**Governor Hogan refuses to release $127 million for school construction projects** included in this year’s bipartisan budget - **Urge the Governor to** [**#FreeTheFunds**](https://twitter.com/hashtag/FreeTheFunds?src=hash) so we can provide Maryland kids with the facilities and resources they need to learn.

***Public School Construction Enhancement:*** The Governor’s budget provided $438 million to fund various components of public school construction programs, including the use of $65 million of special funds from the Education Trust Fund (ETF). The General Assembly set a goal to fund public school construction at a level of $500 million for fiscal 2020, but this did not include the use of the ETF, which was restricted to support funding priorities for The Blueprint for Maryland’s Future under ***Senate Bill 1030 (passed)***. **The General Assembly instead restricted $90 million in the Revenue Stabilization Account (Rainy Day Fund),** an amount available above the SAC recommendation of a Rainy Day Fund balance of 6% of general fund revenues, **and restricted $37 million in the Dedicated Purpose Account (DPA) designated in the budget as introduced for retirement reinvestment contributions.** A more detailed outline of the funding for public school construction can be found in the subpart “School Construction” within this section. *Page 94*

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**The fiscal 2020 capital and operating budgets provide a total of $500.6 million for school construction, an increase of $62.5 million above the Governor’s proposed plan.** This includes $326.1 million in GO bonds and $167.0 million in PAYGO funds for public school construction as well as $4.0 million in GO bonds and $3.5 million in PAYGO funds for nonpublic school construction. **Exhibit A-2.7** illustrates the difference between the Governor’s school construction budget plan and that of the General Assembly.*Page 99*

|  |  |  |  |
| --- | --- | --- | --- |
| **General Funds** | **Governor’s Allowance** | **Legislative Appropriation** | **Difference** |
| Public School Construction Program-Revenue Stabilization Account**1** | 0.0 | 90.0 | 90.0 |
| Public School Construction Program- Dedicated Purpose Account**2** | 0.0 | 37.0 | 37.0 |
| ***Subtotal*** | ***$43.5*** | ***$170.5*** | ***$127.0*** |

**1 The release of these funds by budget amendment are at the discretion of the Governor.**

**2 The release of these funds by budget amendment are at the discretion of the Governor.** Language restricts $9.3 million of these funds to forward funded projects that can only be reimbursed with pay-as-you-go funding.

**Public School Construction Program Funding** - **Fiscal 2020 ($ in Thousands)**

|  |  |  |
| --- | --- | --- |
| **Local Education Agency** | **75% Approved Funding** | **100% Preliminary Funding** |
| Allegany | $2,276 | $3,034 |
| Anne Arundel | 20,442 | 28,925 |
| Baltimore City | 22,720 | 29,050 |
| Baltimore | 23,180 | 31,365 |
| Calvert | 1,455 | 1,938 |
| Caroline | 9,345 | 13,845 |
| Carroll | 5,317 | 6,847 |
| Cecil | 2,213 | 3,213 |
| Charles | 11,981 | 15,968 |
| Dorchester | 3,294 | 4,391 |
| Frederick | 13,751 | 18,250 |
| Garrett | 241 | 362 |
| Harford | 9,194 | 11,279 |
| Howard | 1,688 | 1,688 |
| Kent | 1,113 | 1,541 |
| Montgomery | 27,017 | 33,716 |
| Prince George’s | 13,228 | 19,981 |
| Queen Anne’s | 505 | 652 |
| St. Mary’s | 3,476 | 4,600 |
| Somerset | 2,371 | 3,157 |
| Talbot | 6,925 | 9,000 |
| Washington | 9,379 | 12,154 |
| Wicomico | 9,639 | 12,709 |
| Worcester | 3,252 | 4,336 |
| Maryland School for the Blind | 6,000 | 8,000 |
| ***Subtotal*** | ***$210,000*** | ***$280,000*** |
| Unallocated |  | 98,800 |
| **Total** | **$210,000** | **$378,800** |

**Note:** Preliminary recommendations for total funding include both general obligation bond funding of $251.8 million, **and restricted pay-as-you-go funding of $127.0 million that is assumed to be released by the Governor**. The Interagency Commission on School Construction will allocate all available funds yet to be approved, including available contingency funds, to projects in the Capital Improvement Plan on a later date.

**Source:** Interagency Commission on School Construction; Department of Legislative Services