514	42,307,725	2,285,784	86,496,352	131,089,861
CHILD WELFARE SERVICES	69,594,575	955,115	76,905,702	147,455,392	73,342,326	875,636	78,952,771	153,170,733
ADULT SERVICES	7,927,330	988,620	31,476,976	40,392,926	7,846,736	1,182,150	29,457,621	38,486,507
GENERAL ADMINISTRATION	22,053,877	2,858,094	17,024,352	41,936,323	21,817,678	3,187,471	18,528,224	43,533,373
LOCAL CHILD SUPPORT ENFORCEMENT ADMINISTRATION	13,731,162	115,557	26,883,039	40,729,758	12,908,764	150,672	25,646,642	38,706,078
ASSISTANCE PAYMENTS	75,574,488	17,299,055	323,055,769	415,929,312	48,630,715	16,107,861	382,144,256	446,882,832
PURCHASE OF CHILD CARE	37,680,177	-	74,154,990	111,835,167	34,680,177	-	68,384,040	103,064,217
WORK OPPORTUNITIES	-	-	35,163,182	35,163,182	-	-	35,671,656	35,671,656
TOTAL LOCAL DEPARTMENT OPERATIONS	448,665,921	24,529,402	746,888,911	1,220,084,234	457,972,180	24,508,225	814,387,647	1,296,868,052
CHILD SUPPORT ENFORCEMENT ADMINISTRATION								
SUPPORT ENFORCEMENT-STATE	3,407,726	7,571,142	32,011,791	42,990,659	4,522,468	7,020,105	33,608,763	45,151,336
FAMILY INVESTMENT ADMINISTRATION								
DIRECTOR'S OFFICE	11,239,959	-	13,751,194	24,991,153	9,553,031	-	15,056,624	24,609,655
TOTAL DEPARTMENT OF HUMAN RESOURCES	562,953,858	67,362,261	927,556,604	1,557,872,723	565,103,026	65,920,471	1,000,110,795	1,631,134,292
DEPARTMENT OF LABOR, LICENSING, AND REGULATION								
OFFICE OF THE SECRETARY								
EXECUTIVE DIRECTION	581,086	247,150	589,784	1,418,020	470,732	272,053	525,704	1,268,489
PROGRAM ANALYSIS AND AUDIT	54,696	61,950	220,131	336,777	39,400	80,262	222,023	341,685
LEGAL SERVICES	1,158,187	584,639	1,203,560	2,946,386	1,315,670	447,952	900,983	2,664,605
EQUAL OPPORTUNITY AND PROGRAM EQUITY	67,406	100,625	270,334	438,365	48,773	124,278	275,970	449,021

**APPENDIX C
SUMMARY OF OPERATING BUDGETS FOR FISCAL YEARS ENDING JUNE 30, 2005 AND 2006**

	2005 APPROPRIATION				2006 ALLOWANCE			
	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS
GOVERNOR'S WORKFORCE INVESTMENT BOARD	136,231	-	1,500,000	1,636,231	93,011	30	1,456,244	1,549,285
APPEALS	-	223,111	4,607,459	4,830,570	-	149,484	4,662,114	4,811,598
TOTAL OFFICE OF THE SECRETARY	1,997,606	1,217,475	8,391,268	11,606,349	1,967,586	1,074,059	8,043,038	11,084,683
DIVISION OF ADMINISTRATION								
OFFICE OF BUDGET AND FISCAL SERVICES	547,049	702,434	2,126,219	3,375,702	488,000	999,308	2,526,392	4,013,700
OFFICE OF GENERAL SERVICES	867,329	970,899	3,438,866	5,277,094	631,721	1,227,266	3,646,116	5,505,103
OFFICE OF INFORMATION TECHNOLOGY	-	-	5,304,082	5,304,082	-	-	4,944,726	4,944,726
OFFICE OF PERSONNEL SERVICES	259,757	384,221	1,042,087	1,686,065	186,013	474,056	1,060,006	1,720,075
TOTAL DIVISION OF ADMINISTRATION	1,674,135	2,057,554	11,911,254	15,642,943	1,305,734	2,700,630	12,177,240	16,183,604
DIVISION OF FINANCIAL REGULATION								
FINANCIAL REGULATION	4,813,475	165,297	-	4,978,772	5,046,500	236,605	-	5,283,105
DIVISION OF LABOR AND INDUSTRY								
GENERAL ADMINISTRATION	-	462,794	190,145	652,939	-	286,352	150,032	436,384
EMPLOYMENT STANDARDS SERVICES	317,429	-	-	317,429	-	-	-	-
RAILROAD SAFETY AND HEALTH	-	379,582	-	379,582	-	389,329	-	389,329
SAFETY INSPECTION	-	3,476,299	-	3,476,299	-	3,624,468	-	3,624,468
PREVAILING WAGE	384,682	-	-	384,682	-	-	-	-
OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION	-	3,339,589	3,633,538	6,973,127	-	3,258,437	3,822,453	7,080,890
TOTAL DIVISION OF LABOR AND INDUSTRY	702,111	7,658,264	3,823,683	12,184,058	-	7,558,586	3,972,485	11,531,071
DIVISION OF RACING								
MARYLAND RACING COMMISSION	379,247	2,281,100	-	2,660,347	1,638,270	1,414,031	-	3,052,301
RACETRACK OPERATION	2,254,970	953,669	-	3,208,639	2,112,639	1,163,175	-	3,275,814
SHARE OF RACING REVENUE TO LOCAL SUBDIVISIONS	-	1,341,400	-	1,341,400	-	1,341,400	-	1,341,400
MARYLAND FACILITY REDEVELOPMENT PROGRAM	-	1,000,000	-	1,000,000	-	-	-	-
TOTAL DIVISION OF RACING	2,634,217	5,576,169	-	8,210,386	3,750,909	3,918,606	-	7,669,515
DIVISION OF OCCUPATIONAL AND PROFESSIONAL LICENSING								
OCCUPATIONAL AND PROFESSIONAL LICENSING	5,884,938	1,683,657	-	7,568,595	5,452,061	2,116,911	-	7,568,972
DIVISION OF WORKFORCE DEVELOPMENT								
OFFICE OF THE ASSISTANT SECRETARY	648,288	-	43,317,058	43,965,346	397,019	607	39,092,503	39,490,129
OFFICE OF EMPLOYMENT TRAINING	-	1,126,436	13,957,171	15,083,607	-	1,428,544	13,340,761	14,769,305
RUSSIAN IMMIGRANTS PROGRAM	150,000	-	-	150,000	-	-	-	-
TOTAL DIVISION OF WORKFORCE DEVELOPMENT	798,288	1,126,436	57,274,229	59,198,953	397,019	1,429,151	52,433,264	54,259,434
DIVISION OF UNEMPLOYMENT INSURANCE								
OFFICE OF UNEMPLOYMENT INSURANCE	-	490,887	53,324,801	53,815,688	-	362,390	59,157,983	59,520,373
MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS	-	-	2,469,830	2,469,830	-	-	-	-
TOTAL DIVISION OF UNEMPLOYMENT INSURANCE	-	490,887	55,794,631	56,285,518	-	362,390	59,157,983	59,520,373
TOTAL DEPARTMENT OF LABOR, LICENSING, AND REGULATION	18,504,770	19,975,739	137,195,065	175,675,574	17,919,809	19,396,938	135,784,010	173,100,757
DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONAL SERVICES								
OFFICE OF THE SECRETARY								
GENERAL ADMINISTRATION	14,508,115	331,515	-	14,839,630	15,443,057	353,033	-	15,796,090
INFORMATION TECHNOLOGY AND COMMUNICATIONS DIVISION	30,404,905	2,868,429	1,778,851	35,052,185	32,591,114	2,775,000	514,100	35,880,214
INTERNAL INVESTIGATION UNIT	1,665,489	-	-	1,665,489	1,764,557	-	-	1,764,557
9-1-1 EMERGENCY NUMBER SYSTEMS	-	52,882,259	-	52,882,259	-	52,877,524	-	52,877,524
CAPITAL APPROPRIATION	-	-	-	-	-	1,754,000	-	1,754,000
DIVISION OF CAPITAL CONSTRUCTION AND FACILITIES MAINTENANCE	2,015,250	-	-	2,015,250	1,911,350	-	-	1,911,350
MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS	-	1,511,341	-	1,511,341	-	-	-	-

**APPENDIX C
SUMMARY OF OPERATING BUDGETS FOR FISCAL YEARS ENDING JUNE 30, 2005 AND 2006**

	2005 APPROPRIATION				2006 ALLOWANCE			
	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS
OFFICE OF TREATMENT SERVICES	1,319,973	1,713,540	-	3,033,513	1,599,814	1,849,109	-	3,448,923
TOTAL OFFICE OF THE SECRETARY	49,913,732	59,307,084	1,778,851	110,999,667	53,309,892	59,608,666	514,100	113,432,658
DIVISION OF CORRECTION HEADQUARTERS								
GENERAL ADMINISTRATION	5,558,296	25,000	700,000	6,283,296	7,237,876	25,000	700,000	7,962,876
CLASSIFICATION, EDUCATION & RELIGIOUS SERVICES	21,189,625	92,497	-	21,282,122	28,011,281	98,987	-	28,110,268
CANINE OPERATIONS	1,945,189	-	-	1,945,189	1,528,681	-	-	1,528,681
TOTAL DIVISION OF CORRECTION HEADQUARTERS	28,693,110	117,497	700,000	29,510,607	36,777,838	123,987	700,000	37,601,825
JESSUP REGION								
MARYLAND HOUSE OF CORRECTION	34,675,913	1,025,029	-	35,700,942	33,636,502	1,055,579	-	34,692,081
MARYLAND HOUSE OF CORRECTION ANNEX	33,273,671	885,604	-	34,159,275	34,228,260	888,593	-	35,116,853
MARYLAND CORRECTIONAL INSTITUTION-JESSUP	24,301,125	781,259	-	25,082,384	25,650,785	756,030	-	26,406,815
TOTAL JESSUP REGION	92,250,709	2,691,892	-	94,942,601	93,515,547	2,700,202	-	96,215,749
BALTIMORE REGION								
METROPOLITAN TRANSITION CENTER	36,038,809	857,730	-	36,896,539	34,329,797	862,236	-	35,192,033
MARYLAND CORRECTIONAL ADJUSTMENT CENTER	10,915,130	216,629	4,197,952	15,329,711	8,367,250	206,681	7,500,000	16,073,931
MARYLAND RECEPTION, DIAGNOSTIC AND CLASSIFICATION CENTER	29,307,981	263,362	-	29,571,343	30,499,989	306,040	-	30,806,029
BALTIMORE PRE-RELEASE UNIT	2,832,508	427,721	-	3,260,229	3,348,741	396,030	-	3,744,771
HOME DETENTION UNIT	5,094,333	274,273	-	5,368,606	4,986,566	245,000	-	5,231,566
BALTIMORE CITY CORRECTIONAL CENTER	7,851,331	420,978	-	8,272,309	9,041,304	453,248	-	9,494,552
TOTAL BALTIMORE REGION	92,040,092	2,460,693	4,197,952	98,698,737	90,573,647	2,469,235	7,500,000	100,542,882
HAGERSTOWN REGION								
MARYLAND CORRECTIONAL INSTITUTION-HAGERSTOWN	44,915,156	1,380,499	-	46,295,655	44,437,453	1,376,147	-	45,813,600
MARYLAND CORRECTIONAL TRAINING CENTER	44,152,896	2,434,687	-	46,587,583	48,650,977	2,447,656	-	51,098,633
ROXBURY CORRECTIONAL INSTITUTION	32,379,992	1,228,788	-	33,608,780	34,059,893	1,231,139	-	35,291,032
TOTAL HAGERSTOWN REGION	121,448,044	5,043,974	-	126,492,018	127,148,323	5,054,942	-	132,203,265
WOMEN'S FACILITIES								
MARYLAND CORRECTIONAL INSTITUTION FOR WOMEN	19,519,358	795,085	-	20,314,443	22,109,933	796,846	-	22,906,779
PRE-RELEASE UNIT FOR WOMEN	3,843,982	159,104	-	4,003,086	4,775,554	187,753	-	4,963,307
TOTAL WOMEN'S FACILITIES	23,363,340	954,189	-	24,317,529	26,885,487	984,599	-	27,870,086
MARYLAND CORRECTIONAL PRE-RELEASE SYSTEM								
GENERAL ADMINISTRATION	6,479,251	-	-	6,479,251	6,956,325	-	-	6,956,325
BROCKBRIDGE CORRECTIONAL FACILITY	12,325,605	553,590	-	12,879,195	12,247,890	586,064	-	12,833,954
JESSUP PRE-RELEASE UNIT	9,938,578	625,822	-	10,564,400	10,368,000	628,333	-	10,996,333
SOUTHERN MARYLAND PRE-RELEASE UNIT	2,524,322	431,941	-	2,956,263	2,728,489	428,177	-	3,156,666
EASTERN PRE-RELEASE UNIT	2,347,291	414,070	-	2,761,361	2,769,017	423,515	-	3,192,532
CENTRAL LAUNDRY FACILITY	7,550,471	352,486	-	7,902,957	8,910,858	354,539	-	9,265,397
TOULSON BOOT CAMP	6,829,949	268,663	-	7,098,612	7,690,740	269,100	-	7,959,840
TOTAL MARYLAND CORRECTIONAL PRE-RELEASE SYSTEM	47,995,467	2,646,572	-	50,642,039	51,671,319	2,689,728	-	54,361,047
EASTERN SHORE REGION								
EASTERN CORRECTIONAL INSTITUTION	66,235,783	2,077,967	-	68,313,750	66,487,335	2,078,426	850,000	69,415,761
POPLAR HILL PRE-RELEASE UNIT	2,532,397	545,397	-	3,077,794	2,634,120	527,639	-	3,161,759
TOTAL EASTERN SHORE REGION	68,768,180	2,623,364	-	71,391,544	69,121,455	2,606,065	850,000	72,577,520
WESTERN MARYLAND REGION								
WESTERN CORRECTIONAL INSTITUTION	36,976,545	1,226,944	-	38,203,489	37,569,466	1,227,676	-	38,797,142
NORTH BRANCH CORRECTIONAL INSTITUTION	6,680,405	10,000	-	6,690,405	16,847,001	10,000	-	16,857,001
TOTAL WESTERN MARYLAND REGION	43,656,950	1,236,944	-	44,893,894	54,416,467	1,237,676	-	55,654,143

**APPENDIX C
SUMMARY OF OPERATING BUDGETS FOR FISCAL YEARS ENDING JUNE 30, 2005 AND 2006**

	2005 APPROPRIATION				2006 ALLOWANCE			
	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS
STATE USE INDUSTRIES								
STATE USE INDUSTRIES	-	39,259,765	-	39,259,765	-	38,007,064	-	38,007,064
MARYLAND PAROLE COMMISSION								
GENERAL ADMINISTRATION AND HEARINGS	4,557,546	-	-	4,557,546	4,673,332	-	-	4,673,332
DIVISION OF PAROLE AND PROBATION								
GENERAL ADMINISTRATION	4,717,002	-	-	4,717,002	4,341,674	-	-	4,341,674
FIELD OPERATIONS	77,314,181	99,273	-	77,413,454	71,736,954	8,351,830	-	80,088,784
TOTAL DIVISION OF PAROLE AND PROBATION	82,031,183	99,273	-	82,130,456	76,078,628	8,351,830	-	84,430,458
PATUXENT INSTITUTION								
SERVICES AND INSTITUTIONAL OPERATIONS	33,378,142	469,977	-	33,848,119	34,226,024	463,876	-	34,689,900
INMATE GRIEVANCE OFFICE								
GENERAL ADMINISTRATION	-	563,576	-	563,576	-	598,304	-	598,304
POLICE AND CORRECTIONAL TRAINING COMMISSIONS								
GENERAL ADMINISTRATION	853,649	6,802,606	-	7,656,255	850,906	7,326,015	-	8,176,921
CRIMINAL INJURIES COMPENSATION BOARD								
ADMINISTRATION AND AWARDS	-	4,546,700	1,421,000	5,967,700	-	4,207,216	1,400,000	5,607,216
MARYLAND COMMISSION ON CORRECTIONAL STANDARDS								
GENERAL ADMINISTRATION	481,300	-	-	481,300	512,079	-	-	512,079
DIVISION OF PRETRIAL DETENTION AND SERVICES								
GENERAL ADMINISTRATION	6,428,526	-	-	6,428,526	7,126,734	-	-	7,126,734
PRETRIAL RELEASE SERVICES	5,006,024	-	-	5,006,024	4,915,199	-	-	4,915,199
BALTIMORE CITY DETENTION CENTER	67,801,857	2,265,806	40,081	70,107,744	69,208,759	2,296,554	10,000	71,515,313
CENTRAL BOOKING AND INTAKE FACILITY	34,091,318	77,005	-	34,168,323	41,337,575	179,249	-	41,516,824
TOTAL DIVISION OF PRETRIAL DETENTION AND SERVICES	113,327,725	2,342,811	40,081	115,710,617	122,588,267	2,475,803	10,000	125,074,070
TOTAL DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONAL SERVICES	802,759,169	131,166,917	8,137,884	942,063,970	842,349,211	138,905,208	10,974,100	992,228,519
STATE DEPARTMENT OF EDUCATION								
HEADQUARTERS								
OFFICE OF THE STATE SUPERINTENDENT	6,447,216	215,926	4,449,371	11,112,513	6,475,572	303,889	4,270,793	11,050,254
DIVISION OF BUSINESS SERVICES	2,191,973	58,066	7,172,240	9,422,279	2,280,079	58,321	7,085,514	9,423,914
DIVISION FOR LEADERSHIP DEVELOPMENT	2,490,810	87,125	704,970	3,282,905	2,434,392	67,615	704,700	3,206,707
DIVISION OF ACCOUNTABILITY AND ASSESSMENT	26,977,738	339,894	8,225,339	35,542,971	30,189,777	327,581	8,598,998	39,116,356
OFFICE OF INFORMATION TECHNOLOGY	161,043	-	2,420,213	2,581,256	352,922	-	1,922,680	2,275,602
DIVISION OF INSTRUCTION	6,668,959	118,683	3,242,950	10,030,592	6,489,545	135,437	4,452,976	11,077,958
DIVISION OF STUDENT AND SCHOOL SERVICES	3,447,046	45,000	9,392,646	12,884,692	3,292,327	45,000	11,704,287	15,041,614
DIVISION OF SPECIAL EDUCATION/EARLY INTERVENTION SERVICES	1,381,990	-	6,904,465	8,286,455	1,235,017	-	7,566,662	8,801,679
DIVISION OF CAREER TECHNOLOGY AND ADULT LEARNING	2,002,386	738,815	3,028,764	5,769,965	1,895,484	750,087	3,174,051	5,819,622
DIVISION OF CORRECTIONAL EDUCATION	18,765,765	-	1,444,449	20,210,214	18,346,898	-	1,559,370	19,906,268
DIVISION OF LIBRARY DEVELOPMENT AND SERVICES	1,262,630	-	1,183,821	2,446,451	1,270,149	-	1,241,629	2,511,778
DIVISION OF CERTIFICATION AND ACCREDITATION	2,788,603	327,946	586,099	3,702,648	3,023,586	423,015	2,127,026	5,573,627
HOME AND COMMUNITY BASED WAIVER FOR CHILDREN WITH AUTISM SPECTRUM DISORDER	-	-	-	-	7,717,928	-	-	7,717,928
DIVISION OF REHABILITATION SERVICES-HEADQUARTERS	1,132,618	3,089,275	7,729,830	11,951,723	1,457,655	3,074,785	7,067,095	11,599,535
DIVISION OF REHABILITATION SERVICES-CLIENT SERVICES	10,302,654	-	25,800,288	36,102,942	8,943,997	-	28,304,409	37,248,406
DIVISION OF REHABILITATION SERVICES-WORKFORCE AND TECHNOLOGY CENTER	2,185,813	-	8,984,957	11,170,770	2,144,970	-	9,335,125	11,480,095
DIVISION OF REHABILITATION SERVICES-DISABILITY DETERMINATION SERVICES	-	-	22,457,297	22,457,297	-	-	23,929,961	23,929,961
TOTAL HEADQUARTERS	88,207,244	5,020,730	113,727,699	206,955,673	97,550,298	5,185,730	123,045,276	225,781,304

**APPENDIX C
SUMMARY OF OPERATING BUDGETS FOR FISCAL YEARS ENDING JUNE 30, 2005 AND 2006**

	2005 APPROPRIATION				2006 ALLOWANCE			
	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS
AID TO EDUCATION								
STATE SHARE OF BASIC CURRENT EXPENSES	2,114,566,822	-	-	2,114,566,822	2,308,307,557	-	-	2,308,307,557
COMPENSATORY EDUCATION	504,952,151	-	-	504,952,151	626,423,025	-	-	626,423,025
AID FOR LOCAL EMPLOYEE FRINGE BENEFITS	411,618,218	-	-	411,618,218	415,289,844	-	-	415,289,844
CHILDREN AT RISK	-	-	14,531,410	14,531,410	-	-	18,678,514	18,678,514
FORMULA PROGRAMS FOR SPECIFIC POPULATIONS	7,263,043	-	-	7,263,043	7,675,000	-	-	7,675,000
STUDENTS WITH DISABILITIES	271,608,437	-	-	271,608,437	313,252,771	-	-	313,252,771
ASSISTANCE TO STATE FOR EDUCATING STUDENTS WITH DISABILITIES	-	-	257,819,625	257,819,625	-	-	285,888,000	285,888,000
GIFTED AND TALENTED	534,829	-	420,000	954,829	534,829	-	540,000	1,074,829
ENVIRONMENTAL EDUCATION	-	-	51,000	51,000	-	-	51,000	51,000
EDUCATIONALLY DEPRIVED CHILDREN	-	241,374	155,702,363	155,943,737	-	-	180,540,330	180,540,330
INNOVATIVE PROGRAMS	140,000	-	23,661,571	23,801,571	35,000	-	21,760,648	21,795,648
ADULT CONTINUING EDUCATION	2,513,622	-	7,448,618	9,962,240	2,433,622	-	7,448,618	9,882,240
LANGUAGE ASSISTANCE	-	-	4,995,834	4,995,834	-	-	5,989,258	5,989,258
CAREER AND TECHNOLOGY EDUCATION	-	-	16,102,493	16,102,493	-	-	16,298,663	16,298,663
BALTIMORE CITY PARTNERSHIP FUNDING	21,139,524	-	-	21,139,524	14,093,016	-	-	14,093,016
LIMITED ENGLISH PROFICIENT	51,298,591	-	-	51,298,591	67,782,664	-	-	67,782,664
GUARANTEED TAX BASE	19,131,737	-	-	19,131,737	38,741,452	-	-	38,741,452
FOOD SERVICES PROGRAM	6,264,664	-	176,017,277	182,281,941	6,264,664	-	154,683,422	160,948,086
PUBLIC LIBRARIES	27,770,841	-	1,908,591	29,679,432	28,031,991	-	2,036,918	30,068,909
STATE LIBRARY NETWORK	14,177,084	-	-	14,177,084	14,183,091	-	-	14,183,091
TRANSPORTATION	175,534,529	-	-	175,534,529	187,123,730	-	-	187,123,730
SCIENCE AND MATHEMATICS EDUCATION INITIATIVE	883,139	-	5,137,152	6,020,291	883,139	-	1,523,346	2,406,485
SCHOOL TECHNOLOGY	4,000,000	-	9,608,313	13,608,313	-	-	8,528,977	8,528,977
SCHOOL QUALITY, ACCOUNTABILITY AND RECOGNITION OF EXCELLENCE	15,568,427	-	-	15,568,427	11,779,600	-	-	11,779,600
TEACHER DEVELOPMENT	7,550,000	-	38,910,075	46,460,075	7,550,000	-	39,297,828	46,847,828
TRANSITIONAL EDUCATION FUNDING PROGRAM	10,575,000	-	-	10,575,000	10,575,000	-	-	10,575,000
HEAD START	3,000,000	-	-	3,000,000	3,000,000	-	-	3,000,000
TOTAL AID TO EDUCATION	3,670,090,658	241,374	712,314,322	4,382,646,354	4,063,959,995	-	743,265,522	4,807,225,517
FUNDING FOR EDUCATIONAL ORGANIZATIONS								
MARYLAND SCHOOL FOR THE BLIND	14,205,405	-	-	14,205,405	15,119,922	-	-	15,119,922
BLIND INDUSTRIES AND SERVICES OF MARYLAND	647,999	-	-	647,999	557,999	-	-	557,999
OTHER INSTITUTIONS	4,144,871	-	-	4,144,871	5,432,000	-	-	5,432,000
AID TO NON-PUBLIC SCHOOLS	-	2,910,000	-	2,910,000	-	2,910,000	-	2,910,000
BALTIMORE ZOO-LEASE	2,860,237	-	-	2,860,237	-	-	-	-
TOTAL FUNDING FOR EDUCATIONAL ORGANIZATIONS	21,858,512	2,910,000	-	24,768,512	21,109,921	2,910,000	-	24,019,921
SUBCABINET FUND								
LOCAL MANAGEMENT BOARD FUND	35,966,253	2,404,652	25,048,830	63,419,735	34,233,544	647,712	23,693,957	58,575,213
TOTAL STATE DEPARTMENT OF EDUCATION	3,816,122,667	10,576,756	851,090,851	4,677,790,274	4,216,853,758	8,743,442	890,004,755	5,115,601,955
MARYLAND PUBLIC BROADCASTING COMMISSION								
MARYLAND PUBLIC BROADCASTING COMMISSION								
EXECUTIVE DIRECTION AND CONTROL	-	753,331	-	753,331	-	836,581	-	836,581
ADMINISTRATION AND SUPPORT SERVICES	11,219,335	1,223,110	-	12,442,445	10,957,820	1,232,876	-	12,190,696
BROADCASTING	-	11,658,210	3,228,461	14,886,671	-	9,429,674	3,000,000	12,429,674
CONTENT ENTERPRISES	-	5,488,473	150,000	5,638,473	-	4,692,948	200,000	4,892,948
TOTAL MARYLAND PUBLIC BROADCASTING COMMISSION	11,219,335	19,123,124	3,378,461	33,720,920	10,957,820	16,192,079	3,200,000	30,349,899
AID TO UNIVERSITY OF MARYLAND MEDICAL SYSTEM								
AID TO UNIVERSITY OF MARYLAND MEDICAL SYSTEM	2,713,512	6,963,757	-	9,677,269	2,934,934	5,117,381	-	8,052,315

**APPENDIX C
SUMMARY OF OPERATING BUDGETS FOR FISCAL YEARS ENDING JUNE 30, 2005 AND 2006**

	2005 APPROPRIATION				2006 ALLOWANCE			
	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS
MARYLAND HIGHER EDUCATION COMMISSION								
GENERAL ADMINISTRATION	6,130,332	390,704	440,070	6,961,106	5,903,416	312,469	454,993	6,670,878
COLLEGE PREPARATION/INTERVENTION PROGRAM	750,000	-	1,350,400	2,100,400	750,000	-	-	750,000
JOSEPH A. SELLINGER FORMULA FOR AID TO NON-PUBLIC INSTITUTIONS OF HIGHER EDUCATION	35,514,076	-	-	35,514,076	46,330,265	-	-	46,330,265
THESENATOR JOHN A. CADE FUNDING FORMULA FOR THE DISTRIBUTION OF FUNDS TO COMMUNITY COLLEGES	158,757,661	-	-	158,757,661	166,198,308	-	-	166,198,308
AID TO COMMUNITY COLLEGES - FRINGE BENEFITS	25,289,453	-	-	25,289,453	25,463,564	-	-	25,463,564
EDUCATIONAL GRANTS	14,094,000	-	1,028,014	15,122,014	15,902,000	-	1,034,823	16,936,823
EDUCATIONAL EXCELLENCE ADWARDS	49,156,651	1,800,000	609,203	51,565,854	61,105,498	-	609,204	61,714,702
SENATORIAL SCHOLARSHIPS	6,445,675	-	-	6,445,675	6,486,000	-	-	6,486,000
EDWARD T. CONROY MEMORIAL SCHOLARSHIP PROGRAM	362,474	-	-	362,474	362,474	-	-	362,474
DELEGATE SCHOLARSHIPS	4,135,646	-	-	4,135,646	4,813,000	-	-	4,813,000
REIMBURSEMENT. OF FIREMEN AND RESCUE SQUADMEN FOR TUITION	344,311	-	-	344,311	344,311	-	-	344,311
GRADUATE AND PROFESSIONAL SCHOLARSHIP PROGRAM	7,312	180,000	-	187,312	507,312	180,000	-	687,312
PHYSICIAN ASSISTANT-NURSE PRACTITIONER TRAINING PROGRAM	73,538	-	-	73,538	73,538	-	-	73,538
DISTINGUISHED SCHOLAR PROGRAM	4,000,000	200,000	-	4,200,000	4,000,000	200,000	-	4,200,000
JACK F. TOLBERT MEMORIAL STUDENT GRANT PROGRAM	277,500	-	-	277,500	277,500	-	-	277,500
S.C.MCAULIFFE MEMORIAL-TEACHER EDUCATION TUITION ASSISTANCE PROGRAM	584,852	-	-	584,852	574,027	-	-	574,027
HOPE SCHOLARSHIPS PROGRAM	11,857,025	-	-	11,857,025	6,045,150	-	-	6,045,150
DISTINGUISHED SCHOLAR PROGRAM-TEACHER EDUCATION	234,000	-	-	234,000	234,000	-	-	234,000
JANET L. HOFFMAN LOAN ASSISTANCE REPAYMENT PROGRAM	1,563,795	620,000	160,000	2,343,795	2,032,795	620,000	160,000	2,812,795
MD STATE NURSING SCHOLARSHIP PROGRAM	979,294	-	-	979,294	979,294	-	-	979,294
HIGHER EDUCATION-TUITION ASSISTANCE PHYSICAL/OCCUPATIONAL THERAPY	18,500	-	-	18,500	18,500	-	-	18,500
PRIVATE DONATION INCENTIVE GRANTS	1,179,816	-	-	1,179,816	2,676,000	-	-	2,676,000
CHILD CARE PROVIDERS	83,250	-	-	83,250	83,250	-	-	83,250
DEVELOPMENTAL DISABILITIES AND MENTAL HEALTH WORKFORCE TUITION ASSISTANCE PROGRAM	832,500	-	-	832,500	832,500	-	-	832,500
PART-TIME GRANT PROGRAM	2,075,000	-	-	2,075,000	4,700,000	-	-	4,700,000
WILLIAM DONALD SCHAEFER SCHOLARSHIP PROGRAM	-	-	-	-	60,000	-	-	60,000
HEALTH PERSONNEL SHORTAGE INCENTIVE GRANT PROGRAM	-	500,000	-	500,000	-	500,000	-	500,000
TOTAL MARYLAND HIGHER EDUCATION COMMISSION	324,746,661	3,690,704	3,587,687	332,025,052	356,752,702	1,812,469	2,259,020	360,824,191
HIGHER EDUCATION INSTITUTIONS								
SUPPORT FOR STATE OPERATED INSTITUTIONS OF HIGHER EDUCATION	850,960,233	5,968,000	-	856,928,233	897,791,141	6,010,967	-	903,802,108
MARYLAND SCHOOL FOR THE DEAF								
MARYLAND SCHOOL FOR THE DEAF-FREDERICK CAMPUS								
SERVICES AND INSTITUTIONAL OPERATIONS	14,927,603	127,123	465,735	15,520,461	15,744,499	97,301	598,467	16,440,267
MARYLAND SCHOOL FOR THE DEAF-COLUMBIA CAMPUS								
SERVICES AND INSTITUTIONAL OPERATIONS	7,100,713	85,635	469,186	7,655,534	7,544,501	85,123	540,808	8,170,432
TOTAL MARYLAND SCHOOL FOR THE DEAF	22,028,316	212,758	934,921	23,175,995	23,289,000	182,424	1,139,275	24,610,699
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT								
OFFICE OF THE SECRETARY								
OFFICE OF THE SECRETARY	91,823	2,574,567	182,338	2,848,728	-	2,854,695	207,728	3,062,423
MARYLAND AFFORDABLE HOUSING TRUST	-	2,000,000	-	2,000,000	-	2,000,000	-	2,000,000
OFFICE OF MANAGEMENT SERVICES	282,606	1,522,514	311,684	2,116,804	181,236	1,734,113	351,961	2,267,310
TOTAL OFFICE OF THE SECRETARY	374,429	6,097,081	494,022	6,965,532	181,236	6,588,808	559,689	7,329,733
DIVISION OF CREDIT ASSURANCE								
MARYLAND HOUSING FUND	-	443,935	-	443,935	-	496,357	-	496,357
ASSET MANAGEMENT	-	4,357,224	-	4,357,224	-	4,263,330	-	4,263,330

**APPENDIX C
SUMMARY OF OPERATING BUDGETS FOR FISCAL YEARS ENDING JUNE 30, 2005 AND 2006**

	2005 APPROPRIATION				2006 ALLOWANCE			
	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS
MARYLAND BUILDING CODES	95,073	482,755	-	577,828	-	650,095	-	650,095
TOTAL DIVISION OF CREDIT ASSURANCE	95,073	5,283,914	-	5,378,987	-	5,409,782	-	5,409,782
DIVISION OF HISTORICAL AND CULTURAL PROGRAMS								
MANAGEMENT, PLANNING AND EDUCATIONAL OUTREACH	1,221,919	1,048,861	242,378	2,513,158	1,187,393	1,086,492	286,614	2,560,499
OFFICE OF MUSEUM SERVICES	2,707,985	214,715	174,860	3,097,560	2,797,149	249,786	336,075	3,383,010
RESEARCH, SURVEY & REGISTRATION	521,132	-	182,601	703,733	543,513	76,553	197,550	817,616
PRESERVATION SERVICES	502,194	96,197	171,940	770,331	438,403	65,319	265,256	768,978
HISTORICAL PRESERVATION-CAPITAL APPROPRIATION	-	200,000	-	200,000	-	450,000	-	450,000
HERITAGE STRUCTURE REHABILITATION TAX CREDIT RESERVE FUND	-	-	-	-	20,000,000	-	-	20,000,000
TOTAL DIVISION OF HISTORICAL AND CULTURAL PROGRAMS	4,953,230	1,559,773	771,779	7,284,782	24,966,458	1,928,150	1,085,495	27,980,103
DIVISION OF NEIGHBORHOOD REVITALIZATION								
NEIGHBORHOOD REVITALIZATION	1,655,211	1,416,952	10,336,017	13,408,180	1,352,639	1,417,152	11,067,506	13,837,297
NEIGHBORHOOD REVITALIZATION-CAPITAL APPROPRIATION	-	6,091,000	10,000,000	16,091,000	-	6,000,000	10,000,000	16,000,000
TOTAL DIVISION OF NEIGHBORHOOD REVITALIZATION	1,655,211	7,507,952	20,336,017	29,499,180	1,352,639	7,417,152	21,067,506	29,837,297
DIVISION OF DEVELOPMENT FINANCE								
ADMINISTRATION	-	2,007,485	198,095	2,205,580	-	2,160,697	247,909	2,408,606
HOUSING DEVELOPMENT PROGRAM	-	2,209,309	1,276,706	3,486,015	-	2,193,789	652,992	2,846,781
HOMEOWNERSHIP PROGRAMS	-	1,986,217	104,265	2,090,482	-	1,933,891	82,463	2,016,354
SPECIAL LOAN PROGRAMS	-	1,488,392	3,373,575	4,861,967	-	2,407,773	3,418,622	5,826,395
RENTAL SERVICES PROGRAMS	1,747,210	800,082	145,200,614	147,747,906	1,700,000	559,030	202,366,531	204,625,561
RENTAL HOUSING PROGRAMS-CAPITAL APPROPRIATION	-	4,247,000	5,544,000	9,791,000	-	7,605,000	5,850,000	13,455,000
HOMEOWNERSHIP PROGRAMS-CAPITAL APPROPRIATION	-	4,511,000	100,000	4,611,000	-	6,295,000	100,000	6,395,000
SPECIAL LOAN PROGRAMS-CAPITAL APPROPRIATION	-	7,350,000	1,200,000	8,550,000	-	5,250,000	2,300,000	7,550,000
TOTAL DIVISION OF DEVELOPMENT FINANCE	1,747,210	24,599,485	156,997,255	183,343,950	1,700,000	28,405,180	215,018,517	245,123,697
DIVISION OF INFORMATION TECHNOLOGY								
INFORMATION TECHNOLOGY	-	2,015,939	962,074	2,978,013	-	1,659,048	1,264,558	2,923,606
DIVISION OF FINANCE AND ADMINISTRATION								
FINANCE AND ADMINISTRATION	25,426	3,791,032	757,387	4,573,845	52,400	3,698,022	1,129,704	4,880,126
TOTAL DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT	8,850,579	50,855,176	180,318,534	240,024,289	28,252,733	55,106,142	240,125,469	323,484,344
MARYLAND AFRICAN AMERICAN MUSEUM CORPORATION								
GENERAL ADMINISTRATION	2,165,366	-	-	2,165,366	2,375,007	-	-	2,375,007
DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT								
OFFICE OF THE SECRETARY								
SECRETARIAT SERVICES	1,834,519	226,776	21,720	2,083,015	1,891,426	187,412	20,792	2,099,630
MARYLAND ECONOMIC DEVELOPMENT COMMISSION	10,000	-	-	10,000	5,510	-	-	5,510
OFFICE OF ASSISTANT ATTORNEY GENERAL	88,913	1,292,070	2,398	1,383,381	92,530	1,334,682	2,398	1,429,610
TOTAL OFFICE OF THE SECRETARY	1,933,432	1,518,846	24,118	3,476,396	1,989,466	1,522,094	23,190	3,534,750
DIVISION OF ADMINISTRATION AND INFORMATION TECHNOLOGY								
OFFICE OF ADMINISTRATION	3,360,571	572,770	32,421	3,965,762	3,389,706	579,518	35,412	4,004,636
DIVISION OF ECONOMIC POLICY, RESEARCH AND LEGISLATIVE AFFAIRS								
DIVISION OF ECONOMIC POLICY, RESEARCH AND LEGISLATIVE AFFAIRS	1,102,845	142,325	8,549	1,253,719	1,109,036	143,049	8,549	1,260,634
DIVISION OF SMALL BUSINESS DEVELOPMENT								
DIVISION OF SMALL BUSINESS DEVELOPMENT	1,495,966	598,812	-	2,094,778	1,609,813	605,177	-	2,214,990

**APPENDIX C
SUMMARY OF OPERATING BUDGETS FOR FISCAL YEARS ENDING JUNE 30, 2005 AND 2006**

	2005 APPROPRIATION				2006 ALLOWANCE			
	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS
DIVISION OF BUSINESS DEVELOPMENT								
DIVISION OF BUSINESS DEVELOPMENT	7,522,296	487,829	-	8,010,125	7,634,640	487,829	-	8,122,469
DIVISION OF FINANCING PROGRAMS								
ASSISTANT SECRETARY FOR FINANCING PROGRAMS	-	1,234,619	-	1,234,619	-	1,390,459	-	1,390,459
MD SMALL BUSINESS DEVELOPMENT FINANCING AUTHORITY CONSOLIDATED OPERATIONS	-	1,496,784	-	1,496,784	-	1,498,605	-	1,498,605
MD ENTERPRISE INVESTMENT FUND/CHALLENGE PROGRAMS-BUSINESS ASSISTANCE	-	1,509,821	-	1,509,821	-	1,639,820	-	1,639,820
MD SMALL BUSINESS DEVELOPMENT FINANCING AUTHORITY-BUSINESS ASSISTANCE	-	857,418	-	857,418	-	865,418	-	865,418
INVESTMENT FINANCE GROUP-BUSINESS ASSISTANCE	1,427,000	16,725,000	-	18,152,000	1,355,750	16,575,000	-	17,930,750
MD ECONOMIC ADJUSTMENT FUND-BUSINESS ASSISTANCE	6,928,500	-	-	6,928,500	3,500,000	500,000	-	4,000,000
MD ECONOMIC DEVELOPMENT ASSISTANCE AUTHORITY AND FUND-BUSINESS ASSISTANCE	244,500	550,000	-	794,500	-	750,000	-	750,000
TOTAL DIVISION OF FINANCING PROGRAMS	8,600,000	34,123,642	-	42,723,642	4,855,750	34,969,302	-	39,825,052
DIVISION OF TOURISM, FILM AND THE ARTS								
ASSISTANT SECRETARY AND ADMINISTRATION	625,469	-	-	625,469	613,186	-	-	613,186
OFFICE OF TOURISM DEVELOPMENT	5,855,363	-	-	5,855,363	5,520,226	-	-	5,520,226
MARYLAND TOURISM BOARD	5,497,549	400,000	-	5,897,549	6,000,000	500,000	-	6,500,000
MARYLAND FILM OFFICE	955,194	-	-	955,194	836,964	-	-	836,964
MARYLAND STATE ARTS COUNCIL	11,001,522	200,000	492,927	11,694,449	11,280,137	300,000	526,994	12,107,131
FILM PRODUCTION WAGE CREDIT PROGRAM	-	-	-	-	6,000,000	-	-	6,000,000
TOTAL DIVISION OF TOURISM, FILM AND THE ARTS	23,935,097	600,000	492,927	25,028,024	30,250,513	800,000	526,994	31,577,507
DIVISION OF REGIONAL DEVELOPMENT								
DIVISION OF REGIONAL DEVELOPMENT	8,501,902	227,535	-	8,729,437	7,710,636	229,322	-	7,939,958
PARTNERSHIP FOR WORKFORCE QUALITY	1,137,954	250,000	-	1,387,954	1,137,954	500,000	-	1,637,954
TOTAL DIVISION OF REGIONAL DEVELOPMENT	9,639,856	477,535	-	10,117,391	8,848,590	729,322	-	9,577,912
TOTAL DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT	57,590,063	38,521,759	558,015	96,669,837	59,687,514	39,836,291	594,145	100,117,950
MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION								
TECHNOLOGY DEVELOPMENT, TRANSFER AND COMMERCIALIZATION	5,467,000	-	-	5,467,000	4,811,000	-	-	4,811,000
DEPARTMENT OF THE ENVIRONMENT								
OFFICE OF THE SECRETARY								
OFFICE OF THE SECRETARY	1,182,140	200,838	441,945	1,824,923	1,093,447	253,086	528,008	1,874,541
CAPITAL APPROPRIATION-WATER QUALITY REVOLVING LOAN FUND	-	32,840,000	30,753,000	63,593,000	-	25,814,000	36,568,000	62,382,000
CAPITAL APPROPRIATION-DRINKING WATER REVOLVING LOAN FUND	-	2,687,000	6,453,000	9,140,000	-	2,819,000	6,686,000	9,505,000
CAPITAL APPROPRIATION-BAY RESTORATION FUND-WASTEWATER	-	-	-	-	-	35,000,000	-	35,000,000
CAPITAL APPROPRIATION-BAY RESTORATION FUND-SEPTIC SYSTEMS	-	-	-	-	-	250,000	-	250,000
TOTAL OFFICE OF THE SECRETARY	1,182,140	35,727,838	37,647,945	74,557,923	1,093,447	64,136,086	43,782,008	109,011,541
ADMINISTRATIVE AND EMPLOYEE SERVICES ADMINISTRATION								
ADMINISTRATIVE AND EMPLOYEE SERVICES ADMINISTRATION	5,917,503	596,661	648,691	7,162,855	5,466,544	1,148,079	731,469	7,346,092
WATER MANAGEMENT ADMINISTRATION								
WATER POLLUTION CONTROL PROGRAM	13,251,796	4,021,865	6,209,417	23,483,078	12,413,337	5,011,872	6,387,129	23,812,338
WATER SUPPLY PROGRAM	1,111,178	-	3,494,589	4,605,767	1,118,310	-	3,554,140	4,672,450
TOTAL WATER MANAGEMENT ADMINISTRATION	14,362,974	4,021,865	9,704,006	28,088,845	13,531,647	5,011,872	9,941,269	28,484,788
TECHNICAL AND REGULATORY SERVICES ADMINISTRATION								
TECHNICAL AND REGULATORY SERVICES	7,294,180	1,639,061	1,544,335	10,477,576	6,278,430	1,457,526	2,524,662	10,260,618
WASTE MANAGEMENT ADMINISTRATION								
SOLID WASTE PERMITTING, COMPLIANCE AND ENFORCEMENT	1,613,106	3,320,601	-	4,933,707	1,490,108	5,218,148	-	6,708,256

**APPENDIX C
SUMMARY OF OPERATING BUDGETS FOR FISCAL YEARS ENDING JUNE 30, 2005 AND 2006**

	2005 APPROPRIATION				2006 ALLOWANCE			
	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS
HAZARDOUS AND OIL CONTROL, COMPLIANCE AND CLEANUP	1,047,682	6,265,244	6,276,822	13,589,748	991,064	6,911,842	6,151,729	14,054,635
LEAD POISONING PREVENTION PROGRAM	1,029,080	1,856,064	1,360,788	4,245,932	713,873	1,681,827	1,317,565	3,713,265
TOTAL WASTE MANAGEMENT ADMINISTRATION	3,689,868	11,441,909	7,637,610	22,769,387	3,195,045	13,811,817	7,469,294	24,476,156
AIR AND RADIATION MANAGEMENT ADMINISTRATION								
AIR AND RADIATION MANAGEMENT ADMINISTRATION	880,644	6,607,787	3,280,866	10,769,297	585,253	6,707,417	3,446,522	10,739,192
COORDINATING OFFICES								
COORDINATING OFFICES	3,864,382	1,961,286	2,042,921	7,868,589	3,662,634	2,474,777	1,353,968	7,491,379
MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECTS	-	-	2,747,040	2,747,040	-	-	100,000	100,000
TOTAL COORDINATING OFFICES	3,864,382	1,961,286	4,789,961	10,615,629	3,662,634	2,474,777	1,453,968	7,591,379
TOTAL DEPARTMENT OF THE ENVIRONMENT	37,191,691	61,996,407	65,253,414	164,441,512	33,813,000	94,747,574	69,349,192	197,909,766
DEPARTMENT OF JUVENILE SERVICES								
OFFICE OF THE SECRETARY								
OFFICE OF THE SECRETARY	4,034,993	6,000	-	4,040,993	4,100,688	6,000	-	4,106,688
DEPARTMENTAL SUPPORT								
DEPARTMENTAL SUPPORT	13,437,654	50,000	536,662	14,024,316	19,962,437	50,000	486,651	20,499,088
PROFESSIONAL RESPONSIBILITY AND ACCOUNTABILITY								
PROFESSIONAL RESPONSIBILITY AND ACCOUNTABILITY	1,112,874	-	-	1,112,874	999,248	-	-	999,248
RESIDENTIAL OPERATIONS								
RESIDENTIAL SERVICES	9,152,745	-	1,307,826	10,460,571	10,290,171	-	928,000	11,218,171
RESIDENTIAL CONTRACTUAL	9,981,465	-	39,093	10,020,558	6,039,775	-	5,000	6,044,775
BALTIMORE CITY JUVENILE JUSTICE CENTER	7,406,504	20,000	-	7,426,504	8,811,896	20,000	-	8,831,896
WILLIAM DONALD SCHAEFER HOUSE	769,815	3,000	-	772,815	812,170	3,000	-	815,170
MARYLAND YOUTH RESIDENCE CENTER	1,521,949	5,000	-	1,526,949	1,769,049	5,000	-	1,774,049
DEPARTMENT OF JUVENILE SERVICES YOUTH CENTERS	5,839,724	49,000	187,973	6,076,697	6,258,732	49,000	193,000	6,500,732
ALFRED D. NOYES CHILDREN'S CENTER	1,793,349	15,000	-	1,808,349	2,717,130	15,000	-	2,732,130
WESTERN MARYLAND CHILDREN'S CENTER	2,321,666	1,000	-	2,322,666	2,120,356	1,000	-	2,121,356
J. DEWEESE CARTER CENTER	839,660	8,000	-	847,660	966,755	8,000	-	974,755
LOWER EASTERN SHORE CHILDREN'S CENTER	2,182,253	1,000	-	2,183,253	1,883,931	1,000	-	1,884,931
CHELLENHAM YOUTH FACILITY	6,285,734	75,000	-	6,360,734	6,243,549	75,000	-	6,318,549
THOMAS J. S. WAXTER CHILDREN'S CENTER	3,125,390	15,000	-	3,140,390	3,669,471	15,000	-	3,684,471
CHARLES H. HICKEY SCHOOL	12,227,633	-	250,000	12,477,633	14,403,757	5,000	335,000	14,743,757
TOTAL RESIDENTIAL OPERATIONS	63,447,887	192,000	1,784,892	65,424,779	65,986,742	197,000	1,461,000	67,644,742
HEALTH SERVICES DIVISION								
HEALTH SERVICES DIVISION	17,264,045	-	1,583,018	18,847,063	18,333,510	-	1,305,263	19,638,773
COMMUNITY SERVICES SUPERVISION								
COMMUNITY SERVICES SUPERVISION	77,441,416	-	11,453,509	88,894,925	69,354,330	-	13,643,923	82,998,253
TOTAL DEPARTMENT OF JUVENILE SERVICES	176,738,869	248,000	15,358,081	192,344,950	178,736,955	253,000	16,896,837	195,886,792
DEPARTMENT OF STATE POLICE								
MARYLAND STATE POLICE								
OFFICE OF THE SUPERINTENDENT	3,936,243	-	-	3,936,243	4,561,093	-	-	4,561,093
OPERATIONS BUREAU	80,511,849	28,453,493	-	108,965,342	81,216,353	28,370,754	-	109,587,107
HOMELAND SECURITY AND INTELLIGENCE BUREAU	19,424,048	18,537,612	437,487	38,399,147	23,840,689	19,570,725	332,100	43,743,514
ADMINISTRATION BUREAU	30,318,186	200,000	10,286,584	40,804,770	31,236,843	200,000	116,000	31,552,843
STATE AID FOR POLICE PROTECTION FUND	62,429,383	-	-	62,429,383	63,885,133	-	-	63,885,133

**APPENDIX C
SUMMARY OF OPERATING BUDGETS FOR FISCAL YEARS ENDING JUNE 30, 2005 AND 2006**

	2005 APPROPRIATION				2006 ALLOWANCE			
	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS	GENERAL FUND	SPECIAL FUND	FEDERAL FUND	TOTAL FUNDS
LOCAL AID LAW ENFORCEMENT GRANTS	-	599,997	-	599,997	-	599,183	-	599,183
VEHICLE THEFT PREVENTION COUNCIL	-	1,411,149	-	1,411,149	-	1,409,091	-	1,409,091
INFORMATION TECHNOLOGY BUREAU	10,177,256	-	2,460,068	12,637,324	18,661,276	-	-	18,661,276
TOTAL MARYLAND STATE POLICE	206,796,965	49,202,251	13,184,139	269,183,355	223,401,387	50,149,753	448,100	273,999,240
FIRE PREVENTION COMMISSION AND FIRE MARSHAL								
FIRE PREVENTION SERVICES	5,647,173	2,001	49,000	5,698,174	5,829,746	2,001	-	5,831,747
SENATOR WILLIAM H. AMOSS-FIRE, RESCUE AND AMBULANCE FUND	-	10,000,000	-	10,000,000	-	10,000,000	-	10,000,000
TOTAL FIRE PREVENTION COMMISSION AND FIRE MARSHAL	5,647,173	10,002,001	49,000	15,698,174	5,829,746	10,002,001	-	15,831,747
TOTAL DEPARTMENT OF STATE POLICE	212,444,138	59,204,252	13,233,139	284,881,529	229,231,133	60,151,754	448,100	289,830,987
PUBLIC DEBT								
REDEMPTION AND INTEREST ON STATE BONDS	-	553,783,371	-	553,783,371	-	617,574,736	-	617,574,736
RELATED EXPENSES ON STATE BONDS	-	631,056,322	-	631,056,322	-	-	-	-
TOTAL PUBLIC DEBT	-	1,184,839,693	-	1,184,839,693	-	617,574,736	-	617,574,736
STATE RESERVE FUND								
REVENUE STABILIZATION ACCOUNT	103,652,618	-	-	103,652,618	249,685,441	-	-	249,685,441
DEDICATED PURPOSE ACCOUNT	3,000,000	-	-	3,000,000	82,000,000	-	-	82,000,000
CATASTROPHIC EVENT ACCOUNT	-	-	-	-	2,000,000	-	-	2,000,000
TOTAL STATE RESERVE FUND	106,652,618	-	-	106,652,618	333,685,441	-	-	333,685,441
APPENDIX C SUBTOTAL NO. 1	11,195,406,487	5,064,987,807	5,842,187,530	22,102,581,824	12,298,739,319	4,975,330,501	6,198,310,668	23,472,380,488
DEFICIENCY APPROPRIATIONS FOR FY 2005								
MARYLAND STADIUM AUTHORITY								
BALTIMORE CONVENTION CENTER	2,500,000	-	-	2,500,000				
STATE TREASURER'S OFFICE								
TREASURY MANAGEMENT								
TREASURY MANAGEMENT	1,767,975	-	-	1,767,975				
STATE DEPARTMENT OF ASSESSMENTS AND TAXATION								
TAX CREDIT PAYMENTS	1,500,000	-	-	1,500,000				
DEPARTMENT OF BUDGET AND MANAGEMENT								
OFFICE OF PERSONNEL SERVICES AND BENEFITS								
STATEWIDE EXPENSES	6,354,051	13,645,949	-	20,000,000				
DEPARTMENT OF HEALTH AND MENTAL HYGIENE								
MEDICAL CARE PROGRAMS ADMINISTRATION								
MEDICAL CARE PROVIDER REIMBURSEMENTS	58,000,000	-	58,000,000	116,000,000				
DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONAL SERVICES								
DIVISION OF CORRECTION HEADQUARTERS								
CLASSIFICATION, EDUCATION & RELIGIOUS SERVICES	21,289,500	-	-	21,289,500				
STATE DEPARTMENT OF EDUCATION								
HEADQUARTERS								
HOME AND COMMUNITY BASED WAIVER FOR CHILDREN WITH AUTISM SPECTRUM DISORDER	2,690,632	-	-	2,690,632				
TOTAL DEFICIENCIES	94,102,158	13,645,949	58,000,000	165,748,107				
APPENDIX C SUBTOTAL NO. 2	11,289,508,645	5,078,633,756	5,900,187,530	22,268,329,931				

APPENDIX C
SUMMARY OF OPERATING BUDGETS FOR FISCAL YEARS ENDING JUNE 30, 2005 AND 2006

	FY 2005 APPROPRIATION			FY 2006 ALLOWANCE		
	CURRENT	CURRENT	TOTAL	CURRENT	CURRENT	TOTAL
	UNRESTRICTED	RESTRICTED		UNRESTRICTED	RESTRICTED	
FUND	FUND	FUNDS	FUNDS	FUNDS	FUNDS	
HIGHER EDUCATION:						
University of Maryland, Baltimore	346,576,962	300,932,071	647,509,033	364,063,228	300,932,071	664,995,299
University of Maryland, College Park	887,466,177	255,669,000	1,143,135,177	929,881,177	263,669,000	1,193,550,177
Bowie State University	58,939,022	16,500,000	75,439,022	61,150,746	16,500,000	77,650,746
Towson University	239,282,259	24,500,000	263,782,259	248,298,740	23,900,000	272,198,740
University of Maryland Eastern Shore	58,996,098	20,697,665	79,693,763	61,954,475	21,096,837	83,051,312
Frostburg State University	70,122,132	6,887,868	77,010,000	73,191,604	6,887,868	80,079,472
Coppin State University	38,850,419	18,136,370	56,986,789	41,331,504	19,950,007	61,281,511
University of Baltimore	65,117,893	8,150,000	73,267,893	69,475,159	8,293,683	77,768,842
Salisbury University	93,088,227	6,475,992	99,564,219	97,229,637	6,475,992	103,705,629
University of Maryland University College	230,269,537	10,000,000	240,269,537	244,291,901	10,000,000	254,291,901
University of Maryland, Baltimore County	212,239,995	84,651,494	296,891,489	222,343,479	86,239,896	308,583,375
University of Maryland Center for Environmental S	17,554,615	17,056,039	34,610,654	18,275,260	17,056,039	35,331,299
University of Maryland Biotechnology Institute	32,055,011	25,000,000	57,055,011	31,221,876	25,000,000	56,221,876
University System of Maryland Office	14,601,000	3,000,000	17,601,000	16,381,000	3,000,000	19,381,000
Baltimore City Community College	49,863,324	22,186,898	72,050,222	53,709,915	22,405,962	76,115,877
St. Mary's College of Maryland	47,672,348	3,600,000	51,272,348	49,590,164	3,600,000	53,190,164
Morgan State University	122,744,832	40,738,024	163,482,856	125,716,816	45,264,941	170,981,757
Total - Four-year Institutions	2,585,439,851	864,181,421	3,449,621,272	2,708,106,681	880,272,296	3,588,378,977
Less: General & Special Funds in Higher Education						
General Funds			850,960,233			897,791,141
Special Funds			5,968,000			6,010,967
Total Higher Education			2,592,693,039			2,684,576,869
GRAND TOTAL FOR APPENDIX C			24,861,022,970			26,156,957,357

APPENDIX D
SUMMARY OF OPERATING BUDGET BY OBJECT
CLASSIFICATION FOR FISCAL YEARS 2005 AND 2006
TOTAL FUNDS

OBJECT CLASSIFICATION	FY 2005 APPROPRIATION	FY 2006 ALLOWANCE	INCREASE/ (DECREASE)
01 SALARIES AND WAGES	5,331,206,502	5,546,418,280	215,211,778
02 TECHNICAL AND SPECIAL FEES	463,356,457	482,893,783	19,537,326
03 COMMUNICATIONS	139,194,826	136,249,713	(2,945,113)
04 TRAVEL	66,552,664	66,226,567	(326,097)
06 FUEL AND UTILITIES	199,710,974	238,980,331	39,269,357
07 MOTOR VEHICLE OPERATION	183,442,200	169,902,257	(13,539,943)
08 CONTRACTUAL SERVICES	7,290,422,871	7,758,475,006	468,052,135
09 SUPPLIES AND MATERIALS	390,869,208	397,995,576	7,126,368
10 EQUIPMENT-REPLACEMENT	44,197,520	45,714,355	1,516,835
11 EQUIPMENT-ADDITIONAL	190,226,734	145,535,275	(44,691,459)
12 GRANTS, SUBSIDIES AND CONTRIBUTIONS	8,467,541,709	9,759,878,770	1,292,337,061
13 FIXED CHARGES	1,713,592,896	1,147,047,742	(566,545,154)
14 LAND AND STRUCTURES	1,277,899,802	1,362,464,817	84,565,015
TOTAL	<u>25,758,214,363</u>	<u>27,257,782,472</u>	<u>1,499,568,109</u>
GENERAL FUNDS	11,195,406,487	12,298,739,319	1,103,332,832
SPECIAL FUNDS	5,064,987,807	4,975,330,501	(89,657,306)
FEDERAL FUNDS	5,842,187,530	6,198,310,668	356,123,138
REIMBURSABLE FUNDS	206,011,267	197,023,007	(8,988,260)
CURRENT UNRESTRICTED FUNDS	2,585,439,851	2,708,106,681	122,666,830
CURRENT RESTRICTED FUNDS	864,181,421	880,272,296	16,090,875
TOTAL	<u>25,758,214,363</u>	<u>27,257,782,472</u>	<u>1,499,568,109</u>

**APPENDIX E
PERSONNEL DETAIL CHART 1: AUTHORIZED POSITIONS FROM JULY 1, 2004 TO THE FY 2006 ALLOWANCE**

	Beginning of FY 2004	Adjust- ments	Approved by BPW	Crownsville Abolitions	Agency Abolitions	Agency Transfers	FY 2005 Approp	Budget Transfers	Abolitions	New	FY 2006 Allowance
GENERAL ASSEMBLY OF MARYLAND/DEPT OF LEGISLATIVE SERVICES	730.00	10.00	-	-	-	-	740.00	-	-	-	740.00
JUDICIARY	3,223.75	-	-	-	-	-	3,223.75	-	-	104.50	3,328.25
LEGISLATIVE AND JUDICIAL BRANCHES SUBTOTAL	3,953.75	10.00	-	-	-	-	3,963.75	-	-	104.50	4,068.25
OFFICE OF THE PUBLIC DEFENDER	940.00	-	-	-	-	-	940.00	-	-	85.00	1,025.00
OFFICE OF THE ATTORNEY GENERAL	240.50	-	-	-	-	-	240.50	-	-	-	240.50
OFFICE OF THE STATE PROSECUTOR	9.00	-	-	-	-	-	9.00	-	-	-	9.00
MARYLAND TAX COURT	9.00	-	-	-	-	-	9.00	-	-	-	9.00
PUBLIC SERVICE COMMISSION	138.00	-	-	-	-	-	138.00	-	-	-	138.00
OFFICE OF THE PEOPLE'S COUNSEL	18.00	-	-	-	-	-	18.00	-	-	1.00	19.00
SUBSEQUENT INJURY FUND	16.60	-	-	-	-	-	16.60	-	-	-	16.60
UNINSURED EMPLOYERS' FUND	13.00	-	-	-	-	-	13.00	-	-	-	13.00
WORKERS' COMPENSATION COMMISSION	126.50	-	-	-	-	-	126.50	-	-	-	126.50
BOARD OF PUBLIC WORKS	9.00	-	-	-	-	-	9.00	-	-	-	9.00
EXECUTIVE DEPARTMENT - GOVERNOR	84.00	-	-	-	-	-	84.00	-	(3.00)	-	81.00
OFFICE OF THE DEAF AND HARD OF HEARING	2.00	-	-	-	-	-	2.00	-	-	-	2.00
DEPARTMENT OF DISABILITIES	21.00	-	-	-	-	-	21.00	5.00	-	-	26.00
MARYLAND ENERGY ADMINISTRATION	20.00	-	-	-	-	-	20.00	-	-	-	20.00
OFFICE FOR CHILDREN, YOUTH AND FAMILIES	50.00	-	-	-	-	-	50.00	(6.00)	(8.00)	-	36.00
EXECUTIVE DEPT-BOARDS, COMMISSIONS AND OFFICES	78.00	-	-	-	-	(1.00)	77.00	8.00	(11.00)	2.00	76.00
SECRETARY OF STATE	34.60	-	-	-	-	-	34.60	(1.00)	(2.00)	-	31.60
HISTORIC ST. MARY'S CITY COMMISSION	35.00	-	-	-	-	-	35.00	-	-	-	35.00
INTERAGENCY COMMITTEE FOR SCHOOL CONSTRUCTION	17.00	-	-	-	-	-	17.00	-	-	-	17.00
DEPARTMENT OF AGING	56.00	-	-	-	-	-	56.00	-	-	-	56.00
COMMISSION ON HUMAN RELATIONS	45.00	-	-	-	-	-	45.00	-	(3.40)	-	41.60
STATE BOARD OF ELECTIONS	32.50	-	-	-	-	-	32.50	-	-	-	32.50
MARYLAND STATE BOARD OF CONTRACT APPEALS	5.00	-	-	-	-	-	5.00	-	-	-	5.00
DEPARTMENT OF PLANNING	121.00	-	-	-	-	-	121.00	-	(11.00)	-	110.00

**APPENDIX E
PERSONNEL DETAIL CHART 1: AUTHORIZED POSITIONS FROM JULY 1, 2004 TO THE FY 2006 ALLOWANCE**

	Beginning of FY 2004	Adjust- ments	Approved by BPW	Crownsville Abolitions	Agency Abolitions	Agency Transfers	FY 2005 Approp	Budget Transfers	Abolitions	New	FY 2006 Allowance
MILITARY DEPARTMENT OPERATIONS AND MAINTENANCE	330.00	-	-	-	-	-	330.00	-	-	-	330.00
MARYLAND INSTITUTE FOR EMERGENCY MEDICAL SERVICES SYSTEMS	91.60	-	-	-	-	-	91.60	-	-	-	91.60
DEPARTMENT OF VETERANS AFFAIRS	66.00	-	-	-	-	-	66.00	-	-	-	66.00
STATE ARCHIVES	44.50	-	-	-	-	-	44.50	-	-	-	44.50
INSURANCE ADMINISTRATION AND REGULATION	286.00	-	4.00	-	-	-	290.00	-	(3.00)	-	287.00
HEALTH INSURANCE SAFETY NET PROGRAMS	6.00	-	-	-	-	-	6.00	-	-	-	6.00
MARYLAND INSURANCE ADMINISTRATION	292.00	-	4.00	-	-	-	296.00	-	(3.00)	-	293.00
CANAL PLACE PRESERVATION AND DEVELOPMENT AUTHORITY	4.00	-	-	-	-	-	4.00	-	-	-	4.00
OFFICE OF ADMINISTRATIVE HEARINGS	125.00	-	-	-	-	-	125.00	-	(3.00)	-	122.00
OFFICE OF THE COMPTROLLER	65.00	-	-	-	-	4.00	69.00	-	-	-	69.00
GENERAL ACCOUNTING DIVISION	47.00	-	-	-	-	-	47.00	-	-	-	47.00
BUREAU OF REVENUE ESTIMATES	4.00	-	-	-	-	-	4.00	-	-	-	4.00
REVENUE ADMINISTRATION DIVISION	380.90	-	-	-	-	(1.10)	379.80	(2.00)	(2.00)	2.00	377.80
COMPLIANCE DIVISION	336.30	-	-	-	-	5.30	341.60	3.00	-	2.00	346.60
FIELD ENFORCEMENT DIVISION	49.00	-	-	-	-	(49.00)	-	-	-	-	-
REGULATORY AND ENFORCEMENT DIVISION	19.00	-	-	-	-	47.00	66.00	-	-	-	66.00
MOTOR FUEL TAX DIVISION	21.00	-	-	-	-	-	21.00	-	-	-	21.00
CENTRAL PAYROLL BUREAU	37.00	-	-	-	-	(0.20)	36.80	(1.00)	(1.00)	-	34.80
INFORMATION TECHNOLOGY DIVISION	152.00	-	-	-	-	(2.00)	150.00	-	-	-	150.00
COMPTROLLER OF MARYLAND	1,111.20	-	-	-	-	4.00	1,115.20	-	(3.00)	4.00	1,116.20
TREASURY MANAGEMENT	36.00	-	-	-	-	-	36.00	-	-	-	36.00
INSURANCE PROTECTION	18.00	-	1.00	-	-	-	19.00	-	-	-	19.00
STATE TREASURER'S OFFICE	54.00	-	1.00	-	-	-	55.00	-	-	-	55.00
STATE DEPARTMENT OF ASSESSMENTS AND TAXATION	687.50	-	-	-	-	-	687.50	-	(10.00)	-	677.50
STATE LOTTERY AGENCY	168.00	-	-	-	-	-	168.00	-	-	6.00	174.00
PROPERTY TAX ASSESSMENT APPEALS BOARDS	9.00	-	-	-	-	-	9.00	-	-	-	9.00
OFFICE OF THE SECRETARY	165.00	-	-	-	-	(2.00)	163.00	-	(6.00)	5.00	162.00
OFFICE OF PERSONNEL SERVICES AND BENEFITS	138.00	-	-	-	-	-	138.00	-	(17.00)	-	121.00
OFFICE OF INFORMATION TECHNOLOGY	123.50	-	-	-	-	-	123.50	(5.00)	(4.00)	0.50	115.00
OFFICE OF BUDGET ANALYSIS	24.80	-	-	-	-	2.00	26.80	-	(1.00)	-	25.80
OFFICE OF CAPITAL BUDGETING	17.00	-	-	-	-	-	17.00	-	(5.00)	-	12.00
DEPARTMENT OF BUDGET AND MANAGEMENT	468.30	-	-	-	-	-	468.30	(5.00)	(33.00)	5.50	435.80
MARYLAND STATE RETIREMENT AND PENSION SYSTEMS	162.00	-	1.00	-	-	-	163.00	-	-	10.00	173.00
TEACHERS AND STATE EMPLOYEES SUPPLEMENTAL RETIREMENT PLANS	16.50	-	-	-	-	-	16.50	-	(2.50)	-	14.00
OFFICE OF THE SECRETARY	38.00	-	-	-	-	1.00	39.00	-	(3.00)	-	36.00
OFFICE OF FACILITIES SECURITY	233.00	-	-	-	-	-	233.00	-	(12.00)	-	221.00

**APPENDIX E
PERSONNEL DETAIL CHART 1: AUTHORIZED POSITIONS FROM JULY 1, 2004 TO THE FY 2006 ALLOWANCE**

	Beginning of FY 2004	Adjust- ments	Approved by BPW	Crownsville Abolitions	Agency Abolitions	Agency Transfers	FY 2005 Approp	Budget Transfers	Abolitions	New	FY 2006 Allowance
OFFICE OF FACILITIES OPERATION AND MAINTENANCE	234.00	-	-	-	-	1.00	235.00	-	(12.00)	-	223.00
OFFICE OF PROCUREMENT AND LOGISTICS	90.00	-	-	-	-	(5.00)	85.00	-	(20.00)	-	65.00
OFFICE OF REAL ESTATE	29.00	-	-	-	-	-	29.00	-	(1.00)	-	28.00
OFFICE OF FACILITIES PLANNING, DESIGN AND CONSTRUCTION	92.00	-	-	-	-	(1.00)	91.00	-	(7.00)	-	84.00
DEPARTMENT OF GENERAL SERVICES	716.00	-	-	-	-	(4.00)	712.00	-	(55.00)	-	657.00
THE SECRETARY'S OFFICE	334.00	-	-	-	-	-	334.00	(2.00)	(5.00)	-	327.00
STATE HIGHWAY ADMINISTRATION	3,253.00	-	-	-	-	(5.00)	3,248.00	-	-	7.00	3,255.00
MARYLAND PORT ADMINISTRATION	304.00	-	-	-	-	3.00	307.00	-	(11.00)	-	296.00
MOTOR VEHICLE ADMINISTRATION	1,590.50	-	-	-	-	-	1,590.50	(1.00)	-	34.00	1,623.50
MARYLAND TRANSIT ADMINISTRATION	3,016.00	-	-	-	-	(1.00)	3,015.00	-	-	21.00	3,036.00
MARYLAND AVIATION ADMINISTRATION	546.00	-	-	-	-	3.00	549.00	-	-	-	549.00
DEPARTMENT OF TRANSPORTATION	9,043.50	-	-	-	-	-	9,043.50	(3.00)	(16.00)	62.00	9,086.50
OFFICE OF THE SECRETARY	136.00	-	-	-	-	9.50	145.50	-	(4.00)	-	141.50
FORESTRY SERVICE	97.50	-	-	-	-	1.50	99.00	-	(9.00)	-	90.00
WILDLIFE AND HERITAGE SERVICE	92.00	-	-	-	-	-	92.00	-	-	-	92.00
STATE FOREST AND PARK SERVICE	310.50	-	-	-	-	(1.00)	309.50	-	(11.00)	-	298.50
CAPITAL GRANTS & LOAN ADMINISTRATION	37.00	-	-	-	-	2.00	39.00	-	-	-	39.00
LICENSING AND REGISTRATION SERVICE	46.00	-	-	-	-	(3.00)	43.00	-	-	-	43.00
NATURAL RESOURCES POLICE	296.00	-	-	-	-	-	296.00	-	(13.00)	-	283.00
RESOURCE PLANNING	19.00	-	-	-	-	(4.00)	15.00	-	-	-	15.00
ENGINEERING AND CONSTRUCTION	52.00	-	-	-	-	-	52.00	-	-	-	52.00
CHESAPEAKE BAY CRITICAL AREA COMMISSION	14.00	-	-	-	-	1.00	15.00	-	-	-	15.00
RESOURCE ASSESSMENT SERVICE	108.00	-	-	-	-	(8.00)	100.00	-	(2.00)	-	98.00
MARYLAND ENVIRONMENTAL TRUST	10.00	-	-	-	-	-	10.00	-	-	-	10.00
WATERSHED SERVICES	84.50	-	-	-	-	(8.00)	76.50	-	(1.50)	-	75.00
FISHERIES SERVICE	126.50	-	-	-	-	(2.00)	124.50	-	-	-	124.50
DEPARTMENT OF NATURAL RESOURCES	1,429.00	-	-	-	-	(12.00)	1,417.00	-	(40.50)	-	1,376.50
OFFICE OF THE SECRETARY	56.00	-	-	-	-	1.00	57.00	2.00	-	-	59.00
OFFICE OF MARKETING, ANIMAL INDUSTRIES AND CONSUMER SERVICES	110.50	-	-	-	-	2.00	112.50	(2.00)	(1.50)	-	109.00
OFFICE OF PLANT INDUSTRIES AND PEST MANAGEMENT	123.00	-	-	-	-	-	123.00	-	-	-	123.00
OFFICE OF RESOURCE CONSERVATION	140.50	-	-	-	-	(3.00)	137.50	-	-	-	137.50
DEPARTMENT OF AGRICULTURE	430.00	-	-	-	-	-	430.00	-	(1.50)	-	428.50
OFFICE OF THE SECRETARY	407.10	-	-	(1.00)	-	126.40	532.50	-	(10.00)	24.50	547.00
OPERATIONS	412.90	-	-	(4.00)	-	(130.00)	278.90	-	(4.00)	-	274.90
DEPUTY SECRETARY FOR PUBLIC HEALTH SERVICES	25.00	-	-	-	-	2.00	27.00	-	-	-	27.00
COMMUNITY HEALTH ADMINISTRATION	146.90	-	-	-	-	4.50	151.40	-	(1.00)	-	150.40
FAMILY HEALTH ADMINISTRATION	184.30	-	-	-	-	5.00	189.30	1.00	(1.00)	1.00	190.30
AIDS ADMINISTRATION	62.00	-	-	-	-	-	62.00	-	(4.00)	-	58.00
OFFICE OF THE CHIEF MEDICAL EXAMINER	75.00	-	-	-	-	1.00	76.00	-	-	-	76.00
WESTERN MARYLAND CENTER	302.50	-	-	-	-	-	302.50	-	(3.00)	-	299.50
DEER'S HEAD CENTER	277.80	-	-	-	-	(4.50)	273.30	-	-	-	273.30
LABORATORIES ADMINISTRATION	281.50	-	-	(3.00)	-	-	278.50	-	(5.00)	-	273.50
ALCOHOL AND DRUG ABUSE ADMINISTRATION	49.50	-	-	-	-	-	49.50	-	-	-	49.50
MENTAL HYGIENE ADMINISTRATION	83.45	-	-	(3.00)	-	5.70	86.15	-	(4.00)	-	82.15
WALTER P. CARTER COMMUNITY MENTAL HEALTH CENTER	134.30	-	-	-	-	0.55	134.85	-	-	-	134.85
THOMAS B. FINAN HOSPITAL CENTER	209.00	-	-	-	-	-	209.00	-	-	-	209.00
REGIONAL INSTITUTE FOR CHILDREN & ADOLESCENTS-BALTIMORE CITY	128.00	-	-	(1.00)	-	1.00	128.00	-	-	-	128.00
CROWNSVILLE HOSPITAL CENTER	461.80	-	-	(77.80)	-	(384.00)	-	-	-	-	-

**APPENDIX E
PERSONNEL DETAIL CHART 1: AUTHORIZED POSITIONS FROM JULY 1, 2004 TO THE FY 2006 ALLOWANCE**

	Beginning of FY 2004	Adjust- ments	Approved by BPW	Crownsville Abolitions	Agency Abolitions	Agency Transfers	FY 2005 Approp	Budget Transfers	Abolitions	New	FY 2006 Allowance
EASTERN SHORE HOSPITAL CENTER	214.60	-	-	(3.00)	-	3.00	214.60	-	-	-	214.60
SPRINGFIELD HOSPITAL CENTER	769.50	-	-	(6.50)	-	142.50	905.50	-	(7.00)	-	898.50
SPRING GROVE HOSPITAL CENTER	701.20	-	-	(9.00)	-	211.50	903.70	-	(3.60)	-	900.10
CLIFTON T. PERKINS HOSPITAL CENTER	476.50	-	-	(10.00)	-	10.75	477.25	-	-	-	477.25
JOHN L. GILDNER REGIONAL INSTITUTE FOR CHILDREN AND ADOLESCENTS	170.60	-	-	-	-	1.00	171.60	-	-	-	171.60
UPPER SHORE COMMUNITY MENTAL HEALTH CENTER	98.00	-	-	-	-	-	98.00	-	-	-	98.00
REGIONAL INSTITUTE FOR CHILDREN & ADOLESCENTS-SOUTHERN MD	71.50	-	-	-	-	1.00	72.50	-	-	-	72.50
DEVELOPMENTAL DISABILITIES ADMINISTRATION	144.50	-	-	(1.00)	-	3.00	146.50	-	(1.00)	-	145.50
ROSEWOOD CENTER	598.90	-	-	(11.00)	-	-	587.90	-	(2.00)	-	585.90
HOLLY CENTER	293.50	-	-	-	-	-	293.50	-	(2.00)	-	291.50
POTOMAC CENTER	148.50	-	-	-	-	(1.00)	147.50	-	-	-	147.50
JOSEPH D. BRANDENBURG CENTER	65.75	-	-	-	-	(1.00)	64.75	-	-	-	64.75
DEPUTY SECRETARY FOR HEALTH CARE FINANCING	1.00	-	-	-	-	-	1.00	-	-	-	1.00
MEDICAL CARE PROGRAMS ADMINISTRATION	592.70	-	-	(3.00)	-	2.60	592.30	-	(1.00)	22.00	613.30
HEALTH REGULATORY COMMISSIONS	92.60	-	-	-	-	-	92.60	-	-	-	92.60
DEPARTMENT OF HEALTH AND MENTAL HYGIENE	7,680.40	-	-	(133.30)	-	1.00	7,548.10	1.00	(48.60)	47.50	7,548.00
OFFICE OF THE SECRETARY	143.00	-	-	-	-	3.00	146.00	-	(4.00)	-	142.00
SOCIAL SERVICES ADMINISTRATION	102.50	-	-	-	-	-	102.50	-	(4.00)	-	98.50
COMMUNITY SERVICES ADMINISTRATION	89.53	-	2.00	-	(1.00)	(1.00)	89.53	-	(2.00)	-	87.53
CHILD CARE ADMINISTRATION	208.50	-	-	-	-	(4.00)	204.50	-	(1.00)	-	203.50
OPERATIONS OFFICE	194.00	-	-	-	-	13.00	207.00	-	(1.00)	-	206.00
OFFICE OF TECHNOLOGY FOR HUMAN SERVICES	117.00	-	-	-	-	7.00	124.00	-	(1.00)	-	123.00
LOCAL DEPARTMENT OPERATIONS	6,167.87	-	20.00	-	(5.50)	(15.00)	6,167.37	-	(32.20)	-	6,135.17
CHILD SUPPORT ENFORCEMENT ADMINISTRATION	90.50	-	-	-	-	(1.00)	89.50	-	(2.00)	-	87.50
FAMILY INVESTMENT ADMINISTRATION	168.20	-	-	-	-	(2.00)	166.20	-	(1.00)	-	165.20
DEPARTMENT OF HUMAN RESOURCES	7,281.10	-	22.00	-	(6.50)	-	7,296.60	-	(48.20)	-	7,248.40
OFFICE OF THE SECRETARY	111.80	-	-	-	-	(2.00)	109.80	-	(4.00)	1.00	106.80
DIVISION OF ADMINISTRATION	213.00	-	-	-	-	1.00	214.00	-	(21.00)	-	193.00
DIVISION OF FINANCIAL REGULATION	71.50	-	-	-	-	-	71.50	-	-	-	71.50
DIVISION OF LABOR AND INDUSTRY	186.00	-	-	-	-	(6.00)	180.00	-	(13.00)	-	167.00
DIVISION OF RACING	16.00	-	-	-	-	-	16.00	-	-	-	16.00
DIVISION OF OCCUPATIONAL AND PROFESSIONAL LICENSING	76.25	-	-	-	-	-	76.25	-	-	-	76.25
DIVISION OF WORKFORCE DEVELOPMENT	278.90	-	-	-	-	7.10	286.00	-	(5.00)	-	281.00
DIVISION OF UNEMPLOYMENT INSURANCE	536.60	-	-	-	-	(0.10)	536.50	-	-	-	536.50
DEPARTMENT OF LABOR, LICENSING, AND REGULATION	1,490.05	-	-	-	-	-	1,490.05	-	(43.00)	1.00	1,448.05
OFFICE OF THE SECRETARY	487.00	-	-	-	-	12.00	499.00	-	(4.00)	-	495.00
DIVISION OF CORRECTION HEADQUARTERS	158.40	-	-	-	-	14.00	172.40	-	(6.00)	-	166.40
JESSUP REGION	1,261.00	-	-	-	-	(7.00)	1,254.00	-	-	-	1,254.00
BALTIMORE REGION	1,401.60	-	-	-	-	(36.00)	1,365.60	-	-	-	1,365.60
HAGERSTOWN REGION	1,700.00	-	-	-	-	(27.00)	1,673.00	-	(9.00)	-	1,664.00
WOMEN'S FACILITIES	322.00	-	-	-	-	44.00	366.00	-	-	-	366.00
MARYLAND CORRECTIONAL PRE-RELEASE SYSTEM	667.00	-	-	-	-	31.00	698.00	-	-	-	698.00
EASTERN SHORE REGION	911.00	-	-	-	-	(15.00)	896.00	-	-	-	896.00
WESTERN MARYLAND REGION	623.50	-	-	-	-	(5.00)	618.50	-	-	192.00	810.50
STATE USE INDUSTRIES	175.00	-	-	-	-	-	175.00	-	-	-	175.00
MARYLAND PAROLE COMMISSION	80.00	-	-	-	-	1.00	81.00	-	-	-	81.00
DIVISION OF PAROLE AND PROBATION	1,309.00	-	-	-	-	(14.00)	1,295.00	-	(23.00)	-	1,272.00
PATUXENT INSTITUTION	502.50	-	-	-	-	(8.00)	494.50	-	-	-	494.50
INMATE GRIEVANCE OFFICE	6.00	-	-	-	-	-	6.00	-	-	-	6.00

**APPENDIX E
PERSONNEL DETAIL CHART 1: AUTHORIZED POSITIONS FROM JULY 1, 2004 TO THE FY 2006 ALLOWANCE**

	Beginning of FY 2004	Adjust- ments	Approved by BPW	Crownsville Abolitions	Agency Abolitions	Agency Transfers	FY 2005 Approp	Budget Transfers	Abolitions	New	FY 2006 Allowance
POLICE AND CORRECTIONAL TRAINING COMMISSIONS	64.00	-	-	-	-	12.00	76.00	-	-	3.00	79.00
CRIMINAL INJURIES COMPENSATION BOARD	7.00	-	-	-	-	-	7.00	-	-	-	7.00
MARYLAND COMMISSION ON CORRECTIONAL STANDARDS	5.00	-	-	-	-	1.00	6.00	-	-	-	6.00
DIVISION OF PRETRIAL DETENTION AND SERVICES	1,515.00	-	-	-	-	(3.00)	1,512.00	-	-	-	1,512.00
DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONAL SERVICES	11,195.00	-	-	-	-	-	11,195.00	-	(42.00)	195.00	11,348.00
STATE DEPARTMENT OF EDUCATION - HEADQUARTERS	1,385.80	-	-	-	-	-	1,385.80	2.00	(8.00)	9.00	1,388.80
MARYLAND PUBLIC BROADCASTING COMMISSION	160.00	-	-	-	-	-	160.00	-	(2.00)	-	158.00
MARYLAND HIGHER EDUCATION COMMISSION	73.60	-	-	-	-	-	73.60	-	-	-	73.60
HIGHER EDUCATION LABOR RELATIONS BOARD	2.50	-	-	-	-	-	2.50	-	-	-	2.50
BALTIMORE CITY COMMUNITY COLLEGE	544.00	-	-	-	-	-	544.00	-	-	9.00	553.00
MARYLAND SCHOOL FOR THE DEAF-FREDERICK CAMPUS	207.50	-	-	-	-	(0.30)	207.20	-	-	-	207.20
MARYLAND SCHOOL FOR THE DEAF-COLUMBIA CAMPUS	109.00	-	-	-	-	0.30	109.30	-	-	-	109.30
MARYLAND SCHOOL FOR THE DEAF	316.50	-	-	-	-	-	316.50	-	-	-	316.50
OFFICE OF THE SECRETARY	50.00	-	-	-	-	5.00	55.00	1.00	-	-	56.00
DIVISION OF CREDIT ASSURANCE	56.90	-	-	-	-	-	56.90	-	-	-	56.90
DIVISION OF HISTORICAL AND CULTURAL PROGRAMS	76.00	-	-	-	-	(1.00)	75.00	-	-	-	75.00
DIVISION OF NEIGHBORHOOD REVITALIZATION	36.00	-	-	-	-	2.00	38.00	-	-	-	38.00
DIVISION OF DEVELOPMENT FINANCE	100.00	-	-	-	-	(3.00)	97.00	(2.00)	-	-	95.00
DIVISION OF INFORMATION TECHNOLOGY	21.00	-	-	-	-	(4.00)	17.00	-	-	-	17.00
DIVISION OF FINANCE AND ADMINISTRATION	46.00	-	-	-	-	1.00	47.00	-	-	-	47.00
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT	385.90	-	-	-	-	-	385.90	(1.00)	-	-	384.90
OFFICE OF THE SECRETARY	39.00	-	-	-	-	(5.00)	34.00	-	(1.00)	-	33.00
DIVISION OF ADMINISTRATION AND INFORMATION TECHNOLOGY	38.00	-	-	-	-	6.00	44.00	-	-	-	44.00
DIVISION OF ECONOMIC POLICY, RESEARCH AND LEGISLATIVE AFFAIRS	14.00	-	-	-	-	(1.00)	13.00	-	-	-	13.00
DIVISION OF SMALL BUSINESS DEVELOPMENT	-	-	-	-	-	20.00	20.00	-	-	-	20.00
DIVISION OF BUSINESS DEVELOPMENT	52.00	-	-	-	-	4.00	56.00	-	-	-	56.00
DIVISION OF FINANCING PROGRAMS	41.00	-	-	-	-	(11.00)	30.00	-	-	-	30.00
DIVISION OF TOURISM, FILM AND THE ARTS	67.00	-	-	-	-	(2.00)	65.00	-	-	-	65.00
DIVISION OF REGIONAL DEVELOPMENT	47.00	-	-	-	-	(10.00)	37.00	-	-	-	37.00
DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT	298.00	-	-	-	-	1.00	299.00	-	(1.00)	-	298.00
OFFICE OF THE SECRETARY	18.00	-	-	-	-	1.00	19.00	-	(1.00)	-	18.00
ADMINISTRATIVE AND EMPLOYEE SERVICES ADMINISTRATION	49.00	-	-	-	-	1.00	50.00	-	(2.00)	-	48.00
WATER MANAGEMENT ADMINISTRATION	309.00	-	-	-	-	(3.00)	306.00	-	(2.00)	3.00	307.00
TECHNICAL AND REGULATORY SERVICES ADMINISTRATION	99.00	-	-	-	-	15.00	114.00	-	-	-	114.00
WASTE MANAGEMENT ADMINISTRATION	221.00	-	-	-	-	(2.00)	219.00	-	(1.00)	6.00	224.00
AIR AND RADIATION MANAGEMENT ADMINISTRATION	172.00	-	-	-	-	(1.00)	171.00	-	-	-	171.00
COORDINATING OFFICES	75.00	-	-	-	-	-	75.00	-	(2.00)	1.00	74.00
DEPARTMENT OF THE ENVIRONMENT	943.00	-	-	-	-	11.00	954.00	-	(8.00)	10.00	956.00
OFFICE OF THE SECRETARY	58.00	-	-	-	-	3.00	61.00	-	(4.00)	-	57.00
DEPARTMENTAL SUPPORT	100.50	-	-	-	-	37.00	137.50	-	(9.00)	-	128.50
PROFESSIONAL RESPONSIBILITY AND ACCOUNTABILITY	37.00	-	-	-	-	(20.00)	17.00	-	(1.00)	-	16.00
RESIDENTIAL OPERATIONS	763.70	-	-	-	-	(31.20)	732.50	-	(23.00)	209.00	918.50

**APPENDIX E
PERSONNEL DETAIL CHART 1: AUTHORIZED POSITIONS FROM JULY 1, 2004 TO THE FY 2006 ALLOWANCE**

	Beginning of FY 2004	Adjust- ments	Approved by BPW	Crownsville Abolitions	Agency Abolitions	Agency Transfers	FY 2005 Approp	Budget Transfers	Abolitions	New	FY 2006 Allowance
HEALTH SERVICES DIVISION	191.20	-	-	-	-	33.00	224.20	-	(44.00)	-	180.20
COMMUNITY SERVICES SUPERVISION	812.45	-	-	-	-	(21.80)	790.65	-	(5.00)	5.00	790.65
DEPARTMENT OF JUVENILE SERVICES	1,962.85	-	-	-	-	-	1,962.85	-	(86.00)	214.00	2,090.85
MARYLAND STATE POLICE	2,403.00	-	-	-	-	1.00	2,404.00	-	-	-	2,404.00
FIRE PREVENTION COMMISSION AND FIRE MARSHAL	75.50	-	-	-	-	(1.00)	74.50	-	-	-	74.50
DEPARTMENT OF STATE POLICE	2,478.50	-	-	-	-	-	2,478.50	-	-	-	2,478.50
EXECUTIVE BRANCH SUBTOTAL	53,022.00	-	28.00	(133.30)	(6.50)	-	52,910.20	-	(492.70)	652.00	53,069.50
UNIVERSITY OF MARYLAND, BALTIMORE	3,553.84	-	-	-	-	-	3,553.84	-	-	-	3,553.84
UNIVERSITY OF MARYLAND, COLLEGE PARK	7,422.19	-	-	-	-	-	7,422.19	-	-	8.00	7,430.19
BOWIE STATE UNIVERSITY	413.00	14.00	-	-	-	-	427.00	-	-	-	427.00
TOWSON UNIVERSITY	1,592.50	23.00	-	-	-	-	1,615.50	-	-	5.00	1,620.50
UNIVERSITY OF MARYLAND EASTERN SHORE	663.77	7.00	-	-	-	-	670.77	-	-	-	670.77
FROSTBURG STATE UNIVERSITY	651.50	3.00	-	-	-	-	654.50	-	(1.50)	-	653.00
COPPIN STATE UNIVERSITY	374.50	-	-	-	-	-	374.50	-	-	11.00	385.50
UNIVERSITY OF BALTIMORE	519.27	-	-	-	-	-	519.27	-	-	-	519.27
SALISBURY UNIVERSITY	807.50	-	-	-	-	-	807.50	-	-	-	807.50
UNIVERSITY OF MARYLAND UNIVERSITY COLLEGE	709.80	46.50	-	-	-	-	756.30	-	-	68.41	824.71
UNIVERSITY OF MARYLAND BALTIMORE COUNTY	1,704.54	2.38	-	-	-	-	1,706.92	-	-	27.00	1,733.92
UNIVERSITY OF MARYLAND CENTER FOR ENVIRONMENTAL SCIENCE	283.11	-	-	-	-	-	283.11	-	-	-	283.11
UNIVERSITY OF MARYLAND BIOTECHNOLOGY INSTITUTE	300.63	105.12	-	-	-	-	405.75	-	-	10.00	415.75
UNIVERSITY SYSTEM OF MARYLAND OFFICE	91.00	-	-	-	-	-	91.00	-	-	-	91.00
UNIVERSITY SYSTEM OF MARYLAND	19,087.15	201.00	-	-	-	-	19,288.15	-	(1.50)	129.41	19,416.06
MORGAN STATE UNIVERSITY	951.00	34.00	-	-	-	-	985.00	-	-	-	985.00
ST. MARY'S COLLEGE OF MARYLAND	384.00	14.00	-	-	-	-	398.00	-	-	1.00	399.00
BALTIMORE CITY COMMUNITY COLLEGE	544.00	-	-	-	-	-	544.00	-	-	9.00	553.00
HIGHER EDUCATION SUBTOTAL	20,966.15	249.00	-	-	-	-	21,215.15	-	(1.50)	139.41	21,353.06
GRAND TOTAL	77,941.90	259.00	28.00	(133.30)	(6.50)	-	78,089.10	-	494.20	895.91	78,490.81
NON-BUDGETED:											
MARYLAND STADIUM AUTHORITY						83.50	-	(1.00)	-	82.50	
MARYLAND FOOD CENTER AUTHORITY						29.00	-	-	-	29.00	
MARYLAND TRANSPORTATION AUTHORITY						1,576.00	-	-	16.50	1,592.50	
LOCAL HEALTH NON-BUDGETED						3,156.71	-	-	-	3,156.71	
STATE DEPARTMENT OF EDUCATION-HEADQUARTERS						1.00	-	-	-	1.00	
COLLEGE SAVINGS PLAN OF MARYLAND						9.50	-	-	-	9.50	
MARYLAND ENVIRONMENTAL SERVICES						598.10	-	-	-	598.10	
TOTAL NON-BUDGETED*						5,453.81	-	(1.00)	16.50	5,469.31	

* THE MARYLAND AUTOMOBILE INSURANCE FUND (561.00 POSITIONS) AND THE INJURED WORKER'S INSURANCE FUND (402.00 POSITIONS) OPERATE ON A CALENDAR YEAR BASIS AND ARE NOT INCLUDED IN THE ABOVE NUMBERS.

APPENDIX E
PERSONNEL DETAIL CHART 2: CONTRACTUAL POSITIONS BY FINANCIAL AGENCY

FINANCIAL AGENCY	FY 2005 APPROPRIATION	FY 2006 ALLOWANCE	INCREASE (DECREASE)
JUDICIARY	391.00	359.00	(32.00)
OFFICE OF THE PUBLIC DEFENDER	84.60	82.60	(2.00)
OFFICE OF THE STATE PROSECUTOR	1.00	2.00	1.00
MARYLAND TAX COURT	0.60	0.60	-
PUBLIC SERVICE COMMISSION	5.00	5.00	-
OFFICE OF THE PEOPLE'S COUNSEL	1.00	-	(1.00)
WORKERS' COMPENSATION COMMISSION	17.75	17.75	-
JUDICIAL AND LEGAL REVIEW	500.95	466.95	(34.00)
			-
EXECUTIVE DEPARTMENT	3.50	2.00	(1.50)
DEPARTMENT OF DISABILITIES	5.40	4.20	(1.20)
OFFICE FOR CHILDREN, YOUTH AND FAMILIES	8.50	4.00	(4.50)
EXECUTIVE DEPT-BOARDS, COMMISSIONS AND OFFICES	16.50	17.90	1.40
SECRETARY OF STATE	1.40	1.40	-
HISTORIC ST. MARY'S CITY COMMISSION	13.00	8.70	(4.30)
DEPARTMENT OF AGING	6.50	5.50	(1.00)
COMMISSION ON HUMAN RELATIONS	4.00	1.00	(3.00)
STATE BOARD OF ELECTIONS	9.00	9.00	-
DEPARTMENT OF PLANNING	2.50	2.50	-
MILITARY DEPARTMENT	34.50	34.00	(0.50)
MARYLAND INSTITUTE FOR EMERGENCY MEDICAL SERVICES SYSTEMS	9.50	9.90	0.40
DEPARTMENT OF VETERANS AFFAIRS	1.92	2.76	0.84
STATE ARCHIVES	42.97	41.20	(1.77)
MARYLAND INSURANCE ADMINISTRATION	12.10	8.00	(4.10)
OFFICE OF ADMINISTRATIVE HEARINGS	1.00	1.00	-
EXECUTIVE AND ADMINISTRATIVE CONTROL	172.29	153.06	(19.23)
			-
COMPTROLLER OF MARYLAND	30.61	26.65	(3.96)
STATE DEPARTMENT OF ASSESSMENTS AND TAXATION	0.25	0.25	-
LOTTERY AGENCY	30.86	26.90	(3.96)
FINANCIAL AND REVENUE ADMINISTRATION			-
			-
DEPARTMENT OF BUDGET AND MANAGEMENT	20.90	12.00	(8.90)
			-
MARYLAND STATE RETIREMENT AND PENSION SYSTEMS	29.50	31.50	2.00
			-
DEPARTMENT OF GENERAL SERVICES	27.77	26.52	(1.25)

DEPARTMENT OF TRANSPORTATION	168.85	161.39	(7.46)
DEPARTMENT OF NATURAL RESOURCES	439.07	343.19	(95.88)
DEPARTMENT OF AGRICULTURE	46.70	43.65	(3.05)
DEPARTMENT OF HEALTH AND MENTAL HYGIENE	489.26	498.65	9.39
DEPARTMENT OF HUMAN RESOURCES	135.11	135.11	-
DEPARTMENT OF LABOR, LICENSING, AND REGULATION	178.18	171.20	(6.98)
DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONAL SERVICES	487.68	463.62	(24.06)
STATE DEPARTMENT OF EDUCATION	112.80	114.80	2.00
MORGAN STATE UNIVERSITY	489.00	533.00	44.00
ST. MARY'S COLLEGE OF MARYLAND	26.96	26.89	(0.07)
MARYLAND PUBLIC BROADCASTING COMMISSION	7.42	6.17	(1.25)
UNIVERSITY SYSTEM OF MARYLAND	5,105.57	5,267.78	162.21
MARYLAND HIGHER EDUCATION COMMISSION	1.00	1.00	-
HIGHER EDUCATION LABOR RELATIONS BOARD	0.40	-	(0.40)
BALTIMORE CITY COMMUNITY COLLEGE	300.93	288.99	(11.94)
MARYLAND SCHOOL FOR THE DEAF	62.00	70.50	8.50
PUBLIC EDUCATION	6,106.08	6,309.13	203.05
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT	61.74	66.10	4.36
DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT	36.10	32.20	(3.90)
DEPARTMENT OF THE ENVIRONMENT	46.00	43.50	(2.50)
DEPARTMENT OF JUVENILE SERVICES	276.00	216.85	(59.15)
DEPARTMENT OF STATE POLICE	47.08	44.57	(2.51)
GRAND TOTAL	9,311.12	9,254.59	(56.53)

**APPENDIX F
FY 2004-2010 FORECAST**

General Fund Summary

All Projections of revenues and expenditures are based on existing State laws and the current economic outlook unless otherwise noted.

Revenues- Projections are based on the December 2004 Board of Revenues Estimates (BRE) report. Overall, BRE expects ongoing general fund revenues to increase by 4.0%, 4.2%, 4.5%, 4.7% and 4.8% during fiscal years 2006 through 2010, respectively. Amounts are adjusted to reflect tax administration and compliance efforts but exclude any anticipated revenues from the proposed video lottery terminals. Transfers include monies from the Property Transfer Tax and the State Reserve Fund.

Expenditures - Expenditures are categorized by: bond debt service payments, local aid programs, entitlements, State operations and Capital (PAYGO) projects. No expenditures are projected for PAYGO Capital through 2010. Property tax collections are not expected to keep up with debt service payments, thus requiring some additional general fund subsidies effective FY 2007 and thereafter.

Local Aid is projected to increase significantly in fiscal years 2007 and 2008 – by 9.5% and 10.5% respectively - before growing more slowly in fiscal years 2009 and 2010. The average for the five-year period is about 6.5%. Funding increases related to the “Bridge to Excellence” public education initiative have been included. Entitlements include Foster Care Payments and Medicaid, the latter of which is expected to increase an average of 6.3% annually, after adjusting for the availability of additional Cigarette Restitution Funds.

Mandated State operations include funding for the legislative and judicial branches of government, St. Mary's College of Maryland and Baltimore City Community College, several scholarship programs, the Maryland School for the Deaf, Historic St. Mary's City Commission, and three tourism/arts programs. Only about a third of the general fund budget is actually devoted to non-mandated, ongoing State operations. These include public safety, higher education and health/human resources. Before adjusting for increments and health insurance increases, most agencies show no growth. Higher education institutions are being funded consistent with State agencies. The forecast also anticipates the repayment of the Transportation Trust Fund by fiscal year 2010.

Increases for employee pay increment steps are projected at 2.2% per year after FY 2006. A 2.0% Cost of Living Adjustment (COLA) has been included in the FY 2006 budget under Statewide Adjustments, along with an annual salary adjustment for the State Fire Marshal and the first year of a four-year phased judicial compensation package. Other than health insurance, no inflation has been included for the out-years. A \$94 million general fund deficiency is proposed for FY 2005. The two largest items are for the Medicaid program and reimbursements of local governments for housing prison inmates. While projected shortfalls range from \$298 to \$986 million, offsetting actions must be taken by the Governor and General Assembly to restore balance. The following schedule shows one scenario that combines slightly higher revenue growth, further operating budget reductions, and other budget actions.

<u>(\$ in millions)</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>
Current Services Shortfall	-298	-986	-968	-930
+ Prior Year Balance	0	116	10	12
+ Additional Revenue Growth of 0.3%	34	70	110	150
+ Miscellaneous New Revenues	30	60	60	60
+ Current Service Budget Reductions	150	250	300	350
+ Other Budget Actions	<u>200</u>	<u>500</u>	<u>500</u>	<u>360</u>
Net Surplus / (Shortfall)	116	10	12	2

**APPENDIX F
FY 2004-2010 FORECAST**

GENERAL FUND SUMMARY

<u>Category (\$ in Millions)</u>	<u>FY 2004 Actual</u>	<u>FY 2005 Appr.+Def.</u>	<u>FY 2006 Allowance</u>	<u>Annual % FY05-06</u>	<u>FY 2007 Projection</u>	<u>FY 2008 Projection</u>	<u>FY 2009 Projection</u>	<u>FY 2010 Projection</u>	<u>Annual % FY06-10</u>
Opening Fund Balance	123	453	680	n/a	18	n/a	n/a	n/a	n/a
Revenues (BRE)	10,215	11,020	11,306	2.6%	11,789	12,321	12,906	13,531	4.6%
Adjustments to Revenues	0	2	68	n/a	82	78	73	67	-0.3%
Transfers from Reserves	0	91	0	-100.0%	227	0	0	0	n/a
Other Transfers	376	384	163	-57.4%	206	98	52	0	-100.0%
Total GF Revenues	10,714	11,950	12,218	2.2%	12,322	12,497	13,031	13,598	2.7%
Debt Service (inc. Educ.)	0	0	0	n/a	35	70	74	57	n/a
Education (K-12/Libraries)	3,368	3,683	4,076	10.7%	4,489	5,000	5,168	5,326	6.9%
Community Colleges	175	184	192	4.1%	201	204	209	213	2.7%
Other Local Aid	271	264	239	-9.6%	246	252	258	264	2.5%
Local Aid	3,813	4,131	4,507	9.1%	4,936	5,456	5,635	5,803	6.5%
Foster Care Maintenance	205	173	216	25.5%	227	239	251	263	5.0%
TCA / Other Public Asst.	60	76	49	-35.7%	49	49	49	49	0.0%
Property Tax Credits	37	48	49	1.6%	48	47	46	46	-1.5%
Medicaid (+Kidney Dialysis)	1,802	2,105	2,218	5.4%	2,336	2,480	2,648	2,834	6.3%
Entitlements	2,104	2,401	2,531	5.4%	2,660	2,814	2,994	3,191	6.0%
Legislature	60	61	64	4.0%	65	67	69	71	2.7%
Judiciary	270	281	302	7.7%	310	319	327	336	2.7%
Reserves/Dedications	0	107	332	n/a	8	25	75	117	n/a
H. E. Grants/SMCM/BCCC	90	95	98	3.8%	103	106	108	111	3.1%
Other Mandated St. Ops	46	41	42	1.8%	45	47	48	50	4.7%
Mandated State Ops	465	584	837	43.4%	531	564	628	685	-4.9%
Non-Mandated State Ops	3,879	4,172	4,345	4.1%	4,478	4,604	4,694	4,817	2.6%
GF Capital (PAYGO)	0	1	0	n/a	0	0	0	0	n/a
Estimated GF Reversions	0	-20	-20	0.0%	-20	-25	-25	-25	n/a
Total GF Expenditures	10,261	11,270	12,200	8.3%	12,621	13,483	13,999	14,528	4.5%
Closing Fund Balance	453	680	18	n/a	-298	-986	-968	-930	n/a

APPENDIX F
FY 2004 – 2010 FORECAST

Higher Education Fund Summary

Reporting of revenues and expenditures utilize uniform standards of the National Association of College and University Business Officers (NACUBO) and the American Institute of Certified Public Accountants (AICPA). Standardized fund accounting facilitates comparisons with other public and private institutions. Financial accounting for non-profit education entities provides information about resources and obligations rather than tracking net income.

There are multiple fund classifications as to purpose and source: Current, Loan, Endowment, Annuity, Plant, and Agency. Only Current Funds, Unrestricted and Restricted, are considered in the operating budget appropriation process and utilized in the five-year projections. Unless "restricted" by an outside donor, grantor or contractor, all other funds support missions through single-year operations.

Tuition and Fees – FY 2005 undergraduate resident tuition rates were increased an average of 9.3% at most institutions above FY 2004 actual rates and FY 2006 weighted average increase is projected to be no more than 5.9% above FY 2005 rates. The University System of Maryland (USM) tuition and fee increases from FY2007 through FY2010 for most institutions assume 5% annual rate increases for full-time, undergraduates who are Maryland residents. This plan expects non-residents to pay at least 100% of "educational" costs per student and Maryland residents to pay 30% to 45% of this cost. Similar relationships have been developed for part-time student rates. The forecast also assumes enrollment may increase about 1.5% per year. Average annual increases at St. Mary's College of Maryland (3%), Morgan State University (3.6%) and Baltimore City Community College (3.6%) reflect somewhat higher assumptions concerning enrollment trends, especially for the latter two institutions. Therefore, the tuition and fee revenue increases more in total than the rate increase for in-state undergraduates.

State Appropriations - This corresponds to the funds reported on the general fund summary. BCCC funding in FY2006 (contingent on budget reconciliation legislation) will be 5.18% above the FY 2005 revised level, which approximates the increases expected at other community colleges. St. Mary's College will receive a 4.4% increase in FY 2006, which corresponds to the base increase for the other public four-year institutions. A 2.7% annual increase is assumed for the out-years for all institutions.

Federal Grants and Contracts - Overhead and indirect cost recoveries are expected to grow an average of 2% in the out-years. All Other Unrestricted Income, of which Sales and Services (Educational Activities and Auxiliary Enterprises) constitute the bulk, are expected to grow by 3% due to increases in both the rates charged and the population served by dorms and dining halls.

Transfers (to)/from Fund Balance - This category includes reserves and revenues from one year's operations being used for expenditures in another year. For example, some of the difference between the actual year (FY04) and the current year (FY05) is due to the carryover of unfinished business since most higher education utilizes accrual versus the State's cash accounting format.

Fund Balance - Most of the fund balances are from other than State-supported operations. For example, auxiliary enterprises normally are self-supported through revenues other than general funds. Operating "reserves" equivalent to outstanding debt is recommended to maintain favorable bond ratings. Finally, long-term facility renewal and replacement require a set-aside for future projects, even though no major uses are reported. The University System of Maryland is making a concerted effort over several years to rebuild its fund balance to help protect its financial viability and excellent bond rating, thereby ensuring the lowest possible interest charged on facility debt service.

Restricted Funds - Despite recent cutbacks in federal block grant and other programs, higher education institutions project 1.9% annual increases in this category as a result of continued success in attracting outside support for research and contract activities.

**APPENDIX F
FY 2004-2010 FORECAST**

HIGHER EDUCATION FUND SUMMARY

Category (\$ in Millions)	FY 2004 Actual	FY 2005 Appr.+ Def.	FY 2006 Allowance	Annual % FY05-06	FY 2007 Projection	FY 2008 Projection	FY 2009 Projection	FY 2010 Projection	Annual % FY06-10
Opening Fund Balance	318	385	392	n/a	405	411	417	422	n/a
Tuition & Fees	909	992	1,062	7.1%	1,110	1,169	1,229	1,291	5.0%
State Appropriations	838	851	898	5.5%	922	947	973	999	2.7%
Federal Grants & Contracts	94	95	97	2.1%	99	101	103	105	2.1%
Private Gifts, Grants & Contracts	15	16	16	0.0%	16	17	17	18	3.0%
State & Local Grants & Contracts	15	19	18	-5.3%	19	19	20	20	3.0%
Sales & Services- Educational	126	134	138	3.0%	142	146	151	155	3.0%
Sales & Services- Auxiliary	395	424	431	1.7%	444	457	471	485	3.0%
Other Sources	80	61	61	0.0%	63	66	69	71	4.0%
Transfers (to)/from Fund Balance	-67	-7	-13	n/a	-6	-6	-5	-4	n/a
Current Unrestricted	2,405	2,585	2,708	4.8%	2,810	2,917	3,028	3,141	3.8%
Current Restricted	780	864	880	1.9%	897	914	931	949	1.9%
Total Revenues	3,185	3,449	3,588	4.0%	3,706	3,830	3,959	4,090	3.3%
Baltimore	588	647	665	2.8%	684	703	722	743	2.8%
College Park	1,097	1,143	1,194	4.5%	1,237	1,282	1,328	1,375	3.6%
Bowie State	70	75	78	4.0%	81	84	86	90	3.5%
Towson University	239	264	272	3.0%	280	289	297	306	3.0%
Eastern Shore	80	80	83	3.8%	86	89	92	95	3.5%
Frostburg State University	74	77	80	3.9%	83	86	89	92	3.5%
Coppin State University	54	57	61	7.0%	63	65	68	70	3.5%
Univ. of Baltimore	66	73	78	6.8%	81	84	86	90	3.5%
Salisbury University	92	100	104	4.0%	108	111	115	119	3.5%
University College	200	240	254	5.8%	264	274	284	295	3.8%
Baltimore County	273	297	309	4.0%	320	332	344	356	3.6%
Ctr for Environmental Studies	35	35	35	0.0%	35	35	35	35	0.0%
MD Biotechnology Inst.	43	57	56	-1.8%	56	56	56	56	0.0%
System Office	15	18	19	5.6%	19	20	20	20	1.5%
Univ. of MD System	2,926	3,163	3,288	4.0%	3,396	3,507	3,622	3,742	3.3%
Balto. City Comm. Coll.	72	72	76 *	5.6%	79	82	85	88	3.6%
St. Mary's Coll. of MD	42	51	53	3.9%	55	56	58	60	3.0%
Morgan State University	145	163	171	4.9%	177	184	190	197	3.6%
Total Expenditures	3,185	3,449	3,588	4.0%	3,706	3,829	3,955	4,086	3.3%
Closing Fund Balance	385	392	405	n/a	411	417	422	426	n/a

* Before proposed legislative reduction in the Budget Reconciliation and Financing Act

APPENDIX F FY 2004-2010 FORECAST

Transportation Trust Fund Summary

The Department's revenue and operating cost projections are based on a long-term "moderate growth" scenario for the nation's economy with the following trends and assumptions: Bond interest rates are projected to range between 4.4% to 5.3% while inflation rates should hold in the 1.5% to 2.5% range. The nation's economy experienced a mild recession, and started an economic recovery in FY 2004. It is now believed to be entering a period of sustained growth. Normal "business cycles" are expected to resume with no major change in law, operating responsibilities or external events.

Revenues – Motor Vehicle Fuel Tax is projected to be \$3.2 billion over the six-year period based upon current rates on gasoline (23.5 cents/gallon) and diesel fuel (24.25 cents/gallon). Gasoline supplies are plentiful and are projected to increase at a 1% to 2% annual consumption rate.

Motor Vehicle Titling Tax is projected to yield \$3.6 billion from the 5% of fair market value paid upon sale of all new and used vehicles, as well as new resident's vehicles. Auto sales are expected to moderate and then follow their normal cyclical pattern throughout the forecast period. Motor Vehicle Registration, Miscellaneous and Other Fees are projected to generate \$2.3 billion based mainly upon an average 2.5% biennial increase in revenues from vehicles registered and a change to a heavier vehicle mix. This amount also includes the rental car sales tax.

Transportation's share (24%) of Corporate Income Tax revenues is expected to be \$648 million. Federal Aid is projected to contribute \$3.9 billion for operating (7%) and capital (93%) programs, not including the \$567 million directly received by Washington Metropolitan Area Transit Authority.

Operating Revenues should provide a six-year total of \$2.2 billion. MTA revenues (\$687 million) primarily include rail/bus fares. MPA revenues (\$555 million) include terminal operations, the World Trade Center, and other port-related revenues. MAA revenues (\$1 billion) include flight activities, rent & user fees, parking, airport concessions and other aviation-related fees.

Bond Proceeds are assumed at \$1.1 billion to be sold in the six-year period based upon the supporting net revenues of the Department. Transfers reflect funds from the Maryland Transportation Authority of \$43 million annually through 2007 and the first year of the repayment of revenue from the State's General Fund of \$50 million. The remaining sources should provide \$100 million from trust fund investment income, reimbursements, and other miscellaneous revenues.

Expenditures – Normal expenditure projections utilize the CPI plus 1.5% for growth unless otherwise noted.

Debt Service reflects payment cycles of the planned bond authorization as of FY 2005 and thereafter. In FY 2006, the budget for modal operations increases by approximately \$56 million (2.9 percent). Airport and Transit budgets continue to increase faster than inflation due to higher costs related to customer growth and facility expansion at the airport, and union agreements and paratransit requirements at both MTA and WMATA.

The capital expenditures shown are in agreement with the Department's six-year Consolidated Transportation Program (CTP). Capital expenditures also are directly related to the level of revenues available for bond sale coverage. The Department utilizes a "2.5 to 1" ratio, rather than the "2 to 1" required minimum revenue coverage level, to obtain the most favorable bond ratings. In addition, the bond authorization ceiling is controlled by legislation and is adjusted when and as appropriate.

Closing Fund Balances – Fund balance will be held to a \$100 million minimum to accommodate working cash-flow requirements during the year.

**APPENDIX F
FY 2004-2010 FORECAST**

TRANSPORTATION TRUST FUND SUMMARY

<u>Category (\$ in Millions)</u>	<u>FY2004 Actual</u>	<u>FY2005 Appr.+Def.</u>	<u>FY2006 Allowance</u>	<u>Annual % FY2005-06</u>	<u>FY2007 Projection</u>	<u>FY2008 Projection</u>	<u>FY2009 Projection</u>	<u>FY2010 Projection</u>	<u>Annual % FY2006-10</u>
Opening Fund Balance	145	288	100		100	100	100	100	
Taxes & Fees	1,892	2,130	2,143	0.6%	2,183	2,218	2,249	2,273	1.5%
Operating Revenues	340	325	352	8.3%	372	384	397	419	4.5%
Federal Funds - Operating	77	76	74	-2.6%	30	30	30	30	-20.2%
Federal Funds - Capital	589	752	738	-1.9%	662	572	433	441	-12.1%
Capital Reimbursements	149	64	10	-84.4%	10	10	10	10	0.0%
Bond Proceeds	320	35	320	814.3%	175	145	175	225	-8.4%
Bond Premium	10			n/a					n/a
MdTA Transfer	43	43	43	0.0%	43	0	0	0	-100.0%
Transfers between GF & TTF*	(155)	0	50	n/a	0	0	0	0	-100.0%
Other Revenues	52	22	19	-13.6%	17	17	17	17	-2.7%
Total Revenues	3,317	3,447	3,749	8.8%	3,492	3,376	3,311	3,415	-2.3%
Operating Expenditures:									
Debt Service	135	154	150	-2.6%	135	143	159	170	3.2%
County/Municipality Funds	480	554	555	0.2%	565	573	579	585	1.3%
Office of the Secretary	65	71	66	-7.0%	70	72	73	75	3.2%
Wash. Metro Area Transit Admin.	145	154	168	9.1%	184	201	219	239	9.2%
State Highway Administration	222	185	185	0.0%	192	200	207	215	3.8%
Maryland Port Administration	97	98	97	-1.0%	99	102	105	108	2.7%
Motor Vehicle Administration	124	126	130	3.2%	135	140	145	150	3.6%
Maryland Transit Administration	409	424	439	3.5%	458	479	501	525	4.6%
Maryland Aviation Administration	116	123	160	30.1%	167	174	182	190	4.4%
Allowance for Contingencies/COL	0	28	23	-17.9%	28	29	33	35	11.1%
Subtotal Operating	1,793	1,917	1,973	2.9%	2,033	2,113	2,203	2,292	3.8%
Capital Expenditures:									
State Capital	792	966	1,038	7.5%	797	691	675	682	-10.0%
Federal Capital	589	752	738	-1.9%	662	572	433	441	-12.1%
Subtotal Capital	1,381	1,718	1,776	3.4%	1,459	1,263	1,108	1,123	-10.8%
Total Expenditures	3,174	3,635	3,749	3.1%	3,492	3,376	3,311	3,415	-2.3%
Ending Fund Balance	288	100	100	n/a	100	100	100	100	n/a

* Does not include the planned repayment of the Transportation Trust Fund from the General Fund in fiscal years 2007 to 2010 included in the General Fund forecast.

APPENDIX G
SPENDING AFFORDABILITY ANALYSIS
FISCAL YEAR 2006 BUDGET
(\$ in millions)

FY 2005 Appropriation for Spending Affordability	\$15,163.5	
Capital appropriations not excluded	(13.2)	
Prior year use of federal funds - Police	90.1	
Prior year use of federal funds - Medicaid	31.3	
Prior year use of federal funds - MHA/Medicaid	47.7	
Transportation revenue package	165.5	
Highway Users base adjustment	102.4	
DOT budget amendments (non-COLA)	7.5	
USM budget amendments	15.2	
Fiscal year 2005 special fund COLA adjustment	10.0	
	<hr/>	<u>\$15,619.9</u>
FY 2006 Allowance		
General fund deficiencies	94.1	
General fund allowance	12,298.7	
Contingent general fund reductions	(78.5)	
Special fund deficiencies	13.6	
Special fund allowance (net of restricted funds)	4,969.3	
Contingent special fund reduction	(4.6)	
Current Unrestricted Funds allowance - State funds only	1,695.3	
	<hr/>	
FY 2006 Allowance for Spending Affordability		\$18,988.0
Exclusions from the Limit		
Capital Funds:		
General fund capital	0.6	
Department of Transportation capital	1,038.0	
Other special funds capital (incl. Sunny Day)	359.3	
Higher education facilities renewal	18.1	
Other Exclusions (including deficiencies):		
Heritage Tax Credit	20.0	
IWIF reserve	8.0	
Medicaid (prior year deficiency)	35.0	
Reimbursement to local jails (prior year deficiency)	14.6	
Baltimore City Convention Center (prior year deficiency)	1.7	
Met Life settlement	13.6	
Medical malpractice	30.0	
Erickson School at UMBC	2.5	
Film Tax Credit	6.0	
Maryland Health Insurance Program	66.7	
Election system - machines	5.3	
Election system - local pass-thru	3.5	
Lottery	55.5	
DOT - Port - operating	88.5	
DOT - MAA - operating	159.7	
DOT - debt service on parking garage	3.5	
Uncompensated care revenue sharing	74.0	
State Use Industries	38.0	
Pass-through of local 911 funds	39.0	
Revenue Stabilization Account	249.7	
Dedicated Purpose Account	82.0	
Catastrophic Event Account	2.0	
MSFA loan fund repayment	1.0	
MSP - laptops	7.5	
DJS - radio and security equipment	3.0	
DJS - one-time only maintenance/mold expenditures	1.2	
MHEC Private Donation Incentive Program	2.7	
	<hr/>	
Total Exclusions		<u>(2,430.3)</u>
FY 2006 Baseline for Spending Affordability		<u>\$16,557.7</u>
Rate of Increase		6.0%

APPENDIX G (continued)

The Committee on Spending Affordability has recommended a spending limit that is insufficient to fund required increases in aid to public education, Medicaid, and other human services. In order to meet the State's commitment to healthcare and primary and secondary education, as well as to preserve funding for critical areas of State government such as higher education and public safety, the Governor's proposed budget exceeds the recommendation of the Committee on Spending Affordability by \$47.5 million. The rate of growth is 6.0%.

(\$ in millions)

Fiscal Year 2005 appropriations for Spending Affordability	\$15,619.9
Growth rate recommended by Committee on Spending Affordability	5.70%
Growth allowable under recommended rate	\$890.3
Spending Affordability Guideline Amount	\$16,510.2
Fiscal year 2006 Baseline for Spending Affordability	\$16,557.7
Difference	\$47.5

**APPENDIX H
BUDGET BILL CONTINGENT AND RESTRICTIVE LANGUAGE**

<u>Budget Code</u>	<u>Agency</u>	<u>Summary of Language</u>
A20T00.01	Electricity Generating Equipment Property Tax Grant	Specifies that \$30,615,201 is contingent upon enactment of legislation eliminating this grant.
D05E01.02	Board of Public Works Contingent Fund	Specifies uses of contingent fund.
D05E01.10	Board of Public Works Miscellaneous Grants to Private Non- Profit Groups	Specifies grantees and amounts.
D26A07.01	Department of Aging General Administration	Specifies that general fund appropriation shall be reduced by \$162,725 contingent upon the enactment of legislation to reduce the required appropriation to supplement federal funds allocated to the local Area Agencies on Aging.
D26A07.02	Department of Aging Senior Centers Operating Fund	Specifies that general fund appropriation shall be reduced by \$500,000 contingent upon the enactment of legislation reducing the amount to be distributed.
D80Z02.02	Maryland Insurance Administration- Health Insurance Safety Net Programs - Senior Prescription Drug Program	Specifies that special fund appropriation shall be reduced by \$11,750,000 contingent upon the enactment of legislation authorizing these funds to be used for the Maryland Pharmacy Assistance Program effective January 1, 2006.
F10A02.08	Department of Budget and Management Office of Personnel Services and Benefits - Statewide Expenses	Funds appropriated for statewide cost of living adjustments, annual salary review adjustments, State law enforcement officers death benefits , health insurance benefits, and eMaryland Marketplace costs may be transferred to programs of other financial agencies, including the Judiciary, the General Assembly and the Department of Legislative Services. Specifies that \$1,135,442 of the general fund appropriation is contingent upon the adoption of the joint resolution by the General Assembly authorizing this appropriation to implement the salary recommendations of the Maryland Judicial Compensation Commission. Funds not transferred for this purpose shall revert to the general fund.
F50A01.01	Major Information Technology Development Project Fund -- Major Information Technology Development Project Fund	Funds appropriated for Major Information Technology Development Projects may be transferred to programs of other financial agencies.

**APPENDIX H
BUDGET BILL CONTINGENT AND RESTRICTIVE LANGUAGE**

<u>Budget Code</u>	<u>Agency</u>	<u>Summary of Language</u>
H00G01.01	Department of General Services Office of Facilities Planning, Design and Construction	Amount appropriated for Maryland Environmental Service projects to transfer to the appropriate state facility effective July 1, 2005. Use of reimbursable funds limited to \$2,000,000. Use of capital projects authorizations limited to \$1,500,000 of this amount.
J00B01.05	Department of Transportation- State Highway Administration- County and Municipality Funds	Specifies that special fund appropriation shall be reduced by \$582,600 contingent upon the enactment of legislation exempting from the motor fuel tax motor fuel that is purchased by the Department of General Services for use by State agencies.
K00A04.01	Department of Natural Resources State Forest and Park Service - Statewide Operation	Specifies that general fund appropriation shall be reduced by \$3,000,000 contingent upon the enactment of legislation to increase the State's share of the property transfer tax revenue available to operate State Forests and Parks from \$1,200,000 to \$5,000,000.
K00A05.10	Department of Natural Resources Capital Grants and Loan Administration - Outdoor Recreation Land Loan	Specifies that special fund appropriation shall be reduced by \$139,232,297 contingent upon the enactment of legislation to alter the allocation of property transfer tax revenue. \$77,883,671 of the reduction will be to state projects. \$61,348,627 of the reduction will be to local projects. Also specifies use of special fund appropriation.
L00A11.11	Department of Agriculture Office of the Secretary- Capital Appropriation	Specifies that special fund appropriation shall be reduced by \$27,837,501 contingent upon enactment of legislation altering the amount of transfer tax revenues to be distributed to the Agricultural land Preservation capital program.
M00C01.04	Department of Health and Mental Hygiene Deputy Secretary for Operations - General Services Administration	Specifies that general fund appropriation shall be reduced by \$1,833,000 contingent upon enactment of legislation authorizing the assessment of indirect costs on the budgets of the Health Services Cost Review Commission and the Maryland Health Care Commission.
M00F03.06	Department of Health and Mental Hygiene Family Health Administration - Prevention and Disease Control	Specifies that \$10,000,000 of the special fund appropriation for cancer prevention, screening, or treatment programs shall instead be expended for activities aimed at reducing tobacco use unless legislation is enacted to alter the minimum amount required to be included in the budget for reducing tobacco use.

**APPENDIX H
BUDGET BILL CONTINGENT AND RESTRICTIVE LANGUAGE**

<u>Budget Code</u>	<u>Agency</u>	<u>Summary of Language</u>
M00M02.01	Department of Health and Mental Hygiene Rosewood Center - Services and Institutional Operations	Specifies that general fund appropriation shall be reduced by \$1,227,038 contingent upon enactment of legislation that provides funding for community placements for 40 Rosewood Center residents during Fiscal Year 2006.
M00Q01.03	Department of Health and Mental Hygiene Medical Care Programs Administration - Medical Care Provider Reimbursements	Places certain conditions on the use of appropriation for abortions. Specifies that general fund appropriation shall be reduced by \$11,750,000 from the Maryland Pharmacy Assistance Program contingent upon enactment of legislation authorizing special funds from the premium tax exemption on non-profit health service plans to be used for this program effective January 1, 2006. Specifies that general fund and federal fund appropriation shall be reduced by \$102,000 contingent upon enactment of legislation increasing the co-pay, in the Maryland Pharmacy Assistance Program, by \$1 for prescription drugs that are not on the Preferred Drug List. Specifies that general fund and federal fund appropriation shall be reduced by \$28,779 contingent upon enactment of legislation authorizing the Department of Health and Mental Hygiene to seek recovery from the estate of the spouse of a deceased Medicaid recipient for the cost of furnishing Medicaid services.
M00Q01.07	Department of Health and Mental Hygiene Medical Care Programs Administration - Maryland Children's Health Program	Places certain conditions on the use of appropriation for abortions.
N00G00.01	Department of Human Resources Local Department Operations - Foster Care Maintenance Payments	Funds may be used to develop a broad range of services for specified children.
Q00C02.02	Department of Public Safety and Correctional Services Division of Parole and Probation - Field Operations	Specifies that \$598,000 of the general fund appropriation shall be contingent upon enactment of legislation increasing the monthly supervision fee for probationary offenders.
Q00C02.02	Department of Public Safety and Correctional Services Division of Parole and Probation - Field Operations	Specifies that special fund appropriation shall be contingent upon enactment of legislation providing a \$45 monthly program fee for participants in the Drinking Driver Monitor Program.

**APPENDIX H
BUDGET BILL CONTINGENT AND RESTRICTIVE LANGUAGE**

<u>Budget Code</u>	<u>Agency</u>	<u>Summary of Language</u>
Q00G00.01	Department of Public Safety and Correctional Services Police and Correctional Training Commissions - General Administration	Specifies that general fund appropriation shall be reduced by \$750,906 contingent upon enactment of legislation increasing the administrative District Court fees for traffic and criminal cases.
R00A02.07	State Department of Education Aid to Education - Students with Disabilities	Specifies that general fund appropriation shall be reduced by \$5,799,866 contingent upon the enactment of legislation reducing the State's share of the cost of educating children with disabilities in the Non-Public Placements program. Funds may be used to develop a broad range of services for specified children.
R00A03.03	State Department of Education Funding for Educational Organizations - Other Institutions	Specifies grantees and amounts.
R00A03.04	State Department of Education Funding for Educational Organizations - Aid to Non-Public Schools	Sets per pupil amounts for purchase of textbooks, computer software, hardware and other electronically delivered learning materials. Specifies requirements for a school to participate.
R55Q00.01	University of Maryland Medical System Aid to University of Maryland Medical System	Special fund appropriation may be used only to support the UMMS Shock-Trauma Center.
R62I00.03	Maryland Higher Education Commission Joseph A. Sellinger Program for Aid to Non-Public Institutions of Higher Education	Specifies that appropriation shall be reduced by \$10,094,601 contingent upon the enactment of legislation to reduce the amount to be distributed.
R62I00.07	Maryland Higher Education Commission Educational Grants	Specifies purposes and amounts.
R62I00.12	Maryland Higher Education Commission Senatorial Scholarships	Specifies that the general fund appropriation will be transferred to Program R62I00.10 Educational Excellence Awards contingent upon the enactment of legislation repealing the Senatorial Scholarships.
R62I00.15	Maryland Higher Education Commission Delegate Scholarships	Specifies that the general fund appropriation will be transferred to Program R62I00.10 Educational Excellence Awards contingent upon the enactment of legislation repealing the Delegate Scholarships.

**APPENDIX H
BUDGET BILL CONTINGENT AND RESTRICTIVE LANGUAGE**

<u>Budget Code</u>	<u>Agency</u>	<u>Summary of Language</u>
R75T00.01	Higher Education Support for State Institutions of Higher Education	Specifies transfer of quarterly allotments. Appropriations for Baltimore City Community College shall be reduced by \$1,628,829 contingent upon the enactment of legislation to reduce the required appropriation. Special funds may be used only to support the Maryland Fire and Rescue Institute.
R95C00.00	Baltimore City Community College	Specifies that appropriation shall be reduced by \$1,628,829 contingent upon the enactment of legislation to reduce the required appropriation.
S00A23.05	Department of Housing and Community Development Division of Historical and Cultural Programs - Preservation Services	Specifies that general fund appropriation shall be reduced by \$400,000 contingent upon the enactment of legislation authorizing the Department to charge a fee to certify heritage structures.
S00A25.04	Department of Housing and Community Development Division of Development Finance - Special Loan Programs	Specifies that \$1,000,000 of the special fund appropriation shall be contingent upon enactment of legislation transferring the responsibility for the weatherization component of the Electric Universal Service Program from the Department of Human Resources to the Department of Housing and Community Development.
T00G00.03	Department of Business and Economic Development Division of Tourism, Film and the Arts - Maryland Tourism Board	Specifies that general fund appropriation shall be reduced by \$1,000,000 contingent upon the enactment of legislation to reduce the required appropriation.
T00G00.05	Department of Business and Economic Development Division of Tourism, Film and the Arts - Maryland State Arts Council	Specifies that appropriation shall be reduced by \$180,000 contingent upon the enactment of legislation to reduce the required appropriation.
T00G00.06	Department of Business and Economic Development Division of Tourism, Film and the Arts - Film Production Wage Tax Credit	Specifies that general fund appropriation is contingent upon the enactment of legislation to create the film production wage tax credit program.
U00A04.01	Department of Environment Water Management Administration - Water Pollution Control Program	Specifies that general fund appropriation shall be reduced by \$1,000,000 contingent upon the enactment of legislation to increase fees for wetlands services within this program.

**APPENDIX H
BUDGET BILL CONTINGENT AND RESTRICTIVE LANGUAGE**

<u>Budget Code</u>	<u>Agency</u>	<u>Summary of Language</u>
F10A02.08 Deficiency	Department of Budget and Management Office of Personnel Services and Benefits - Statewide Expenses	Specifies that the FY 2005 deficiency special fund appropriation of \$13,645,949 is contingent upon the enactment of legislation authorizing the use of the settlement proceeds from the demutualization of the Metropolitan Life Insurance Company for health insurance costs.
SECTION 2		Authorizes Secretary of Budget and Management to allot funds and fix the number and classifications of positions.
SECTION 3		Lists non-classified per diem and flat rate positions.
SECTION 4		Prohibits payment of compensation for a second office of profit within the meaning of the Constitution.
SECTION 5		Permits the expenditure of block grants and money derived from sources not estimated or included in the budget by budget amendment.
SECTION 6		Permits appropriation to be transferred among programs by budget amendment.
SECTION 7		Permits the expenditure of special and federal fund revenues in excess of budgeted amounts by budget amendment.
SECTION 8		Authorizes transfer of general fund amounts for operation of state facilities by budget amendment.
SECTION 9		Authorizes transfer of funds provided for tort claims to be transferred to the State Insurance Trust Fund. Sets limits on payments of tort claims.
SECTION 10		Authorizes transfer of general fund amounts for indirect cost pools by budget amendment.
SECTION 11		Restricts the use of funds budgeted for Annapolis Data Center charges. Authorizes the transfer of these funds among agencies by budget amendment.
SECTION 12		Sets forth the salary schedule for the Executive Pay Plan.
SECTION 13		Sets forth the salary schedule for the Department of Transportation Executive Pay Plan.
SECTION 14		Allows the transfer of funds from certain agencies to the Medical Assistance Program for services to clients who become eligible for Medical Assistance.

**APPENDIX H
BUDGET BILL CONTINGENT AND RESTRICTIVE LANGUAGE**

<u>Budget Code</u>	<u>Agency</u>	<u>Summary of Language</u>
SECTION 15		Provides that amounts budgeted to conduct administrative hearings shall transfer to the Office of Administrative Hearings on July 1, 2005 and may not be expended for any other purpose.
SECTION 16		Funds budgeted in certain agencies may be transferred to the Subcabinet Fund - Community Partnerships for Children, Youth and Families.
SECTION 17		Funds budgeted for health insurance, retirees health insurance, Workers' Compensation, and DBM-paid telecommunications may not be expended for any other purpose without the prior approval of the Secretary of Budget and Management. Funds budgeted for health insurance and DBM-paid telecommunications may be transferred by budget amendment among agencies.
SECTION 18		Specifies that general fund appropriation shall be reduced by \$7,601,505, special fund appropriation shall be reduced by \$3,713,898, and federal fund appropriation shall be reduced by \$3,029,667 contingent upon enactment of legislation eliminating payment of employer contributions for State supplemental plans in the Optional Defined Contribution System.
SECTION 19		Specifies that general fund appropriations shall be reduced by \$875,000, special fund appropriations shall be reduced by \$900,000, and federal fund appropriations shall be reduced by \$167,000 contingent upon enactment of legislation exempting motor fuel that is purchased by the Department of General Services for use by State agencies from the Motor Fuel Tax.
SECTION 20		Specifies that subtotals and totals in the budget bill are informational only and are not legal appropriations.
SECTION 21		Sets out the estimated revenue and appropriations for the proposed budget to show that the budget meets the constitutional requirement for a balanced budget.

APPENDIX I

**RECOVERIES OF INDIRECT COSTS FROM
FEDERAL GRANTS AND CONTRACTS
FOR FISCAL YEAR 2004**

	Statewide Indirect Cost Recoveries (\$)	Internal Indirect Cost Recoveries (\$)	Reverted to General Fund (\$)
Office of the Attorney General	24,358	246,285	270,643
Dept. of Natural Resources	150,053	1,113,023	150,053
Dept. of Agriculture	30,549	224,022	-
Dept. of Health and Mental Hygiene	2,341,810	7,804,681	-
Dept. of Human Resources	2,028,348	27,140,242	2,028,348
Dept. of Labor, Licensing, and Regulation	1,190,625	9,378,692	-
Dept. of Public Safety and Correctional Services	-	109,473	-
State Dept. of Education	-	8,918,060	-
University System of Maryland	288,534	98,945,429	288,534
Baltimore City Community College	-	339,184	-
Morgan State University	242,924	1,570,544	-
St. Mary's College of Maryland	-	130,524	-
Dept. of Housing and Community Development	621,130	1,992,715	621,130
Dept. of the Environment	399,087	2,750,774	-
Dept. of State Police	-	4,394,564	-
	<u>7,317,418</u>	<u>165,058,212</u>	<u>3,358,708</u>

APPENDIX J
CONSOLIDATED STATEWIDE CENTRAL SERVICES COST ALLOCATION PLAN
FISCAL YEAR 2002

AGENCY	ALLOCATION
GENERAL ASSEMBLY	128,885
JUDICIARY	1,081,428
OFFICE OF THE PUBLIC DEFENDER	757,953
OFFICE OF THE ATTORNEY GENERAL	276,395
OFFICE OF THE STATE PROSECUTOR	11,990
MARYLAND TAX COURT	8,820
PUBLIC SERVICE COMMISSION	97,669
SUBSEQUENT INJURY FUND	118,393
UNINSURED EMPLOYERS' FUND	29,791
WORKERS' COMPENSATION COMMISSION	156,637
BOARD OF PUBLIC WORKS	252,326
EXECUTIVE DEPARTMENT	1,484,227
OFFICE FOR INDIVIDUALS WITH DISABILITIES	61,516
MARYLAND ENERGY ADMINISTRATION	42,964
OFFICE FOR CHILDREN, YOUTH AND FAMILIES	296,903
EXECUTIVE DEPT-BOARDS, COMMISSIONS AND OFFICES	84,611
DEPARTMENT ON AGING	254,904
COMMISSION ON HUMAN RELATIONS	25,454
MARYLAND STADIUM AUTHORITY	84,330
MARYLAND STATE BOARD OF CONTRACT APPEALS	6,451
DEPARTMENT OF PLANNING	150,678
MILITARY DEPARTMENT	408,637
MEMA	25,055
DEPARTMENT OF VETERANS AFFAIRS	18,906
MD. VETERANS COMMISSION	92,636
MARYLAND AUTOMOBILE INSURANCE FUND	230,738
MARYLAND INSURANCE ADMINISTRATION	279,469
OFFICE OF ADMINISTRATIVE HEARINGS	133,606
COMPTROLLER OF THE TREASURY	4,649,738
INSURANCE MANAGEMENT	96,311
STATE DEPARTMENT OF ASSESSMENTS AND TAXATION	656,735
LOTTERY AGENCY	625,159
MARYLAND STATE RETIREMENT AND PENSION SYSTEMS	271,225
INJURED WORKERS' INSURANCE FUND	961
DGS - SURPLUS PROPERTY	1
DEPARTMENT OF TRANSPORTATION	8,297,284
DEPARTMENT OF NATURAL RESOURCES	2,585,380
DEPARTMENT OF AGRICULTURE	557,265
DEPARTMENT OF HEALTH AND MENTAL HYGIENE	16,623,468
DEPARTMENT OF HUMAN RESOURCES	6,005,083
DEPARTMENT OF LABOR, LICENSING, AND REGULATION	2,649,330
DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONAL SERVICES	11,622,729
STATE DEPARTMENT OF EDUCATION	3,354,737
EMS SYSTEMS(Institute)	106,096
MORGAN STATE UNIVERSITY	698,897
ST. MARY'S COLLEGE OF MARYLAND	191,474
MARYLAND PUBLIC BROADCASTING COMMISSION	238,120
UNIVERSITY SYSTEM OF MARYLAND	8,129,976
UNIVERSITY OF MARYLAND MEDICAL SYSTEM	15,959
MARYLAND HIGHER EDUCATION COMMISSION	36,713
HIGHER EDUCATION	499,327
BALTIMORE CITY COMMUNITY COLLEGE	542,340
MARYLAND SCHOOL FOR THE DEAF	298,255
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT	1,203,048
DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT	621,511
MARYLAND DEPARTMENT OF THE ENVIRONMENT	1,551,429
DEPARTMENT OF JUVENILE JUSTICE	1,291,052
DEPARTMENT OF STATE POLICE	1,930,998
TOTAL	81,951,974

APPENDIX K
SHARE OF THE STATE BUDGET FOR SERVICES TO CHILDREN, YOUTH AND FAMILIES

BY AGENCY:	FY 2004 Expenditures	FY 2005 Appropriation	FY 2006 Allowance	Percent Change From 2005-2006
Office for Children, Youth and Families	4,729,562	5,806,541	4,080,744	-29.72%
Interagency Committee for School Construction	12,151,232	13,137,859	17,988,136	36.92%
Dept of Health and Mental Hygiene	950,341,768	814,831,076	944,144,473	15.87%
Dept of Human Resources	757,230,874	746,329,129	790,424,142	5.91%
Md State Dept of Education	4,093,918,351	4,472,643,601	4,899,430,579	9.54%
Md School for the Deaf	23,392,343	24,314,145	25,879,422	6.44%
Dept of Juvenile Services	181,558,442	186,294,631	184,157,108	-1.15%
Total	6,023,322,572	6,263,356,982	6,866,104,604	9.62%
BY MARYLAND PARTNERSHIP FOR CHILDREN, YOUTH AND FAMILIES RESULT AREA:				
Babies Born Healthy	279,574,816	303,064,906	354,137,123	16.85%
Healthy Children	985,330,557	819,125,563	943,056,264	15.13%
Children Entering School Ready to Learn	97,416,662	93,496,969	101,812,203	8.89%
Children Successful in School	3,860,628,390	4,237,286,474	4,643,534,728	9.59%
Children Completing School	1,828,572,132	2,079,776,527	2,243,488,664	7.87%
Children Safe in Their Families and Communities	827,623,889	905,892,766	983,845,382	8.61%
Stable and Economically Independent Families	701,745,944	694,290,675	747,978,609	7.73%
Subtotal	8,580,892,390	9,132,933,880	10,017,852,973	
Less Program Funds Included in Multiple Result Areas:	(2,557,569,818)	(2,869,576,898)	(3,151,748,369)	
Total	6,023,322,572	6,263,356,982	6,866,104,604	9.62%

APPENDIX L
SUMMARY OF BUDGETED FEDERAL REVENUES BY MAJOR FEDERAL SOURCES

	CFDA No.	FY 2005	FY 2006
Department of Agriculture	10	538,260,879	562,164,393
Department of Commerce	11	5,181,025	5,115,006
Department of Defense	12	8,712,711	10,979,372
Department of Housing and Urban Development	14	171,565,996	230,784,914
Department of the Interior	15	12,124,140	14,205,549
Department of Justice	16	41,650,449	28,227,156
Department of Labor	17	138,774,259	137,239,421
Department of Transportation	20	847,152,846	843,543,220
Appalachian Regional Commission	23	7,632,000	8,741,000
Equal Employment Opportunity Commission	30	344,900	350,000
General Services Administration	39	13,104,107	10,996,115
National Foundation on the Arts and the Humanities	45	4,250,560	4,115,683
National Science Foundation	47	4,000,000	-
Department of Veterans Affairs	64	7,344,492	7,618,034
Environmental Protection Agency	66	63,133,201	70,385,544
Department of Energy	81	4,248,309	4,251,694
Federal Emergency Management Agency	83	1,545,171	1,622,615
Department of Education	84	541,308,387	604,006,988
Department of Health and Human Services	93	3,349,014,886	3,571,995,336
Corporation for National and Community Service	94	10,068,420	5,253,902
Social Security Administration	96	27,075,802	28,395,466
Department of Homeland Security	97	26,165,157	26,173,413
Non-CFDA Sources		19,529,833	22,145,847
TOTAL		5,842,187,530	6,198,310,668

APPENDIX M
CIGARETTE RESTITUTION FUND & SPECIAL FUND
FISCAL YEARS 2004 - 2006
(in thousands of \$)

	<u>2004</u>	<u>2005</u>	<u>2006</u>
Balance - beginning of fiscal year	50,954	10,486	11,352
Sources			
Master Settlement Agreement amounts	190,160	189,109	188,532
Adjustments:			
Inflation	29,590	35,903	42,405
Volume reduction	(56,792)	(62,344)	(68,078)
Previously Settled States reduction	<u>(19,127)</u>	<u>(19,222)</u>	<u>(19,318)</u>
Master Settlement Agreement payments	143,831	143,446	143,541
National Arbitration Panel award	6,111	5,312	5,457
Interest	767	-	-
Restricted (Special Reserve)	13,484	-	-
Legal settlement (transfer of MSA payments)	<u>(30,000)</u>	<u>(30,000)</u>	<u>(29,873)</u>
Total Sources	134,193	118,757	119,125
Recovery of prior year expenditures	4,255	-	-
Planned uses (see detail)	<u>(178,916)</u>	<u>(117,892)</u>	<u>(122,741)</u>
Balance - end of fiscal year	<u><u>10,486</u></u>	<u><u>11,352</u></u>	<u><u>7,736</u></u>

APPENDIX M (CONT.)
CIGARETTE RESTITUTION FUND & SPECIAL FUND
Detail of Planned Uses
Fiscal Years 2004 - 2006

	<u>2004</u>	<u>2005</u>	<u>2006</u>
Crop Conversion			
L00 A1210 Agriculture - Marketing and Development	1,060,000	1,000,000	1,431,000
L00 A1213 Agriculture - Tobacco Transition Program	4,040,000	4,653,000	4,525,000
Total	5,100,000	5,653,000	5,956,000
Cancer Prevention/Screening/Treatment and Heart/Lung			
M00 F0306 DHMH - Prevention and Disease Control			
Local Public Health	8,625,391	7,504,090	7,504,090
UM - Baltimore City	1,395,000	1,218,000	1,218,000
JHI - Baltimore City	1,395,000	1,218,000	1,218,000
Baltimore City Health Department	10,000	10,000	10,000
Statewide Academic Health Center			
University of Maryland - Heart and Lung	2,288,000	1,990,000	995,000
University of Maryland Medical Group	11,770,000	10,950,000	5,475,000
Johns Hopkins Institutions	2,590,000	2,409,000	1,204,500
Surveillance and Evaluation	1,350,347	1,230,165	1,229,826
Administration	984,666	991,122	771,993
Cancer screening data base	384,100	385,000	385,000
Statewide Public Health	-	111,798	111,798
Total	30,792,504	28,017,175	20,123,207
Breast & Cervical Cancer - DHMH - M00F0306	252,279	2,524,153	-
Tobacco Use Prevention and Cessation Program			
M00 F0306 DHMH - Prevention and Disease Control			
Local Public Health	8,000,000	6,960,000	6,960,000
Countermarketing	4,000,000	1,000,000	500,000
Statewide Public Health	336,990	217,500	647,377
Minority Outreach and Technical Assistance	902,000	870,000	870,000
Administration	582,473	440,797	249,844
Total	13,821,463	9,488,297	9,227,221
Management - Prevention and Disease Control - DHMH - M00F0306	535,700	427,219	342,544
Drug Addiction			
M00 K0201 DHMH - Alcohol and Drug Abuse	17,112,910	17,112,910	17,112,910
Education			
R00 A0100 MSDE - Headquarters	90,000	90,000	90,000
R00 A0304 MSDE - Aid to Non-public Schools	2,910,000	2,910,000	2,910,000
Total Education	3,000,000	3,000,000	3,000,000
Legal Expenses			
C81 C0014 Office of the Attorney General - Civil Litigation Division	-	168,764	179,000
Medicaid			
M00 Q0103 DHMH - Medical Provider Reimbursement	108,300,721	51,500,000	66,800,000
Total Uses	178,915,577	117,891,518	122,740,882

APPENDIX N

MAJOR PUBLICLY FUNDED PROGRAMS FOR THE AGED ADMINISTERED BY THE STATE OF MARYLAND

The figures below represent reasonable estimates of the dollar value of services provided to the elderly. They were not developed by applying statistical measures to gross program costs, and do not include indirect costs associated with the administration of programs. Changes will be necessary as statistical and cost allocation methods improve.

	2004	2005	2006	Percent
	Estimated	Estimated (a)	Estimated	Over/Under
				2005
Institutional Care:				
In-Patient Comprehensive Care	69,122,456	71,799,307	74,216,011	
Long Term Care	655,795,604	686,815,975	705,422,559	
Chronic Care Facilities	20,366,058	21,007,940	22,011,690	
State Psychiatric Centers	19,097,970	18,275,622	18,731,512	
Subtotal	764,382,088	797,898,844	820,381,772	2.82%
In-Home Aid Services:				
In-Home Aid Services	10,861,342	12,410,765	11,985,743	
Social Services to the Aged	6,715,562	7,692,690	7,437,752	
Home Delivered Meals	4,168,326	4,045,688	3,845,550	
Personal Care	9,904,342	10,282,753	11,726,465	
GAP Filling Services	8,716,153	8,673,410	8,867,037	
Subtotal	40,365,725	43,105,306	43,862,547	1.76%
Community Based Services:				
Medicaid Waiver Administration	5,979,971	5,375,705	5,681,054	
Day Care	27,202,096	28,409,699	29,383,782	
Congregate Meals	7,827,747	7,798,814	7,502,316	
Transportation	9,806,152	10,296,629	9,993,009	
Senior Employment	1,579,194	1,246,899	1,210,414	
Area Agency Programs	5,594,765	5,658,745	5,217,112	
Protective Services	7,613,975	8,110,317	8,097,348	
Subtotal	65,603,900	66,896,808	67,085,035	0.28%
Assisted Housing Arrangements:				
Project Home	1,089,981	1,240,083	1,207,446	
Sheltered Housing	3,957,354	4,032,006	3,682,006	
Domiciliary/Respite Care	3,889,483	3,786,734	3,809,112	
Subtotal	8,936,818	9,058,823	8,698,564	-3.98%
Screening/Evaluation/Referral:				
Coordinated Screening Point	907,949	831,647	810,072	
Statewide Evaluation & Planning Services Program (STEPS)	3,811,148	4,485,488	4,451,252	
Pre-Admission Screening and Residential Review (PASRR)	221,012	242,189	261,308	
Subtotal	4,940,109	5,559,324	5,522,632	-0.66%
Other Benefit Programs:				
Circuit Breaker Program and Renters' Tax Credit	33,495,922	33,903,244	33,877,000	
Medicaid Program (b)	136,169,234	144,294,976	159,764,044	
Pharmacy Assistance	171,810,437	177,737,303	166,528,787	
Food Stamps	20,260,506	17,857,696	20,463,111	
Energy Assistance	8,252,937	10,692,921	10,685,051	
Universal Service Benefit Program	12,317,403	12,342,000	12,342,000	
Medicare - Part B Reimbursement	85,724,611	93,260,742	100,561,796	
Subtotal	468,031,050	490,088,882	504,221,789	2.88%
Total	1,352,259,690	1,412,607,987	1,449,772,339	2.63%

(a) FY 2005 deficiency appropriations included in FY 2005 estimates

(b) Nursing Home costs covered by the Medicaid Program are included in Long Term Care category

(c) Long Term Care expenditures are only counted within Institutional Care

(d) Visitation Services costs are included in Domiciliary/Respite Care category

Glossary

Allowance

The amount proposed by the Governor for an item in the FY 2006 budget. In most instances the General Assembly may subtract from but may not add to the allowance.

Appropriation

The amount of spending for an item legally authorized by the General Assembly.

Appropriated Positions

Synonymous with “authorized positions” (see below).

Authorized Positions

The number of full-time equivalent employees that may be employed at any one time on the regular state payroll. The number of authorized positions includes vacant positions. An agency may not exceed its total of authorized positions. Only the state’s Board of Public Works may increase the number of authorized positions during the fiscal year.

Capital Expenditure

An expenditure for the acquisition or construction of buildings or other fixed assets, or for other tangible assets with a useful life of at least fifteen years.

Contractual Positions

The number of full-time equivalent employees working under employment contracts. Agencies generally use contractual employees for tasks of a limited duration or seasonal nature. Contractual employees are not eligible for most state fringe benefits.

Current Restricted Funds (CRF)

Funds that may be used by higher education institutions only for restricted purposes. These consist principally of research grants and donations for particular purposes (i.e., student aid).

Current Unrestricted Funds (CUF)

Funds that may be used by higher education institutions without restriction. These consist principally of the state appropriation, tuition and student fees.

Deficiency Appropriation

An appropriation for an expense in the current fiscal year that is not covered by the existing budget. Deficiency appropriations usually occur when workloads exceed projected amounts, new legislation requires expenditures not provided in the budget or unanticipated needs arise. The FY 2006 budget proposal includes deficiency appropriations for fiscal year 2005.

Federal Funds (FF)

Grants and other payments from the federal government which flow through the state budget.

Fiscal Year (FY)

The calendar on which the state operates for financial purposes. Maryland’s fiscal year begins on July 1 and ends on June 30. Thus fiscal year 2006 (FY 2006) will begin on July 1, 2005 and continue until June 30, 2006.

Full-Time Equivalent (FTE)

A method of calculating employment, workloads, enrollments or caseloads to adjust for part-time or part-year participation. For example, part-time or part-year

employees are factored according to the share of a full 2,080-hour year during which they are employed. A seasonal employee who works twenty hours a week for one-half of the year would count as 0.25 full-time equivalent.

General Fund (GF)

The governmental fund into which revenues are deposited if they are not dedicated to particular expenditures, and from which most discretionary spending is made. Income taxes and sales taxes provide the bulk of Maryland's General Fund revenues. About half of the State's expenditures are made from the General Fund.

Non-budgeted Funds (NBF)

Some agencies have independent authority to make expenditures without legislative appropriations. Examples include the Injured Workers' Insurance Fund (which provides workers' compensation insurance) and the Maryland Transportation Authority (which operates certain bridges, tunnels and other transportation facilities). These agencies have independent revenue sources (i.e., insurance premiums, toll revenues) and are presented in the budget for information purposes only.

Operating Expenditure

As distinguished from "capital expenditures," are expenses of ongoing operations of government and other expenditures that do not result in a tangible fixed asset with a useful life of at least fifteen years.

Reimbursable Funds

Many activities of State agencies are performed for other State agencies. Reimbursable funds are an accounting technique used to record these expenditures without overstating total expenditures. An example is telephone service. Each operating agency pays the Department of Budget and Management for the actual cost of its telephone usage from its general, special or

federal funds. The Department of Budget and Management, in turn, pays the telephone service provider with *reimbursable funds*. Reimbursable funds are generally not included in budget totals — to do so would count the same expense twice.

Special Funds (SF)

Special funds are a particular source of revenue *dedicated* to a specific category of expenditures. Such revenues are paid into a special fund, and the expenditures are charged against the special fund. Examples include the Transportation Trust Fund (fuel tax and other transportation-related revenues) and Program Open Space (property transfer taxes).

Abbreviations

CRF - Current Restricted Funds

CUF - Current Unrestricted Funds

FF - Federal Funds

FY - Fiscal Year

FTE - Full-time Equivalent

GF - General Funds

NBF - Non-budgeted Funds

SF - Special Funds

RF - Reimbursable Funds

Acknowledgements

We are very pleased to assist Governor Ehrlich in presenting his FY 2006 budget to all Marylanders. This would not have been possible without our extraordinary team at the Department of Budget and Management, as well as from the Governor's Office and all State agencies. We are proud that this budget resolves the State's projected \$830 million deficit, yet manages to both uphold the priorities of our Governor and fund those areas most vital to Maryland's needs. Through the Strategic Budgeting exercise, we have been able to begin the realignment of Maryland government's priorities. Today, education, healthcare, public safety and the Chesapeake Bay, among others are receive more funding and are being better managed because of Governor Ehrlich's leadership. We express our heartfelt thanks to those who contributed their energy, expertise, creativity and compassion to produce this comprehensive explanation of the State's \$25 billion operating budget and the positive outcomes it produces for Marylanders.

James C. DiPaula, Jr.

Secretary of Budget and Management

Cecilia Januskiewicz

Deputy Secretary of Budget and Management

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