Maryland State Budget Update

Governor’s Grants Conference 2016

David Brinkley, secretary
Federal Funds Account for Almost a Third of the FY 2017 Operating Budget of the State

Funds for entitlements, programs and state agency operations
Main programs are Medicaid; Education and Housing
Large majority of funds are pass through benefits to individuals
Facing substantial budget pressures from federal government

FY 2017 Operating Budget - $38,047M

(millions $)

The following agencies represent 97% of the total Federal Funds assigned for FY 2017:

<table>
<thead>
<tr>
<th>Government Agency</th>
<th>Federal Funds FY 2017</th>
<th>% of Total FF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Human Resources</td>
<td>$1,839,141,554</td>
<td>15%</td>
</tr>
<tr>
<td>Department of Education</td>
<td>$1,171,316,588</td>
<td>10%</td>
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<tr>
<td>Department of Transportation</td>
<td>$1,183,450,525</td>
<td>10%</td>
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<tr>
<td>Department of Health and Mental Hygiene</td>
<td>$6,962,129,045</td>
<td>58%</td>
</tr>
<tr>
<td>Department of Housing and Comm. Dev.</td>
<td>$261,579,882</td>
<td>2%</td>
</tr>
<tr>
<td>Department of Labor, Licensing, &amp; Reg.</td>
<td>$195,093,045</td>
<td>2%</td>
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</tbody>
</table>
THREE FEDERAL DEPARTMENTS – HHS, AGRICULTURE, AND TRANSPORTATION – CONTRIBUTE MORE THAN 87% OF FUNDING TO THE STATE

Federal Funds to Maryland Government Agencies (1)

(in $ millions)

16,350

11,766

11,464

12,079

2014

2015

2016

2017

Three Federal Departments – HHS, Agriculture, and Transportation – Contribute More Than 87% of Funding to the State

Department of Agriculture
- Nutrition Assistance
- WIC
- National School Lunch

Department of Education
- Title I Grants
- Special Education Grants
- Pell Grants
- Improving Teacher Quality Grants

Department of Health and Human Resources
- Medicaid
- Title XIX
- Head Start
- Temporary Assistance for Needy Families

Department of Housing & Urban Development
- Public and Indian Housing
- Section 8 Rental Certificate Program
- Section 8 Housing Choice Vouchers
- Public Housing Capital Fund

Department of Labor
- WIA Dislocated Workers
- Unemployment Insurance
- Employment Services
- Occupational Safety and Health State Program

Department of Transportation
- Highway Planning and Construction
- Federal Transit and Formula Grants
- State and Community Highway Safety