**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