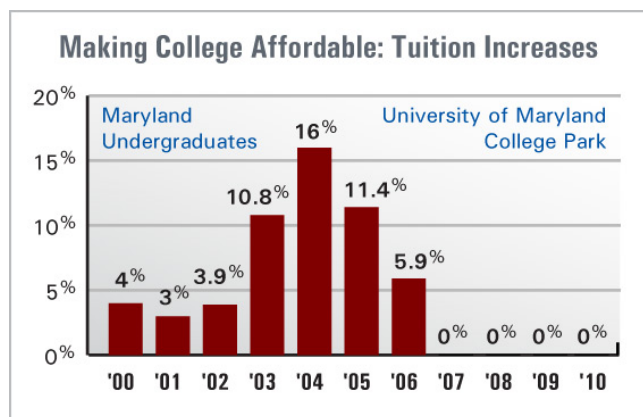


# MAINTAINING FISCAL RESPONSIBILITY IN A DIFFICULT ECONOMY

## A Fiscally Responsible Budget

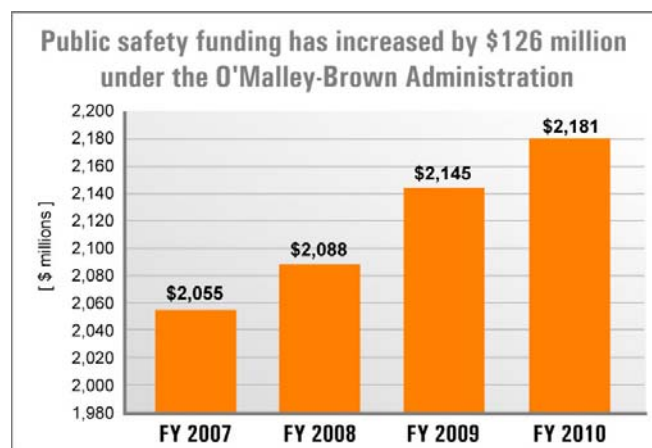
The O'Malley Brown Administration put forth one of the most painfully lean budgets in Maryland history to counter one of the most severe economic downturns in at least a generation; and though we were unable to spare many worthy programs from level-funding or cuts, our budget put *Families First* and protects the progress that we are making together in these key areas...

- ▶ **Historic Investments in K-12 Public Education**  
Sustaining an historic \$5.5 billion investment in our #1 ranked public schools, including fully-funding the Geographic Cost of Education Index for the first time ever.
- ▶ **Putting Higher Education Within Reach of More Maryland Families**  
Guaranteeing a zero percent tuition increase at every University of Maryland System campus and Morgan State University – putting the dream of a college education within reach of more middle class students and families. Under Governor O'Malley and Lt. Governor Brown's leadership, Maryland's tremendous community colleges also saw their funding increase nearly 25%, along with record funding for capital projects to build new classrooms, libraries, public health facilities and more.



- ▶ **Retaining Maryland's AAA Bond Rating**  
Governor O'Malley and Lt. Governor Brown produced a balanced budget while closing FY 2009 with a balance of \$692 million in Maryland's Rainy Day Fund, helping to preserve Maryland's status as one of only a handful of states with a AAA bond rating from all three bond rating agencies.

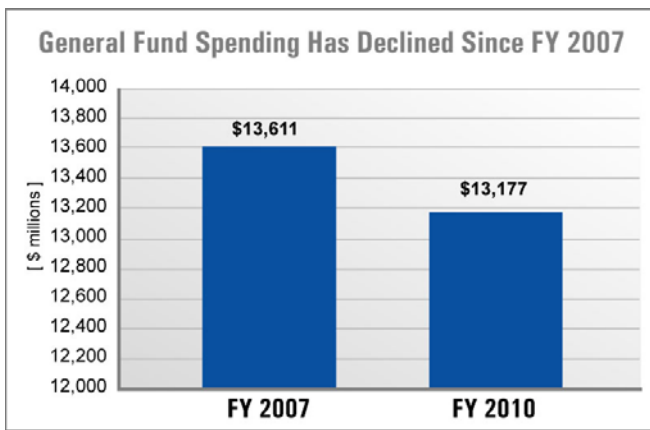
- ▶ **Maintaining the Safety Net that Protects Working Families**  
Enhancing our critical Safety Net for hard working families by investing \$6 billion in quality, affordable healthcare, \$132 million for energy assistance, and securing an additional \$22 million to end childhood hunger in Maryland by 2015.
- ▶ **Making Our Neighborhoods Safer for Families**  
Protecting the gains that we have made in making our neighborhoods safer for families by investing in \$52.5 million to purchase three new State Police Medevac helicopters, \$414 million over three years for drug treatment and rehabilitation, and funding police aid at \$45 million to keep our streets safe.



- ▶ **Preserving a Smart, Green, and Growing Maryland**  
Continuing our progress in preserving our environmental and agricultural legacies by fully-funding Program Open Space and the Maryland Agricultural Land Preservation Fund.

**The Leanest Budget in Maryland History**  
The O'Malley Brown Administration has put forward fiscally responsible budgets every year since taking office, and for the first time in at least thirty years, State General Fund spending is less than it was three years ago.

**Limiting Growth**  
Since taking office, the O'Malley Brown Administration has restrained state spending by over \$4.3 billion and eliminated 3,200 State government positions, most of which were vacant.



**Preserving Advances in Stem Cell Research**  
 Governor O'Malley and Lt. Governor Brown fought for an additional \$12.4 million investment (part of a three-year \$53 million investment) in our Stem Cell Research Fund in Maryland, one of the largest funds of its kind and a national model for getting funding to research labs so that they can continue to make progress in this groundbreaking field.



**Investing in Biotech and Life Sciences**  
 After launching Bio2020, a 10-year, \$1.3 billion investment in life science and biotech research and development, the O'Malley Brown Administration is continuing their strong support in this emerging field by shielding the Biotech Tax Credit from cuts and funding it at \$6 million, even during these challenging times.

**Moving Forward on Interoperable Communications for Public Safety**

The O'Malley Brown Administration has committed nearly \$110 million over the next five years to make Maryland one of the first states in the nation to build a statewide, interoperable communications system for public safety radios that connects every public safety agency and first responder in Maryland.

**Increasing the Maryland Earned Income Tax Credit**

Governor O'Malley and Lt. Governor Brown led the fight to increase the Maryland Earned Income Tax

Credit by 25% so that more of our hard working families have the resources they need to weather this tough economy.



**The American Recovery and Reinvestment Act**  
 The O'Malley Brown Administration's budget reflects an addition of \$2.5 billion in federal funds for fiscal years 2009 and 2010 as a direct result of President Obama's American Recovery and Reinvestment plan. Maryland stands to receive over \$4 billion in federal stimulus dollars, including \$1.4 billion for Medicaid, \$1.1 billion in K-12 education funds, \$813 million to update our aging infrastructure, and \$50 million for public safety.

**Acting Quickly on Behalf of Maryland Families**

The O'Malley Brown Administration is moving quickly to put federal funds under the Recovery and Reinvestment program to work for working families. Less than 24 hours after President Obama signed the legislation, Governor O'Malley announced the first wave of 'shovel-ready' transportation projects, and within 20 days Maryland became the first state in the nation to have its first round of transportation projects certified by the U.S. Department of Transportation, creating jobs for more Maryland families in every region of our State.

