
Overview of State Aid to Local Governments

**Department of Legislative Services
Office of Policy Analysis
Annapolis, Maryland**

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Contents

State Aid Accounts for Large Portion of State Budget	1
State Aid to Local Governments – Fiscal 2023 and 2027	2
Annual Change in State Aid by Governmental Entity – Fiscal 2024-2027	3
Annual Percent Change in State Aid to Local Governments – Fiscal 2018-2027	4
State Aid to Local Governments – Comparison by Per Capita Aid and Annual Change – Fiscal 2026-2027	5
State Aid to Local Governments – Per Capita State Aid – Fiscal 2027	6
State Aid to Local Governments – Annual Percent Change – Fiscal 2027	7
State Aid to Local Governments – Fiscal 2027 Legislative Appropriation.....	8
State Aid to Local Governments – Fiscal 2023 Actual	9
State Aid to Local Governments – Dollar Difference Between Fiscal 2027 Legislative Appropriation and Fiscal 2023 Actual	10
State Aid to Local Governments – Percent Change: Fiscal 2027 Legislative Appropriation over Fiscal 2023 Actual	11

State Aid Accounts for Large Portion of State Budget

State Aid Share of State Budget – Fiscal 2027

	<u>General Funds</u> <u>(\$ in Millions)</u>	<u>All State Funds</u> <u>(\$ in Millions)</u>
State Aid to Local Governments	\$8,510	\$11,937
Total State Expenditures ¹	\$27,815	\$47,849
Percent State Aid – Expenditures	30.6%	24.9%

Share of State Expenditures – Fiscal 2027 Percent of Total

	<u>General Funds</u>	<u>All State Funds</u>
State Aid to Local Governments	30.6%	24.9%
Entitlements	22.5%	15.0%
State Agencies	46.2%	56.0%
Debt Service	0.6%	4.1%
Total	100.0%	100.0%

¹Total State expenditures exclude reserve fund appropriations, PAYGO (pay-as-you-go) capital, and reversions.

State Aid to Local Governments

Fiscal 2023 and 2027

(\$ in Millions)

	<u>FY 2023</u>	<u>FY 2027</u>	<u>\$ Difference</u>	<u>% Difference</u>
Public Schools	\$7,207.0	\$9,115.9	\$1,908.9	26.5%
Libraries	68.7	75.6	6.9	10.1%
Community Colleges	389.8	458.1	68.3	17.5%
Local Health	106.1	115.2	9.0	8.5%
County/Municipal	872.4	1,065.8	193.4	22.2%
<i>Subtotal – Direct Aid</i>	<i>\$8,644.0</i>	<i>\$10,830.6</i>	<i>\$2,186.6</i>	<i>25.3%</i>
Retirement Payments	\$789.6	\$1,106.3	\$316.6	40.1%
Total	\$9,433.6	\$11,936.9	\$2,503.2	26.5%

Annual Change in State Aid by Governmental Entity

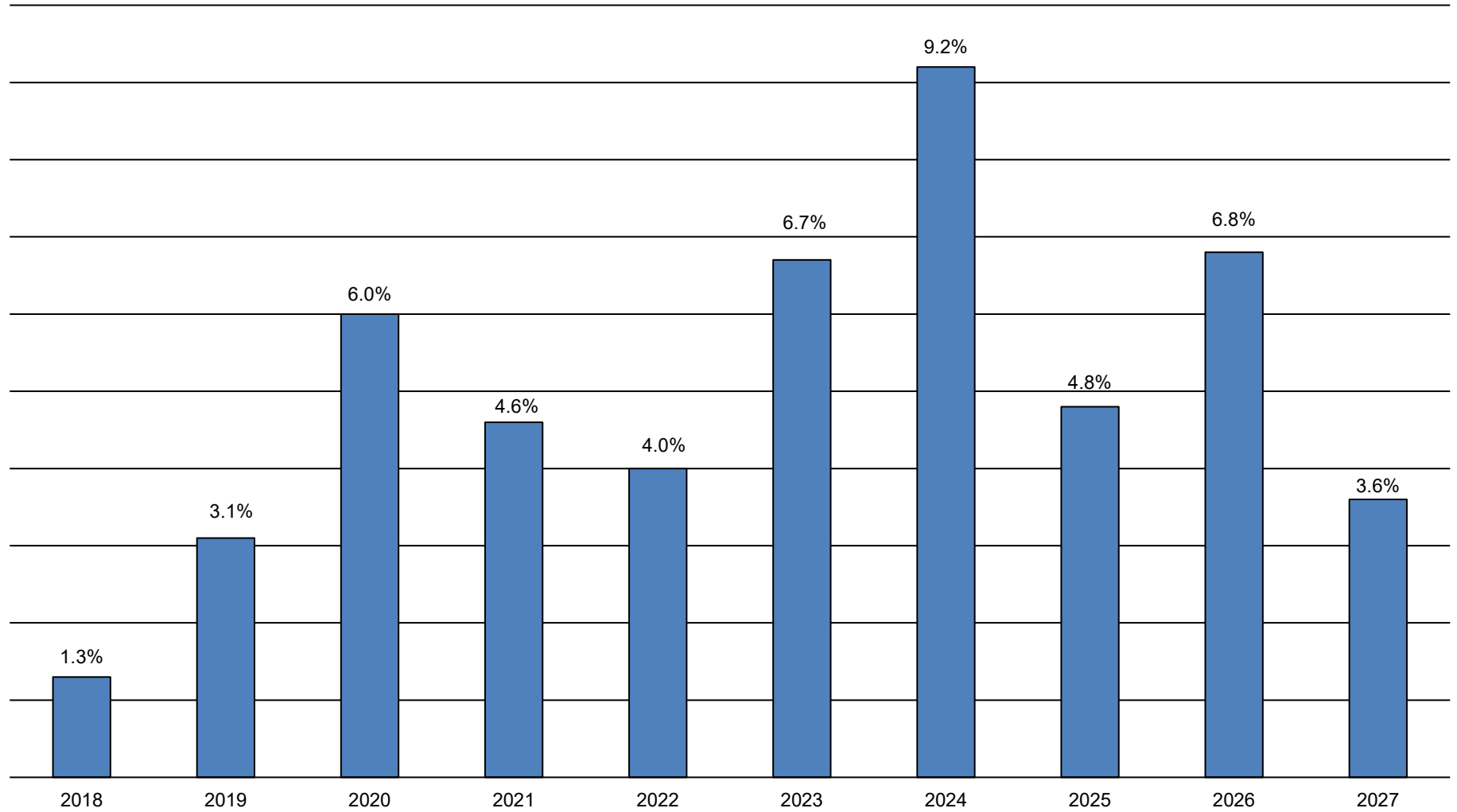
Fiscal 2024-2027

(\$ in Millions)

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>Total</u>
Public Schools	\$669.9	\$289.7	\$611.5	\$337.8	\$1,908.9
Libraries	1.5	1.7	1.3	2.5	6.9
Community Colleges	41.0	-7.2	23.4	11.1	68.3
Local Health	28.9	-24.2	4.4	0.0	9.0
County/Municipal	101.6	50.1	22.5	19.2	193.4
<i>Subtotal – Direct Aid</i>	\$842.9	\$310.0	\$663.1	\$370.6	\$2,186.6
Retirement Payments	\$21.1	\$184.9	\$71.8	\$38.8	\$316.6
Total	\$864.1	\$494.9	\$734.9	\$409.4	\$2,503.2

Annual Percent Change in State Aid to Local Governments

Fiscal 2018-2027



State Aid to Local Governments – Comparison by Per Capita Aid and Annual Change

Fiscal 2026-2027

(\$ in Millions)

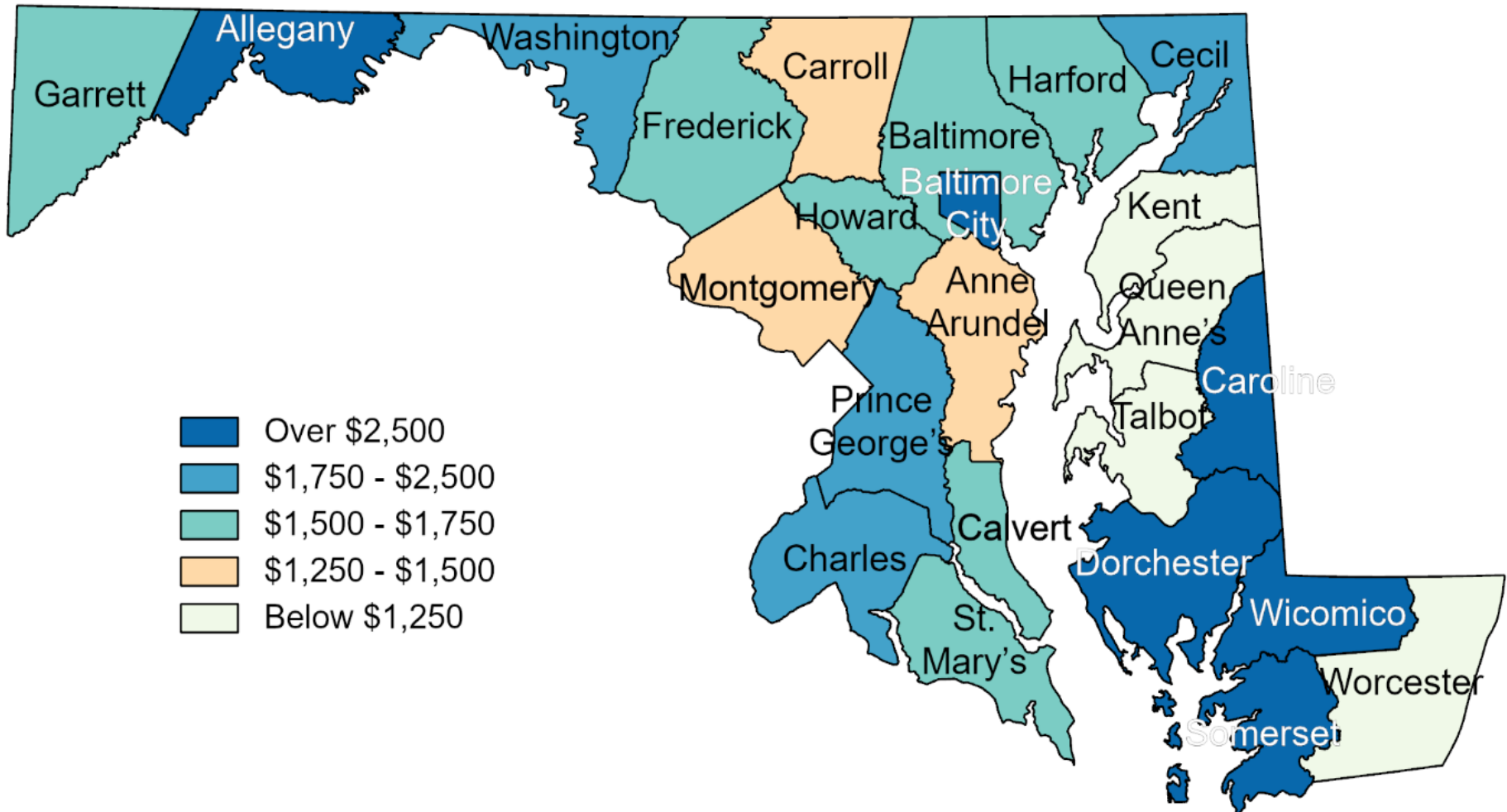
County	FY 2026	FY 2027	Difference	Percent Difference
Allegany	\$163.8	\$174.1	\$10.3	6.3%
Anne Arundel	808.0	832.7	24.7	3.1%
Baltimore City	1,804.7	1,889.7	85.0	4.7%
Baltimore	1,285.7	1,324.0	38.2	3.0%
Calvert	147.0	151.9	4.9	3.3%
Caroline	105.2	110.1	4.9	4.6%
Carroll	256.3	264.7	8.5	3.3%
Cecil	192.7	195.7	3.0	1.6%
Charles	329.9	345.2	15.2	4.6%
Dorchester	83.4	85.4	1.9	2.3%
Frederick	503.1	518.0	14.9	3.0%
Garrett	49.0	46.9	-2.0	-4.2%
Harford	418.9	434.3	15.4	3.7%
Howard	535.1	553.6	18.6	3.5%
Kent	21.3	21.8	0.5	2.6%
Montgomery	1,423.0	1,440.2	17.2	1.2%
Prince George's	2,105.2	2,210.7	105.5	5.0%
Queen Anne's	63.6	64.8	1.2	1.9%
St. Mary's	186.0	189.3	3.2	1.7%
Somerset	65.3	67.2	1.9	2.9%
Talbot	39.2	40.0	0.9	2.2%
Washington	330.2	341.8	11.6	3.5%
Wicomico	286.9	290.4	3.5	1.2%
Worcester	61.3	62.5	1.2	1.9%
Unallocated	262.8	282.1	19.3	7.3%
Total	\$11,527.5	\$11,936.9	\$409.4	3.6%

Per Capita State Aid		Annual Change in State Aid	
1. Baltimore City	\$3,315	1. Allegany	6.3%
2. Caroline	3,226	2. Prince George's	5.0%
3. Wicomico	2,716	3. Baltimore City	4.7%
4. Somerset	2,691	4. Caroline	4.6%
5. Allegany	2,605	5. Charles	4.6%
6. Dorchester	2,539	6. Harford	3.7%
7. Prince George's	2,278	7. Washington	3.5%
8. Washington	2,167	8. Howard	3.5%
9. Charles	1,955	9. Calvert	3.3%
10. Cecil	1,827	10. Carroll	3.3%
11. Frederick	1,710	11. Anne Arundel	3.1%
12. Garrett	1,655	12. Baltimore	3.0%
13. Howard	1,632	13. Frederick	3.0%
14. Harford	1,630	14. Somerset	2.9%
15. St. Mary's	1,622	15. Kent	2.6%
16. Calvert	1,608	16. Dorchester	2.3%
17. Baltimore	1,562	17. Talbot	2.2%
18. Carroll	1,498	18. Worcester	1.9%
19. Anne Arundel	1,380	19. Queen Anne's	1.9%
20. Montgomery	1,340	20. St. Mary's	1.7%
21. Queen Anne's	1,189	21. Cecil	1.6%
22. Worcester	1,147	22. Montgomery	1.2%
23. Kent	1,114	23. Wicomico	1.2%
24. Talbot	1,047	24. Garrett	-4.2%
Statewide Average	\$1,905	Statewide Average	3.6%

State Aid to Local Governments

Per Capita State Aid

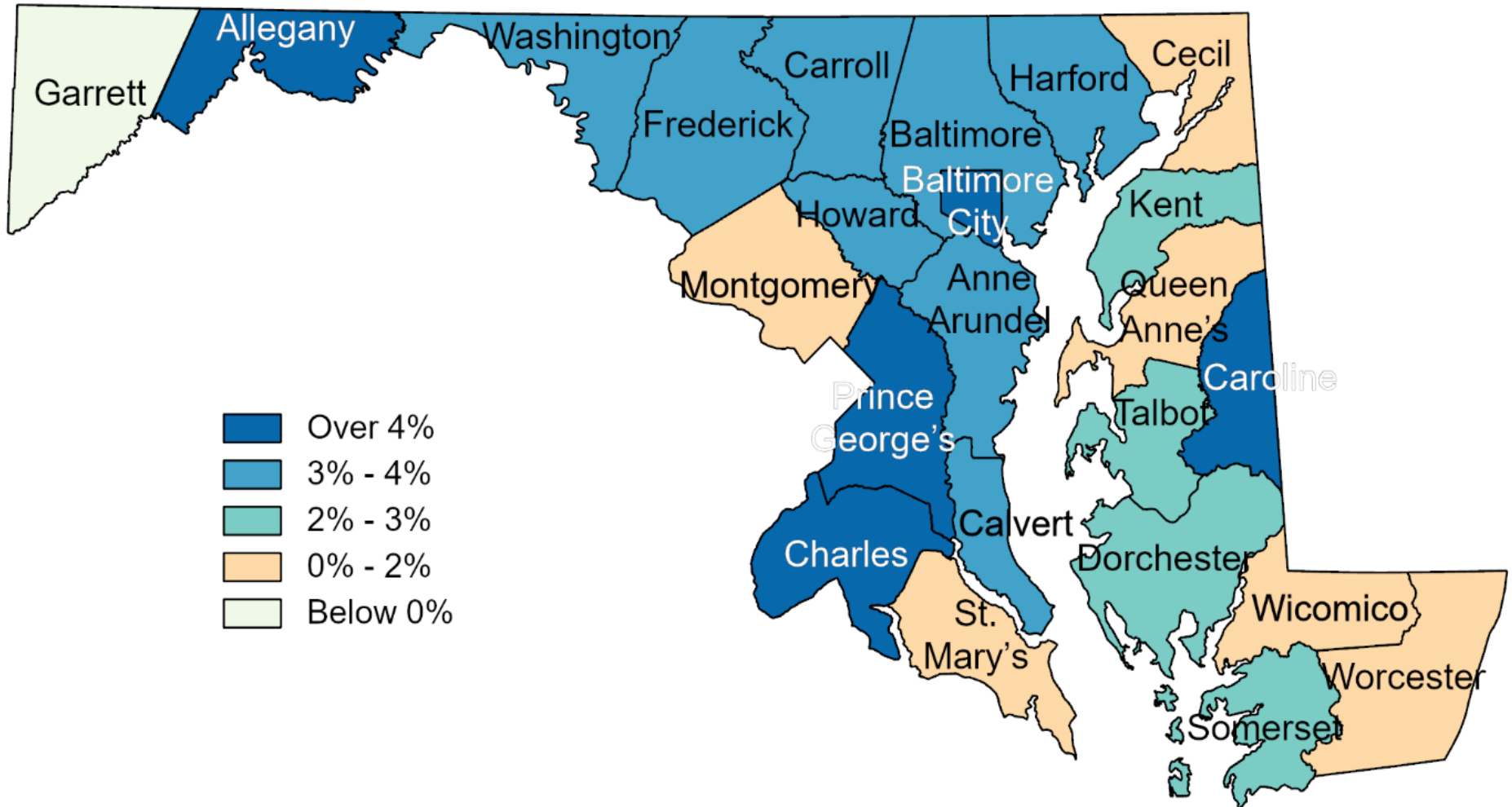
Fiscal 2027



State Aid to Local Governments

Annual Percent Change

Fiscal 2027



State Aid to Local Governments

Fiscal 2027 Legislative Appropriation

(\$ in Thousands)

County	County/ Municipal	Community Colleges	Public Schools	Libraries	Health	Direct Aid Subtotal	Retirement	Total	Change Over FY 2023	Percent Change
Allegany	\$24,360	\$11,778	\$121,520	\$917	\$4,659	\$163,235	\$10,882	\$174,117	\$36,885	26.9%
Anne Arundel	57,117	47,114	615,036	3,359	9,614	732,240	100,461	832,701	183,542	28.3%
Baltimore City	422,058	0	1,353,600	9,962	13,071	1,798,691	90,978	1,889,669	355,214	23.1%
Baltimore	36,596	74,693	1,060,534	8,062	8,627	1,188,512	135,440	1,323,953	267,509	25.3%
Calvert	7,890	4,997	117,649	661	2,799	133,995	17,933	151,928	18,500	13.9%
Caroline	8,265	3,070	89,991	397	2,043	103,766	6,299	110,064	24,853	29.2%
Carroll	11,057	15,498	203,152	1,353	4,453	235,513	29,209	264,723	58,891	28.6%
Cecil	11,235	9,953	152,133	1,030	3,174	177,524	18,182	195,707	37,815	23.9%
Charles	7,892	10,251	289,442	1,489	4,722	313,796	31,363	345,159	77,287	28.9%
Dorchester	9,804	2,269	64,752	369	2,525	79,719	5,656	85,375	13,272	18.4%
Frederick	17,721	24,602	414,069	2,092	5,060	463,544	54,500	518,045	112,066	27.6%
Garrett	7,644	6,272	25,840	116	2,503	42,376	4,574	46,950	2,732	6.2%
Harford	13,025	20,118	347,345	2,277	5,847	388,613	45,688	434,300	103,671	31.4%
Howard	13,449	36,928	415,185	1,364	5,607	472,532	81,103	553,635	110,182	24.8%
Kent	2,153	949	13,761	139	2,204	19,207	2,591	21,798	4,148	23.5%
Montgomery	73,378	79,796	1,054,791	4,134	6,304	1,218,404	221,748	1,440,152	269,826	23.1%
Prince George's	167,451	55,068	1,808,015	9,297	10,039	2,049,870	160,811	2,210,681	544,215	32.7%
Queen Anne's	3,578	3,728	47,242	228	2,004	56,780	7,975	64,755	7,309	12.7%
St. Mary's	5,342	6,130	155,059	1,003	3,560	171,094	18,162	189,257	30,888	19.5%
Somerset	11,227	1,501	48,625	352	1,876	63,581	3,624	67,205	9,960	17.4%
Talbot	4,403	2,748	25,239	146	1,862	34,398	5,625	40,022	9,590	31.5%
Washington	13,091	20,543	277,502	1,684	4,402	317,222	24,551	341,773	77,788	29.5%
Wicomico	22,588	10,080	232,787	1,333	4,692	271,480	18,887	290,368	62,459	27.4%
Worcester	11,148	3,468	34,095	208	3,510	52,428	10,039	62,467	11,199	21.8%
Unallocated	103,344	6,588	148,543	23,603	0	282,077	0	282,077	73,432	35.2%
Total	\$1,065,815	\$458,140	\$9,115,907	\$75,576	\$115,158	\$10,830,596	\$1,106,283	\$11,936,880	\$2,503,235	26.5%

Note: County/Municipal includes the municipal share of police aid, highway user revenue, and fire aid.

State Aid to Local Governments

Fiscal 2023 Actual

(\$ in Thousands)

County	County/ Municipal	Community Colleges	Public Schools	Libraries	Health	Direct Aid Subtotal	Retirement	Total
Allegany	\$17,688	\$9,132	\$96,991	\$870	\$4,494	\$129,175	\$8,057	\$137,232
Anne Arundel	53,118	42,972	472,110	2,730	8,612	579,543	69,616	649,159
Baltimore City	325,351	0	1,127,229	9,652	10,690	1,472,922	61,532	1,534,454
Baltimore	37,139	64,823	843,809	7,357	6,983	960,111	96,333	1,056,444
Calvert	6,849	5,068	104,195	578	2,969	119,658	13,770	133,428
Caroline	7,249	2,143	68,752	361	1,994	80,499	4,712	85,211
Carroll	8,187	12,832	158,755	1,222	4,172	185,168	20,664	205,831
Cecil	11,132	8,827	120,501	925	3,042	144,427	13,465	157,892
Charles	6,556	9,331	224,254	1,328	4,723	246,192	21,680	267,872
Dorchester	7,984	1,626	55,679	344	2,595	68,228	3,875	72,103
Frederick	13,780	17,355	333,274	1,820	4,629	370,858	35,121	405,979
Garrett	6,958	5,398	25,854	182	2,498	40,890	3,328	44,218
Harford	10,123	17,677	264,863	2,030	5,467	300,159	30,470	330,629
Howard	12,385	31,306	334,241	1,163	5,379	384,474	58,978	443,452
Kent	1,594	645	11,290	119	2,330	15,978	1,672	17,650
Montgomery	53,435	70,520	872,003	3,717	5,201	1,004,877	165,449	1,170,326
Prince George's	138,021	45,390	1,348,894	8,729	8,445	1,549,479	116,986	1,666,465
Queen Anne's	3,094	2,809	43,339	201	2,029	51,472	5,974	57,446
St. Mary's	3,964	6,243	130,076	881	3,577	144,741	13,627	158,368
Somerset	9,505	1,431	41,292	324	1,895	54,448	2,797	57,245
Talbot	2,972	2,413	19,177	131	1,917	26,610	3,822	30,433
Washington	11,709	14,535	214,568	1,604	4,068	246,483	17,502	263,985
Wicomico	20,146	7,756	181,002	1,232	4,756	214,893	13,015	227,908
Worcester	10,039	3,250	26,957	184	3,647	44,078	7,190	51,268
Unallocated	93,447	6,366	87,858	20,973	0	208,644	0	208,644
Total	\$872,426	\$389,847	\$7,206,962	\$68,656	\$106,115	\$8,644,007	\$789,638	\$9,433,644

Note: County/Municipal includes the municipal share of police aid, highway user revenue, and fire aid.

State Aid to Local Governments
Dollar Difference Between Fiscal 2027 Legislative Appropriation and Fiscal 2023 Actual
(\$ in Thousands)

County	County/ Municipal	Community Colleges	Public Schools	Libraries	Health	Direct Aid Subtotal	Retirement	Total
Allegany	\$6,672	\$2,646	\$24,529	\$47	\$165	\$34,060	\$2,825	\$36,885
Anne Arundel	3,998	4,142	142,926	629	1,001	152,697	30,845	183,542
Baltimore City	96,706	0	226,372	310	2,381	325,768	29,446	355,214
Baltimore	-544	9,870	216,725	706	1,644	228,402	39,107	267,509
Calvert	1,041	-71	13,454	83	-170	14,337	4,163	18,500
Caroline	1,016	927	21,239	36	49	23,267	1,586	24,853
Carroll	2,870	2,667	44,396	132	281	50,346	8,546	58,891
Cecil	103	1,126	31,632	105	131	33,098	4,717	37,815
Charles	1,336	920	65,188	161	-1	67,604	9,683	77,287
Dorchester	1,821	643	9,073	25	-70	11,491	1,781	13,272
Frederick	3,942	7,246	80,795	272	431	92,687	19,379	112,066
Garrett	686	874	-14	-65	5	1,486	1,247	2,732
Harford	2,902	2,441	82,482	248	381	88,453	15,218	103,671
Howard	1,064	5,622	80,944	201	227	88,058	22,124	110,182
Kent	560	304	2,471	20	-125	3,229	920	4,148
Montgomery	19,943	9,276	182,787	417	1,103	213,527	56,299	269,826
Prince George's	29,430	9,679	459,120	568	1,593	500,390	43,825	544,215
Queen Anne's	484	918	3,903	28	-25	5,308	2,001	7,309
St. Mary's	1,378	-112	24,983	122	-17	26,354	4,535	30,888
Somerset	1,721	69	7,333	28	-19	9,133	827	9,960
Talbot	1,431	334	6,062	15	-55	7,787	1,803	9,590
Washington	1,382	6,009	62,934	80	334	70,739	7,049	77,788
Wicomico	2,442	2,324	51,785	101	-64	56,587	5,872	62,459
Worcester	1,108	218	7,138	24	-137	8,350	2,849	11,199
Unallocated	9,896	221	60,685	2,630	0	73,432	0	73,432
Total	\$193,388	\$68,293	\$1,908,945	\$6,920	\$9,044	\$2,186,590	\$316,645	\$2,503,235

Note: County/Municipal includes the municipal share of police aid, highway user revenue, and fire aid.

State Aid to Local Governments

Percent Change: Fiscal 2027 Legislative Appropriation over Fiscal 2023 Actual

County	County/ Municipal	Community Colleges	Public Schools	Libraries	Health	Direct Aid Subtotal	Retirement	Total
Allegany	37.7%	29.0%	25.3%	5.4%	3.7%	26.4%	35.1%	26.9%
Anne Arundel	7.5%	9.6%	30.3%	23.0%	11.6%	26.3%	44.3%	28.3%
Baltimore City	29.7%	n/a	20.1%	3.2%	22.3%	22.1%	47.9%	23.1%
Baltimore	-1.5%	15.2%	25.7%	9.6%	23.5%	23.8%	40.6%	25.3%
Calvert	15.2%	-1.4%	12.9%	14.3%	-5.7%	12.0%	30.2%	13.9%
Caroline	14.0%	43.3%	30.9%	10.0%	2.5%	28.9%	33.7%	29.2%
Carroll	35.1%	20.8%	28.0%	10.8%	6.7%	27.2%	41.4%	28.6%
Cecil	0.9%	12.8%	26.3%	11.3%	4.3%	22.9%	35.0%	23.9%
Charles	20.4%	9.9%	29.1%	12.2%	0.0%	27.5%	44.7%	28.9%
Dorchester	22.8%	39.5%	16.3%	7.2%	-2.7%	16.8%	46.0%	18.4%
Frederick	28.6%	41.8%	24.2%	15.0%	9.3%	25.0%	55.2%	27.6%
Garrett	9.9%	16.2%	-0.1%	-36.0%	0.2%	3.6%	37.5%	6.2%
Harford	28.7%	13.8%	31.1%	12.2%	7.0%	29.5%	49.9%	31.4%
Howard	8.6%	18.0%	24.2%	17.2%	4.2%	22.9%	37.5%	24.8%
Kent	35.1%	47.0%	21.9%	16.8%	-5.4%	20.2%	55.0%	23.5%
Montgomery	37.3%	13.2%	21.0%	11.2%	21.2%	21.2%	34.0%	23.1%
Prince George's	21.3%	21.3%	34.0%	6.5%	18.9%	32.3%	37.5%	32.7%
Queen Anne's	15.6%	32.7%	9.0%	13.8%	-1.2%	10.3%	33.5%	12.7%
St. Mary's	34.8%	-1.8%	19.2%	13.8%	-0.5%	18.2%	33.3%	19.5%
Somerset	18.1%	4.8%	17.8%	8.8%	-1.0%	16.8%	29.6%	17.4%
Talbot	48.2%	13.8%	31.6%	11.2%	-2.8%	29.3%	47.2%	31.5%
Washington	11.8%	41.3%	29.3%	5.0%	8.2%	28.7%	40.3%	29.5%
Wicomico	12.1%	30.0%	28.6%	8.2%	-1.3%	26.3%	45.1%	27.4%
Worcester	11.0%	6.7%	26.5%	13.0%	-3.8%	18.9%	39.6%	21.8%
Unallocated	10.6%	3.5%	69.1%	12.5%	n/a	35.2%	-100.0%	35.2%
Total	22.2%	17.5%	26.5%	10.1%	8.5%	25.3%	40.1%	26.5%

Note: County/Municipal includes the municipal share of police aid, highway user revenue, and fire aid.