

Decision Document

**Senate Budget and Taxation Committee
Education, Business, and Administration Subcommittee
2025 Session**

D05E01
Board of Public Works

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
1. Reduce the contingent fund appropriation by \$1.5 million leaving \$1.0 million. Approximately \$1.0 million of the \$2.5 million appropriation was used in fiscal 2024, and no funding has been used so far in fiscal 2025. In addition, the contingent fund appropriation was only recently increased from \$0.5 million to \$2.5 million in fiscal 2024.	-\$ 1,500,000	GF		No response.	Adopt.	
2. Adopt the following narrative:				No response.	Adopt.	

Maryland Zoo Operational Reporting: In continuance of the practice that began in July 2008, the committees request that the Maryland Zoological Society, Inc. (MZS) submit audited financial statements for fiscal 2025 and quarterly reports showing monthly attendance figures for the zoo for fiscal 2026 by visitor group. This should include a breakdown of the kinds of passes allocated.

Information Request	Author	Due Date
Audited financials	MZS	November 1, 2025
Quarterly reports showing monthly attendance	MZS	July 15, 2025 October 15, 2025 January 15, 2026 April 15, 2026

3. Adopt the following narrative:			Concur in part. BPW staff does not have a way of assessing the universe of individuals who may file a claim for compensation at the Office of Administrative Hearings in the future. They are willing to provide data on the number of compensation	Adopt.
Data for Forecasting Payments to Erroneously Confined Individuals: The Board of Public Works (BPW) is required to make payments to erroneously confined individuals by § 10-501 of the State Finance and Procurement Article. Forecasting these payments requires data held by BPW and the Office of the Administrative Hearings (OAH), including orders for compensation and updates on hearing schedules for and				

D05E01
Board of Public Works

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<p>outcomes of petitions with OAH. The committees request that BPW and OAH report on the data needed to forecast the required payments to erroneously confined individuals, including but not limited to orders for compensation and updates on hearing schedules and outcomes for petitions with OAH. The data is requested to be submitted by September 1, 2025, to inform the baseline budget process and again by January 1, 2026, to reflect the basis for the Governor’s fiscal 2027 allowance.</p>		<p>eligibility claims currently pending at the Office of Administrative Hearings at any given time.</p>			

Information Request	Author	Due Date
Data for forecasting payments to erroneously confined individuals	BPW OAH	September 1, 2025 January 1, 2026

D10A01
Executive Department – Governor

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>	
1.	Reduce 2.0 new positions (N2617199 and N2617200). The Executive Department – Governor has 13 vacant positions as of December 31, 2024. The function of the new positions can be filled by reclassifying existing long-term vacant positions.	-\$ 303,287	GF	-2.00	Disagree as 6 vacant positions are in various stages of the recruitment process, and additional positions are necessary.	Adopt.	
2.	Eliminate the deficiency appropriation for the federal government affairs contract due to the fiscal condition of the State.	-\$ 480,000	GF		Concur.	Reject.	

D17B0151
Historic St Mary's City Commission

<u>Amount</u> <u>Change</u>	<u>Position</u> <u>Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House</u> <u>Decisions</u>	<u>Senate</u> <u>Decisions</u>
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1. Concur with Governor's allowance.

Concur.

Adopt.

D18
Governor’s Office for Children

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>	
1.	Reduce the general fund appropriation for the Engaging Neighborhoods, Organizations, Unions, Governments, and Households Grant Fund to the mandated level.	-\$22,862,000	GF		Disagree. Without the increase in funding, communities with Track 3: Implementation grants will not be able to fulfill the requirements of their current grants and Track 1: Partnership Development and Track 2: Plan Development communities will not receive funding to progress in fiscal 2026. Additionally, Local Management Boards will not be able to continue building the capacity of high-poverty communities within their jurisdictions to design and implement strategies aligned with this program.	Adopt.	
2.	Reduce the special fund appropriation for the Engaging Neighborhoods, Organizations, Unions, Governments, and Households Grant Fund to align with the general fund appropriation.	-\$ 22,862,000	SF		Disagree. Without the increase in funding, communities with Track 3: Implementation grants will not be able to fulfill the requirements of their current grants and Track 1: Partnership Development and Track 2: Plan Development communities will not receive funding to progress in fiscal 2026. Additionally, Local Management Boards will not be able to continue building the capacity of high-poverty communities within their jurisdictions to design and implement strategies aligned with this program.	Adopt.	

D18
Governor’s Office for Children

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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3. Adopt the following narrative:

Concur.

Adopt.

Status Report on Managing for Results (MFR) Measures: Because the Governor’s Office for Children (GOC) is a newly reestablished agency, it did not submit MFR goals, objectives, or measures with its fiscal 2026 budget. The committees request that, by December 1, 2025, GOC submit proposed MFR goals, objectives, and measures to be provided with the agency’s fiscal 2027 budget.

Information Request	Author	Due Date
Status report on MFR measures	GOC	December 1, 2025

4. Reduce the general fund appropriation for the -\$ 3,500,000 GF Baltimore City Children and Youth Fund grant due to the mandate’s expiration.

Disagree. Baltimore City has the largest proportion of Maryland children living in poverty and the recipient's use of the funds aligns with the four pillars of the Engaging Neighborhoods, Organizations, Unions, Governments, and Households grant program: cradle to career education; healthy families; economically secure families; and safe and thriving communities.

Modify, see below.

First House Modification

Reduce the general fund appropriation for the -\$ 2,000,000 GF Baltimore City Children and Youth Fund grant due to the mandate’s expiration.

Adopt.

5. Add the following section:

Section 35 Out-of-home Placements Report

Concur in part. The agency agrees to file the report but takes no position on the withholding of funds. After

Modify, see below.

D18
Governor’s Office for Children

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
<p><u>SECTION 35. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation of the Department of Human Services Social Services Administration, \$100,000 of the general fund appropriation of the Department of Juvenile Services, \$100,000 of the general fund appropriation of the Maryland Department of Health Developmental Disabilities Administration, and \$100,000 of the general fund appropriation of the Maryland State Department of Education may not be expended until the Governor’s Office for Children (GOC) submits a report on behalf of the Children’s Cabinet to the budget committees on out-of-home placements containing:</u></p>					
					consulting with DHS, GOC requests that the one-day count data be tied to October 15, as one-day counts on January 1 may be artificially skewed and not representative because of the proximity to the holidays.
					(1) <u>the total number and one-day counts (as of January 1) of out-of-home placements and entries by jurisdiction, by agency, and by placement type for fiscal 2023, 2024, and 2025;</u>
					(2) <u>the total number and one-day counts (as of January 1) of out-of-state placements, including the number of family home, community-based, and noncommunity-based out-of-state placements for fiscal 2023, 2024, and 2025 categorized by state and by age category;</u>
					(3) <u>the costs associated with out-of-home placements;</u>
					(4) <u>an explanation of recent placement trends;</u>
					(5) <u>findings of child abuse and neglect occurring while families are receiving family preservation services or within one year of each case closure; and</u>
					(6) <u>areas of concern related to trends in out-of-home and/or out-of-state placements and potential corrective actions that the Children’s Cabinet and local management boards can take to address these concerns.</u>

Further provided that each agency or administration that funds or places children and youth in out-of-home placements shall assist GOC and comply with any data requests necessary for the timely production of the report. The report shall be submitted to the budget committees by January 1, 2026, and the budget committees shall have 45 days

D18
Governor’s Office for Children

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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from the date of the receipt of the report to review and comment. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise for any other purpose. Should the report not be submitted by the requested date, the restricted funds shall revert to the General Fund.

Explanation: The out-of-home placements report is a report required by Section 8-703(e) of the Human Services Article. It is also annually requested to be submitted to the budget committees. This report is a useful evaluative tool to assess the wellbeing of Maryland’s youth and families and to identify areas of concern related to youth placed out of home. This language restricts funds in each of the data reporting agencies and specifies the data of interest to the General Assembly, including agency-specific data for out-of-home and out-of-state placements.

Information Request	Author	Due Date
Out-of-home placements report	GOC Department of Human Services Department of Juvenile Services Maryland Department of Health Maryland State Department of Education	January 1, 2026

First House Modification
 Add the following section:

Adopt.

Section 35 Out-of-home Placements Report

D18
Governor's Office for Children

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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SECTION 35. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation of the Department of Human Services Social Services Administration, \$100,000 of the general fund appropriation of the Department of Juvenile Services, \$100,000 of the general fund appropriation of the Maryland Department of Health Developmental Disabilities Administration, and \$100,000 of the general fund appropriation of the Maryland State Department of Education may not be expended until the Governor's Office for Children (GOC) submits a report on behalf of the Children's Cabinet to the budget committees on out-of-home placements containing:

- (7) the total number and one-day counts (as of October 15) of out-of-home placements and entries by jurisdiction, by agency, and by placement type for fiscal 2023, 2024, and 2025;
- (8) the total number and one-day counts (as of October 15) of out-of-state placements, including the number of family home, community-based, and noncommunity-based out-of-state placements for fiscal 2023, 2024, and 2025 categorized by state and by age category;
- (9) the costs associated with out-of-home placements;
- (10) an explanation of recent placement trends;
- (11) findings of child abuse and neglect occurring while families are receiving family preservation services or within one year of each case closure; and
- (12) areas of concern related to trends in out-of-home and/or out-of-state placements and potential corrective actions that the Children's Cabinet and local management boards can take to address these concerns.

Further provided that each agency or administration that funds or places children and youth in out-of-home placements shall assist GOC and comply with any data requests necessary for the timely production of the report. The report shall be submitted to the budget committees by January 1, 2026, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds not expended

D18
Governor’s Office for Children

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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for this restricted purpose may not be transferred by budget amendment or otherwise for any other purpose. Should the report not be submitted by the requested date, the restricted funds shall revert to the General Fund.

Explanation: The out-of-home placements report is a report required by Section 8-703(e) of the Human Services Article. It is also annually requested to be submitted to the budget committees. This report is a useful evaluative tool to assess the wellbeing of Maryland’s youth and families and to identify areas of concern related to youth placed out of home. This language restricts funds in each of the data reporting agencies and specifies the data of interest to the General Assembly, including agency-specific data for out-of-home and out-of-state placements.

Information Request	Author	Due Date
Out-of-home placements report	GOC Department of Human Services Department of Juvenile Services Maryland Department of Health Maryland State Department of Education	January 1, 2026

D22

MD Commission on African American History and Culture

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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1. Concur with Governor's allowance.

Concur.

Adopt.

D25
Interagency Commission on School Construction

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
<p>1. Add the following language to the general fund appropriation:</p> <p><u>, provided that \$100,000 of this appropriation made for the purpose of administration may not be expended until the Interagency Commission on School Construction (IAC) submits to the budget committees a report on the condition of school buildings recommended by the Workgroup on the Assessment and Funding of School Facilities and mandated as part of Chapter 32 of 2022 in §5-310(b)(2)(ii) of the Education Article. This report shall be submitted by July 1, 2025, and include data from inspections of individual school buildings for the following measures:</u></p> <p>(1) <u>temperature, humidity, carbon dioxide, acoustic levels, lead paint, asbestos, kitchen sanitary equipment, lighting, emergency communications systems with respect to remaining useful life, health room attributes, and safety equipment in each laboratory space;</u></p> <p>(2) <u>the functionality of heating, ventilation, and air conditioning; life safety building systems; and roofs; and</u></p> <p>(3) <u>any additional critical building systems identified by IAC.</u></p> <p><u>The report shall also specify whether future data on these measures will be included in IAC’s maintenance report required as part of Chapter 14 of 2018, which is due annually on October 1, or if these data will be submitted in a separate annual report.</u></p> <p><u>The budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.</u></p> <p>Explanation: Chapter 32 required IAC to incorporate additional measures on the condition of school facilities into the State’s annual maintenance assessment. This language restricts funds until IAC (1) submits a report with data from these measures</p>			Concur.		Adopt.	

D25
Interagency Commission on School Construction

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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and (2) specifies whether the agency intends to incorporate these measures into the annual maintenance report or provide this information in a separate annual report.

Information Request	Author	Due Date
Report on measures of school facilities required in Chapter 32	IAC	July 1, 2025

2. Add the following language to the general fund appropriation: Concur. Adopt.

Further provided that \$100,000 of this appropriation made for the purpose of administration in the Interagency Commission on School Construction may not be expended until the agency submits a letter to the budget committees confirming the submission of all reports required by Chapter 14 of 2018 and Chapter 679 of 2023 due between January 1, 2023, and January 15, 2026. The letter shall be submitted within 30 days of the submission of the last outstanding report requested during the identified time period, and the budget committees shall have 45 days from the date of the receipt of the letter to review and comment. Funds restricted pending the receipt of the letter may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the letter is not submitted to the budget committees.

Explanation: The Interagency Commission on School Construction (IAC) is responsible for submitting mandated reports as required in Chapter 14 of 2018 and Chapter 679 of 2023. In calendar 2023, 2024, and 2025, IAC did not submit multiple reports and has six reports outstanding as of February 15, 2025. This action restricts funds until IAC submits a letter to the budget committees confirming the submission of all mandated reports for the specified time period.

D25
Interagency Commission on School Construction

			<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
Information Request	Author	Due Date					
Letter confirming the submission of mandated reports	IAC	Within 30 days of the submission of the last outstanding report					

D25
Interagency Commission on School Construction

Additional First House Actions	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
1. Add the following language to the general fund appropriation:					Adopt.	

Further provided that \$50,000 of this appropriation made for the purpose of administrative expenses may not be expended until the Interagency Commission on School Construction (IAC) submits a report to the budget committees on the agency’s actions to update facility mapping standards as specified in § 5–310.1 of the Education Article and Chapters 166 and 167 of 2024 (Education – School Mapping Data Program – Established). This report shall include information on the process by which IAC developed the facility mapping standards for the uniform mapping of the physical attributes of public schools in the State, in cooperation with local school systems. The report shall be submitted by July 15, 2025, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: Chapters 166 and 167 of 2024 require IAC to adopt facility mapping standards as specified in Section 5-310.1 of the Education Article. Due to a delay in the development of these standards, this language restricts funds pending a report from IAC regarding the agency’s actions to complete these standards in compliance with the statute.

Information Request	Author	Due Date
Report on development of facility mapping standards	IAC	July 15, 2025

D28A03
Maryland Stadium Authority

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>	
1.	Reduce funds for Stadium debt service to reflect recent bond sales and revised estimates. After adjusting estimates for the Ravens Stadium 2023B variable loan and the Oriole Park January 2025 private placement, estimated fiscal 2026 totals \$59.25 million. The allowance totals \$59.51 million. The bonds are supported by lottery revenues. Unspent appropriations are deposited into the General Fund.	-\$ 250,000	SF	Disagree.	Appropriating more funds than the current estimates provide a hedge if interest rates increase.	Adopt.	
2.	Reduce funds for Annual Maryland 5 Star at Fair Hill. This is an ongoing subsidy for an economic development event that is crowding out the Major Sports and Entertainment Event Program Fund's resources.	-\$ 2,500,000	SF	Disagree.	These funds are important for the Annual 5 Star at Fair Hill.	Adopt.	
3.	Reduce proposed deficiency appropriation for Preakness Stakes operating budget subsidy. The State provided funds for capital improvements to thoroughbred horse racing facilities with the goal of making thoroughbred horse racing sustainable without ongoing operating subsidies. The Racing and Community Development Financing Fund (RCDF) resources include \$68 million, or \$17 million annually from fiscal 2022 to 2025, in lottery revenue appropriations for debt service and capital expenditures. The RCDF also earned \$6.7 million in investment income as of December 2024. To provide additional support for Pimlico and a training facility, Chapter 406 of 2024 abolished the \$17 million limit on annual debt service appropriations and increased total debt outstanding to \$400 million. In the fiscal note, the Department of Legislative Services estimates that annual costs could be as much as \$25 million. Unspent lottery funds are deposited into the General Fund to support the structural deficit. Reducing the appropriation reduces the general fund deficit and minimizes operating subsidies.	-\$ 1,500,000	SF	Disagree.	Agency is already spending these funds.	Reject.	

D28A03
Maryland Stadium Authority

	<u>Amount</u> <u>Change</u>	<u>Position</u> <u>Change</u>	<u>Agency Response</u> <u>Hearing Notes</u>	<u>House</u> <u>Decisions</u>	<u>Senate</u> <u>Decisions</u>
1. Reduce appropriation to the Racing and Community Development Financing Fund (RCDFD). The fund supports renovation of Pimlico Race Course and the purchase and construction of a training facility to support Pimlico. Resources received by the RCDFD at the end of fiscal 2026 total \$527 million, including \$400 million in lottery bonds, \$85 million in annual pay-as-you-go capital appropriations (from fiscal 2023 through 2026), \$35 million from the Racetrack Facility Renewal Account, and \$7 million in interest earnings (through December 2024). The appropriation is supported by lottery revenues. Unappropriated lottery revenues are deposited into the General Fund.	-\$17,000,000	SF		Adopt.	
2. Add the following language to the special fund appropriation:				Adopt.	
<u>, provided that \$1,650,000 of this appropriation made for the purpose of the Central Intercollegiate Athletic Association Conference Basketball Championships may be expended only for that purpose. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled.</u>					

Explanation: The language restricts \$1.65 million so that those funds can only be used to support the Central Intercollegiate Athletic Association Conference Basketball Championships.

D73
MD Office of the Inspector General for Education

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
1. Concur with Governor's allowance.			Concur.	Adopt.	

D90U00
Canal Place Preservation and Development Authority

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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1. Concur with Governor's allowance.

Concur.

Adopt.

E20B
State Treasurer

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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1. Concur with Governor's allowance.

Concur.

Adopt.

F50
Department of Information Technology

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
1. Delete general funds for the State Board of Elections (SBE) Voter Registration and Election Administration Modernization Major Information Technology Development Project (MITDP). Considering recent delays in ongoing MITDPs managed by SBE, and to avoid having all major systems operated by SBE undergoing an MITDP at the same time, this project should be deferred. The deletion of special funds for this project is recommended in D38I01 – SBE.	-\$ 602,614	GF		Disagree. The Department of Information Technology discussed this reduction with SBE and SBE disagrees with the recommendation.	Adopt.	
2. Reduce the general fund appropriation in the Information Technology Investment Fund for three Major Information Technology Development Projects (MITDP) to align the fiscal 2026 budgeted amount with the cashflows available for the projects. This action reduces the general fund appropriation for three MITDPs which include general fund reduction in the Maryland Department of Health (MDH) Statewide Electronic Health Records MITDP by \$2,525,251; MDH Licensing and Regulatory Management System MITDP by \$177,485; and MDH Office of Provider Engagement and Regulations Systems Integration and Modernization by \$278,015.	-\$2,981,015	GF		Concur.	Adopt.	
3. Adopt the following narrative:				Concur.		Reject.
<p>Criteria for Expedited Projects: Chapter 497 of 2024 created a new category of information technology (IT) projects called “expedited project”. The Act defines “expedited project” as an IT project that is not a Major Information Technology</p>						

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Department of Information Technology

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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Development Project but receives funds from the Information Technology Investment Fund (ITIF) to support modernization projects. The committees are interested in better understanding the criteria that classifies an IT project as an expedited project and requests that the Department of Information Technology (DoIT) submit a report describing the criteria for an expedited project. The report should also list IT projects that DoIT categorizes as expedited projects and intends to fund through the ITIF.

Information Request	Author	Due Date
Report on classification of IT projects as expedited projects	DoIT	November 15, 2025

4. Add the following language to the general fund appropriation: Disagree. Adopt.

, provided that since the Department of Information Technology (DoIT) has had four or more repeat audit findings in the most recent fiscal compliance audit issued by the Office of Legislative Audits (OLA), \$250,000 of this agency’s administrative appropriation may not be expended unless:

- (1) DoIT has taken corrective action with respect to all repeat audit findings on or before November 1, 2025; and
- (2) a report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days from the date of the receipt of the report to review and comment to allow for funds to be released prior to the end of fiscal 2026.

Explanation: The Joint Audit and Evaluation Committee (JAEC) has requested that budget bill language be added for each unit of State government that has four or more repeat audit findings in its most recent fiscal compliance audit. Each agency is to have a portion of its administrative budget withheld pending the adoption of corrective action by the agency and a determination by the Office of Legislative Audits (OLA) that each

F50
Department of Information Technology

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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finding was corrected. OLA shall submit a report to the budget committees on the status of repeat findings.

If OLA reports that an agency failed to completely resolve or make adequate progress toward resolving those repeat audit findings, JAEC requests that \$250,000 in general funds is withheld from each agency’s appropriation in the fiscal year following the OLA report until more satisfactory progress has been made toward resolution of those repeat findings.

Information Request	Author	Due Date
Status of corrective actions related to the most recent fiscal compliance audit	OLA	45 days before the release of funds

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|----|--|-------------|----|---|--------|
| 5. | Reduce special funds to delete 2.0 long-term vacant positions within the Infrastructure program. | -\$ 210,608 | SF | Disagree. These positions are in the process of being reclassified to support centralizing Statewide platforms. | Adopt. |
| 6. | Delete general funds in the Radio Program as a technical correction. The Radio program operates the State’s 700 megahertz radio system and is funded through the telecommunication fee charges to its users which are funded in the Department of Information Technology as reimbursable funds. This action deletes the incorrect allocation of general funds as a technical correction. | -\$ 50,081 | GF | Concur. | Adopt. |

F50
Department of Information Technology

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
7.	Reduce the fiscal 2025 proposed deficiency appropriation -\$ 193,000	GF	Concur.		Adopt.	

8. Add the following section:

Section 37 Radio System Operating Costs

SECTION 37. AND BE IT FURTHER ENACTED, That for fiscal 2026 the statewide 700 megahertz (MHz) radio system operating cost allocation shall be reduced by \$1,677,680 in Executive Branch agencies. Funding for this purpose shall be reduced in Comptroller Object 0305 (700 MHz Radio System Operating Cost) within programs in the Executive Branch agencies in §1 of this Act in fiscal 2026 by \$1,021,650 in general funds, \$654,150 in special funds, and \$1,880 in federal funds in accordance with a schedule determined by the Governor.

Disagree. Phase 5 of the radio system buildout is coming out of its two-year warranty and being included under the maintenance contract which resulted in an increase of the maintenance cost.

Reject.

Explanation: This language reduces funding for the operating cost of the statewide 700 megahertz radio system to better align with recent actual expenditures.

F50
Department of Information Technology

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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1. Add the following language to the general fund appropriation:

Adopt.

Further provided that \$5,000,000 of this appropriation made for the purpose of administrative expenses may not be expended until the Department of Information Technology (DoIT) submits a report to the budget committees on the Information Technology Investment Fund (ITIF) balance and oversight, as well as the new expedited project criteria. The report shall include:

- (1) a detailed accounting of the ITIF balance, including revenue, spending by project, encumbrances by project, and use of carryover balance in fiscal 2025 and expected for fiscal 2026;
- (2) an explanation for any changes in the ITIF balance forecast compared to the level included as part of the Governor’s Fiscal 2026 Budget Books;
- (3) a description of DoIT’s process for vetting, approving, and disbursing the ITIF funds to respective agencies;
- (4) a description of how DoIT monitors changes in scope and cost for major information technology development projects;
- (5) a description of responsibilities that DoIT delegates to agencies and how DoIT determines which responsibilities are to be delegated; and
- (6) a description of the criteria DoIT has established for an expedited project, including a list of information technology projects that DoIT categorizes as expedited projects and intends to fund through the ITIF.

The report shall be submitted by November 1, 2025, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

F50
Department of Information Technology

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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Explanation: The Governor’s Fiscal 2026 Budget Books showed an expected ITIF balance at the end of fiscal 2025 of \$16,000, which would be very low compared to recent history. The General Assembly is interested in better understanding how DoIT anticipates drawing down the balance in fiscal 2025. In addition, Chapter 497 of 2024 created a new category of IT projects called “expedited project,” for which funding is also to be held in the ITIF. DoIT is still in the process of developing criteria for what will be considered an “expedited project”. This language restricts funds pending a report with a detailed accounting of the ITIF balance in fiscal 2025 and 2026, and any changes since the forecast included in the Governor’s Budget Books. The language also requires additional detail on DoIT’s oversight of Major Information Technology Development Projects and the criteria DoIT has established for expedited projects as well as a list of IT projects categorized as expedited projects by DoIT.

Information Request	Author	Due Date
ITIF balance, oversight, and criteria for expedited projects	DoIT	November 1, 2025

F50
Department of Information Technology

Amount Position
Change Change

Agency Response Hearing Notes

House
Decisions

Senate
Decisions

2. Add the following language to the general fund appropriation:

Adopt.

Further provided that, contingent on the enactment of HB 738 or SB 705, \$4,300,000 of this appropriation made for the purpose of oversight of major information technology development projects may not be expended for that purpose but instead may be transferred by budget amendment to F50B04.01 State Chief of Information Technology to be used only for the purpose of the operations of the Maryland Digital Service. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled.

Explanation: This language restricts oversight funds for major information technology development projects in the Information Technology Investment Fund to be transferred to the State Chief of Information Technology within the Department of Information Technology for the purpose of operations of the Maryland Digital Service.

3. Adopt the following narrative:

Adopt.

Potential Use of Blockchain Technology for Securely Storing Data and Records: Blockchain is a decentralized digital database that securely stores records across a network of computers. Blockchains are best known for their immutable characteristics. The committees are interested in understanding the potential use of blockchain technology for securely storing data and records. The committees request that Department of Information Technology (DoIT) submit a report on the feasibility of blockchain use for securely storing sensitive data and records. The report should also discuss the potential use of blockchain within state agencies for, but not limited to, storing body-worn camera data and records.

F50
Department of Information Technology

Information Request	Author	Amount <u>Change</u>	Position <u>Change</u>	<u>Agency Response Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
		Due Date				
Report on potential use of blockchain technology for securely storing data and records	DoIT			December 15, 2025		

H00
Department of General Services

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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1. Add the following language to the general fund appropriation:	Concur.			Adopt
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, provided that \$50,000 of this appropriation made for the purpose of Executive Direction may not be expended until the Department of General Services (DGS) submits a report to the budget committees on:

- (1) the status of moves and new site locations for each agency moving out of the State Center complex in Baltimore City; and
- (2) the uses and timing of State Center funds appropriated into the Dedicated Purpose Account to support State agency moves and demolition.

The report shall be submitted by October 1, 2025, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: The budget committees are interested in receiving updated information regarding the ongoing relocation of agencies from State Center in Baltimore City and how funding from the Dedicated Purpose Account has been used for this endeavor. This language restricts funds pending a report on State Center agency relocations.

Information Request	Author	Due Date
Status of State Center agency relocations and funding	DGS	October 1, 2025

2. Adopt the following narrative:	Concur.			Adopt
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Status of Vacant Positions: The Department of General Services (DGS) experienced a large increase in its vacancy rate in calendar 2024, particularly within the Office of State Procurement and the Office of Facilities Security, stemming from the addition of 24 new

H00
Department of General Services

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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positions that were largely not filled as of December 31, 2024. There were 80.5 vacant positions at that time, including 9 positions that were vacant for more than one year. The committees request that DGS submit a report including the following:

- the number of positions vacant as of December 31, 2024, that remain vacant as of September 1, 2025;
- a description of outreach and advertisement efforts used to recruit the vacant positions;
- the number of job postings and qualifying applicants received in response to each posting; and
- a description of specific actions that the agency is taking to fill positions that have been vacant for more than one year.

Information Request	Author	Due Date
Status update on vacant positions	DGS	October 1, 2025

- | | | | | | |
|----|--|----|-------|--|--------|
| 3. | Delete funding for 12 new positions added in fiscal 2025 -\$ 1,418,115 that remain vacant as of December 31, 2024. | GF | 12.00 | Disagree; 7 of the 12 positions have already been filled as of 2/23/25, and DGS is interviewing candidates for 4 of 5 remaining positions. | Reject |
|----|--|----|-------|--|--------|

H00
Department of General Services

<u>Amount</u> <u>Change</u>	<u>Position</u> <u>Change</u>	<u>Agency Response Hearing Notes</u>	<u>House</u> <u>Decisions</u>	<u>Senate</u> <u>Decisions</u>
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4. Add the following language to the general fund appropriation:

Adopt.

Further provided that \$150,000 of this appropriation made for the purpose of Executive Direction may not be expended until the Department of General Services submits a report to the budget committees on the agency’s new grant management system, including:

- (1) the number of grantees that have accessed the new system;
- (2) the number of active grants in the new system; and
- (3) the number of regular and contractual positions that operate the new system.

The report shall be submitted by December 1, 2025, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: In October 2024, The Department of General Services (DGS) launched a new grants management system to improve its management and oversight of miscellaneous capital grants. This language restricts funds pending a report on the new grant management system.

Information Request	Author	Due Date
Report on the new grant management system	DGS	December 1, 2025

H00
Department of General Services

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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5. Adopt the following narrative:

Adopt.

Energy Performance Contracts (EPC): The committees request that the Department of General Services (DGS) submit a report on the status of current EPCs, including for each EPC:

- the name of the vendor;
- the State agency covered by the EPC;
- the start date of the contract;
- the duration of the contract;
- the total value of the contract;
- facilities covered by the EPC listed by State agency; and
- projected energy and cost savings for the duration of the contract.

The report should also discuss:

- causes of the declining number of active EPCs in recent fiscal years;
- barriers to increasing the number of active EPCs;
- strategies to increase the number of active EPCs and address the identified barriers; and
- recommended policy or procedural changes to accelerate the implementation of EPCs.

H00
Department of General Services

		<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
Information Request	Author						
Report on EPCs	DGS						
			Due Date				
			September 1, 2025				

P00
Maryland Department of Labor

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
1.	Add the following language to the general fund appropriation: <u>, provided that since the Maryland Department of Labor (MD Labor) has had four or more repeat audit findings in the most recent fiscal compliance audit issued by the Office of Legislative Audits (OLA), \$250,000 of this agency’s administrative appropriation may not be expended unless:</u> (1) <u>MD Labor has taken corrective action with respect to all repeat audit findings on or before November 1, 2025; and</u> (2) <u>A report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected.</u>		Disagree due to implementation of corrective actions or unable to implement OLA recommendation.	Modify, see page 37.	

The budget committees shall have 45 days from the date of the receipt of the report to review and comment to allow for funds to be released prior to the end of fiscal 2026.

Explanation: The Joint Audit and Evaluation Committee (JAEC) has requested that budget bill language be added for each unit of State government that has four or more repeat audit findings in its most recent fiscal compliance audit. Each agency is to have a portion of its administrative budget withheld pending the adoption of corrective action by the agency and a determination by OLA that each finding was corrected. OLA shall submit a report to the budget committees on the status of repeat findings.

If OLA reports that an agency failed to completely resolve or make adequate progress toward resolving those repeat audit findings, JAEC requests that \$250,000 in general funds is withheld from each agency’s appropriation in the fiscal year following the OLA report until more satisfactory progress has been made toward resolution of those repeat findings.

Information Request	Author	Due Date
Status of corrective actions related to the most recent fiscal compliance audit.	OLA	45 days before the release of funds

P00
Maryland Department of Labor

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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2. Adopt the following narrative:

Concur.

Adopt.

Unemployment Insurance (UI) Performance Status: Despite the number of unemployment insurance claims returning to a prepandemic level, the Office of Unemployment Insurance has been unable to reach the 87% goal of providing benefits within 21 days. Between January 2023 and December 2024, the percentage of benefits provided within 21 days has fluctuated between 78.4% to 54.1% and has not returned to prepandemic levels when the goal was consistently met. In addition, the Maryland Department of Labor (MD Labor) has also been dealing with a backlog of appeals, as the percentage of appeals processed within 45 days by the Lower Appeals Division has decreased from 96% in fiscal 2019 to 19% in fiscal 2024. In order to identify the factors impacting the performance of the Office of Unemployment Insurance, the committees request MD Labor submit a report including:

- the reason for the decrease in performance for both the percentage of claims paid within 21 days and the processing of appeals;
- corrective actions that have been or will be taken to address the low percentage of claims paid within 21 days and appeals processed timely;
- a timeline for additional corrective actions; and
- changes as a result of these corrective actions.

Information Request	Author	Due Date
UI benefit payment performance and performance of appeals processing	MD Labor	October 1, 2025

P00
Maryland Department of Labor

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
3.						
<p>Add the following language to the special fund appropriation:</p> <p><u>, provided that the appropriation made for the purpose of funding the Family and Medical Leave Insurance Program shall be reduced by \$17,631,189 contingent on the enactment of legislation delaying the implementation of the employee and employer contributions beyond fiscal 2026.</u></p> <p>Explanation: This language reduces the special fund appropriation in the Family and Medical Leave Insurance (FAMLI) special funds for the FAMLI Program in the Division of Paid Leave, P00J01.01, by \$17,631,189 contingent on the enactment of legislation delaying the implementation of the program as the special funds will not be realized and available to support the program if the employee and employer contributions do not begin during fiscal 2026. The remaining special funds in the program will likely require replacement with other fund sources.</p>						
				Concur in part as Maryland Department of Labor is working with the Department of Budget and Management to determine specific funding needs and cannot concur with specific dollar amount listed by the Department of Legislative Services.	Reject.	
4.						
<p>Reduce special funds in the Division of Paid Leave as -\$ 15,183,330 SF the amount included in the fiscal 2026 allowance is greater than is needed to support the implementation of the program.</p>						
				Concur in part as Maryland Department of Labor is working with the Department of Budget and Management to determine specific funding needs and cannot concur with specific dollar amount listed by the Department of Legislative Services.	Reject.	

P00
Maryland Department of Labor

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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1. Add the following language to the general fund appropriation:

Adopt.

, provided that since the Maryland Department of Labor (MD Labor) has had four or more repeat audit findings in the most recent fiscal compliance audit for Unemployment Insurance issued by the Office of Legislative Audits (OLA), \$250,000 of this agency's administrative appropriation may not be expended unless:

- (1) MD Labor has taken corrective action with respect to repeat audit findings related to procedures to ensure that individuals were not filing claims using a foreign Internet Protocol address, regular claims and adjudications processed by the claims center as well as output reports of manual wage entries, and controls over reissued debit cards on or before November 1, 2025; and
- (2) A report is submitted to the budget committees by OLA listing the repeat audit findings related to procedures to ensure that individuals were not filing claims using a foreign Internet Protocol address, regular claims and adjudications processed by the claims center as well as output reports of manual wage entries, and controls over reissued debit card along with a determination that each of those repeat finding was corrected.

The budget committees shall have 45 days from the date of the receipt of the report to review and comment to allow for funds to be released prior to the end of fiscal 2026.

Further provided that MD Labor shall submit a report to the budget committees detailing steps taken to address a finding related to the establishment of procedures to match State higher education institution enrollment records to identify claimants and efforts to work with OLA to resolve this finding. The report shall be submitted to the budget committees by May 1, 2026.

Explanation: The Joint Audit and Evaluation Committee (JAEC) has requested that budget bill language be added for each unit of State government that has four or more repeat audit findings in its most recent fiscal compliance audit. Each agency is to have a portion of its administrative budget withheld pending the adoption of corrective action

P00
Maryland Department of Labor

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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by the agency and a determination by OLA that each finding was corrected. OLA shall submit a report to the budget committees on the status of repeat findings.

If OLA reports that an agency failed to completely resolve or make adequate progress toward resolving those repeat audit findings, JAEC requests that \$250,000 in general funds is withheld from each agency’s appropriation in the fiscal year following the OLA report until more satisfactory progress has been made toward resolution of those repeat findings. This language applies that restriction for three of the repeat findings. However, for the remaining repeat audit finding, the language requires MD Labor to submit a report on the efforts undertaken to work with OLA to resolve the finding related to the establishment of procedures to match State higher education institution enrollment records to identify claimants but does not require that finding to be resolved to have the funds released.

Information Request	Author	Due Date
Status of corrective actions related to the most recent fiscal compliance audit for Unemployment Insurance	OLA	45 days before the release of funds
Steps taken to resolve a repeat finding related to the establishment of procedures to match higher education enrollment records	MD Labor	May 1, 2026

P00
Maryland Department of Labor

<u>Amount</u> <u>Change</u>	<u>Position</u> <u>Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House</u> <u>Decisions</u>	<u>Senate</u> <u>Decisions</u>
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2. Add the following language to the general fund appropriation:

In addition to the appropriation shown on page 92 of the printed bill (first reading file bill), to provide funds realigned from the Dedicated Purpose Account for the Cyber Workforce Grants and Baltimore Cyber Range.

Object .12 Grants, Subsidies and Contributions.....	3,300,000
	<u>1,300,000</u>

Explanation: This action is technical.

3. Delete funds for Cyber Workforce Grants due to the State's fiscal condition and the availability of other funds for this purpose. This action leaves funds added in this item for the Baltimore Cyber Range.	-\$ 2,000,000	GF		Adopt.
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P00
Maryland Department of Labor

<u>Amount</u> <u>Change</u>	<u>Position</u> <u>Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House</u> <u>Decisions</u>	<u>Senate</u> <u>Decisions</u>
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4. Add the following language to the special fund appropriation:

Adopt.

Further provided that the appropriation made for the purpose of funding the Family and Medical Leave Insurance (FAMLI) program shall be reduced by \$15,183,330 contingent on the failure of legislation delaying the implementation of the FAMLI program.

Explanation: Supplemental Budget No. 1 reduces the entire special fund appropriation contingent on the enactment of legislation delaying the FAMLI program implementation. However, if the legislation fails, the original appropriation is maintained. This language reduces the special fund appropriation for the Division of Paid Leave by \$15,183,330 contingent on the failure of legislation delaying the implementation of the FAMLI program, reflecting the amount of the allowance that is greater than is needed to support the program's operation in fiscal 2026.

Amend the following language:

Adopt.

P00G01.07 Workforce Development

In addition to the appropriation shown on page 91 of the printed bill (first reading file bill), to provide funds realigned from the Dedicated Purpose Account for the Office of Strategic Initiatives.

Personnel Detail:

Prgm Mgr	6.00		526,344
Administrator IV	1.00		87,724
Administrator V	1.00		93,648
Fringe Benefits			271,871
Turnover			-244,871
Reclassification			<u>265,386</u>

Object .01 Salaries, Wages and Fringe Benefits	<u>1,000,000</u>
	1,000,000

General Fund Appropriation	1,000,000
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P00
Maryland Department of Labor

<u>Amount</u> <u>Change</u>	<u>Position</u> <u>Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House</u> <u>Decisions</u>	<u>Senate</u> <u>Decisions</u>
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Explanation: This action deletes 8 new positions added in Supplemental Budget No. 1 for the Office of Strategic Initiative but retains the funding provided. The Maryland Department of Labor has sufficient existing vacant positions that can be reclassified to serve these roles.

6. Amend the following language:

Adopt.

P00H01.01 Office of Unemployment Insurance

In addition to the appropriation shown on page 92 of the printed bill (first reading file bill), to provide additional capacity in anticipation of a surge in unemployment claims due to anticipated layoffs of federal employees and contractors.

Personnel Detail:

UI Professional II	15.00	773,640
Fringe Benefits		<u>364,440</u>
Object .01 Salaries, Wages and Fringe Benefits		1,138,080
Object .02 Technical and Special Fees		1,016,756
Object .08 Contractual Services		<u>1,835,500</u>
		3,990,336

General Fund Appropriation		3,990,336
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Explanation: This action deletes 15 new positions added in Supplemental Budget No. 1 for the Office of Unemployment Insurance. This action leaves the funding which would have supported the new positions, which can be used to support contractual full-time equivalent positions as well as contractual services. In addition, if regular positions are needed, existing vacancies can be reclassified to serve these roles.

R00A01
MSDE – Headquarters

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
1.				Disagree. MSDE has made significant reductions in our vacancy rate. MSDE's Office of Human Resources has worked diligently to recruit and retain qualified personnel. As a result of these efforts, we have significantly reduced our vacancies, bringing our current vacancy rate down to 6.42%, the lowest it has been in recent years.	Adopt.	
	<p><u>Provided that \$243,233 in general funds, \$140,168 in special funds, and \$141,544 in federal funds of this appropriation made for the purpose of 5.0 new positions shall be reduced. The Maryland State Department of Education is authorized to allocate this reduction across the agency's programs. Further provided that 5.0 new positions are abolished.</u></p> <p>Explanation: This action adds language to reduce personnel expenditures for 5.0 new positions within the Maryland State Department of Education (MSDE) due to the fiscal condition of the State and recognizing available long-term vacant positions. New positions abolished are N2619039; N2619040; N2619041; N2619042; and N2619043. The language authorizes MSDE to allocate the reduction in funding and positions across programs.</p>					
2.				MSDE and MCSS concur.	Adopt.	
	<p>Report on Accounting Practices: The committees request that the Maryland State Department of Education (MSDE) and the Maryland Center for School Safety (MCSS) submit a closeout report by October 1, 2025. This report should include:</p> <ul style="list-style-type: none"> ● an explanation for encumbrances and reversions for all general, special, federal, and reimbursable funds for any amount that does not equal zero; ● allocations and expenditures by local education agency for the School Resource Officer grant program; the Hate Crimes Grant; the Safe Schools Fund (SSF) Grant; and any other one-time grants, programs, or evaluations administrated by MCSS; and; ● expenditures and closeout balances by program for fiscal 2023, 2024, and 2025 and estimated closeout balances for fiscal 2026 and 2027, for the SSF. 					

R00A01
MSDE – Headquarters

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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Information Request	Author	Due Date
Report on accounting practices	MCSS MSDE	October 1, 2025

3. Adopt the following narrative: Concur. Adopt.

Report on State Education Agency Federal Stimulus Funds: Due to school closures prompted by the COVID-19 pandemic, the Maryland State Department of Education (MSDE) received approximately \$303.0 million in State Education Agency (SEA) federal stimulus funds. To ensure proper monitoring of the use of these funds, the committees request that MSDE report by January 1, 2026, on all SEA program expenditures distributed as part of Elementary and Secondary School Emergency Relief (ESSER) funds. This report should include:

- grant expenditures by school and program for State-mandated funds allocated to the Maryland School for the Blind, the Maryland School for the Deaf, and the School for Educational Evolution and Development;
- grant procedures, allocations, and expenditures by program for all discretionary allocations;
- expenditures by MSDE department and object for administrative costs; and
- unexpended funds by program, reasons that funds were not allocated or expended, anticipated expenditures of those funds by program for future years, and funds that may have been canceled.

R00A01
MSDE – Headquarters

Information Request	Author	Due Date	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
Report on SEA ESSER funds	MSDE	January 1, 2026					

4. Adopt the following narrative:

Report on the Maryland Leads Program: The American Rescue Plan Act requires State agencies to spend a designated percentage of Elementary and Secondary School Emergency Relief funds to address learning loss. The Maryland State Department of Education (MSDE) applied these funds to a grant program for local education agencies (LEA), Maryland Leads. To ensure proper oversight of this program and funding, the committees request that MSDE report by December 1, 2025, on the Maryland Leads program. The report should include the following information:

- a summary of progress on Maryland Leads objectives to date;
- LEA implementation plans by Maryland Leads subprogram;
- expenditures by LEA and subprogram for fiscal 2024 and 2025, including expenditures on personnel;
- standardized assessment measures, outcome measures, and progress, by LEA and program, on the framework implemented by MSDE to remediate student learning loss;
- documentation of improvements in literacy and mathematics proficiency, by LEA, grade, and subprogram, as the result of Maryland Leads initiatives; and
- documentation of how MSDE shares Maryland Leads information with the public, either on the MSDE website, LEA websites, or by other means.

Concur in part; the agency concurs with the report request but would like to move the date of the report to March or April so that data would be current as of the end of the year.

Adopt.

R00A01
MSDE – Headquarters

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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Information Request	Author	Due Date
Report on Maryland Leads	MSDE	December 1, 2025

5. Adopt the following narrative: Concur. Adopt.

Report on Science of Reading and State Literacy Policy: In January 2024, the State Board of Education (SBOE) passed Resolution 24-01 adopting Science of Reading (SoR) as Maryland’s official approach to literacy instruction and required local education agencies (LEAs) to align their literacy instruction to SoR starting in school year 2024-2025. As part of this resolution, the Maryland State Department of Education (MSDE) was tasked with drafting a comprehensive literacy policy for grades prekindergarten through grade 3 aligned with SoR and MSDE’s strategic plan. MSDE also received a total of \$47.2 million from federal and nonprofit grants to implement initiatives to improve early literacy proficiency and SoR professional development. To ensure proper oversight of this program and funding, the committees request that MSDE and the Accountability and Implementation Board (AIB) report by September 1, 2025, on SoR and State literacy policy. The report should include the following information:

- a summary of the final version of the State literacy policy adopted by SBOE;
- expenditures on SoR by LEA including allocations through State allocations, Maryland Leads federal stimulus funds, and other federal and nonprofit grants;
- a summary of materials related to readiness for promotion policies, implementation, and LEA reporting;

R00A01
MSDE – Headquarters

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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- a summary of the key objectives in LEA literacy plans submitted to AIB in calendar 2024 and reported progress on these objectives submitted in LEA annual reports due September 2025;
- progress on teacher training, preparation, and support for the State literacy policy and SoR instruction;
- status of the student support model for student reading improvement plans; and
- a timeline for completion of the adolescent literacy plan for grades 4 through 12.

Information Request	Author	Due Date
Report on SoR and State literacy policy	AIB MSDE	September 1, 2025

- | | | | | |
|----|--|------------------|--|---------|
| 6. | Reduce Blueprint for Maryland’s Future special funds for the Maryland School Leadership Academy by \$3.2 million to level-fund the program with the current working appropriation for training for leaders. | -\$ 3,200,000 SF | Disagree; the agency notes that the program involves a mentoring component that was not part of the previous program, Blueprint Training for Leaders, and therefore they request full program funding. | Adopt. |
| 7. | Reduce Blueprint for Maryland’s Future special funds for administration of the Concentration of Poverty Grant Program by \$1.0 million. The remaining \$2.0 million in funds in this allowance can be utilized for this purpose. | -\$ 1,000,000 SF | Disagree; funds are needed to properly administrate the program with a full complement of personnel. | Reject. |

R00A01
MSDE – Headquarters

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
8.	Reduce general funds to the Maryland Center for School Safety for the School Resource Officer grant program by \$5.0 million. This reduction will be backfilled with special funds from the Safe Schools Fund balance.	-\$5,000,000 GF	Concur.		Adopt.	
9.	Add the following language to the special fund appropriation:		Concur.		Adopt.	
	<u>\$5,000,000 in special funds is added to the appropriation for program R00A06.02 Maryland Center for School Safety – Grants within the Maryland Center for School Safety for the purpose of funding the School Resource Officer grant program. Funds not expended for this added purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the Safe Schools Fund.</u>					

Explanation: This language adds \$5.0 million in special funds to the appropriation for the School Resource Officer grant program in the Maryland Center for School Safety.

R00A01
MSDE – Headquarters

<u>Amount</u> <u>Change</u>	<u>Position</u> <u>Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House</u> <u>Decisions</u>	<u>Senate</u> <u>Decisions</u>
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1. Amend the following language: Adopt.

R00A01.03 Office of the Deputy for Teaching and Learning

In addition to the appropriation shown on page 102 of the printed bill (first reading file bill), to provide funds for contractual conversions and position realignments.

Personnel Detail:

Fiscal Services Administrator	5.00	479,955
Program Manager Senior IV	1.00	116,548
Program Manager Senior II	1.00	102,426
Staff Specialist III Education	1.00	69,323
Fringe Benefits		348,218
Turnover Expectancy		<u>-213,794</u>

Object .01 Salaries, Wages, and Fringe Benefits		902,676
Object .02 Technical and Special Fees		<u>-605,423</u>
		297,253

General Fund Appropriation		297,658
Special Fund Appropriation		106,051
Federal Fund Appropriation		-106,456

Explanation: This action deletes 8 new positions added in Supplemental Budget No. 1 for the Office of the Deputy for Teaching and Learning but retains the funding provided. The Maryland State Department of Education has sufficient existing vacant positions that can be reclassified to serve these roles.

2. Amend the following language: Adopt.

R00A01.05 Office of the Deputy for Organizational Effectiveness

In addition to the appropriation shown on page 102 of the printed bill (first reading file

R00A01
MSDE – Headquarters

<u>Amount</u> <u>Change</u>	<u>Position</u> <u>Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House</u> <u>Decisions</u>	<u>Senate</u> <u>Decisions</u>
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bill), to provide funds for contractual conversions and position realignments.

Personnel Detail:					
Fiscal Services Administrator V	-1.00	95,991			
Program Manager Senior I	-1.00	95,991			
Fiscal Accounts Technician Supervisor	-1.00	53,808			
Program Manager I	-1.00	-104,126			
Program Senior Management Senior II	1.00	136,040			
Education Program Specialist	1.00	123,179			
HR Specialist	1.00	53,808			
Fringe Benefits		<u>210,047</u>			
Object .01 Salaries, Wages, and Fringe Benefits		664,738			
Object .02 Technical and Special Fees		<u>-534,856</u>			
		129,882			
Special Fund Appropriation		-106,051			
Federal Fund Appropriation		235,933			

Explanation: This action deletes 3 new positions added in Supplemental Budget No. 1 for the Office of the Deputy for Organizational Effectiveness but retains the funding provided. The Maryland State Department of Education has sufficient existing vacant positions that can be reclassified to serve these roles.

3. Amend the following language:

Adopt.

R00A01.06 Office of the Deputy for Operations

In addition to the appropriation shown on page 102 of the printed bill (first reading file bill), to provide funds for contractual conversions and position realignments.

Personnel Detail:		
Administrative Manager Senior III	-1.00	109,247
Program Manager I	1.00	104,126
Program Senior Management Senior II	-1.00	-136,040

R00A01
MSDE – Headquarters

	<u>Amount</u>	<u>Position</u>	<u>Agency Response Hearing Notes</u>	<u>House</u>	<u>Senate</u>
	<u>Change</u>	<u>Change</u>		<u>Decisions</u>	<u>Decisions</u>
Education Program Specialist	-1.00	-104,126			
HR Specialist	-1.00	-53,808			
Fringe Benefits		-44,607			
Turnover Expectancy		<u>-35,451</u>			
Object .01 Salaries, Wages, and Fringe Benefits		-179,712			
Object .02 Technical and Special Fees		<u>-77,116</u>			
		-256,828			
General Fund Appropriation		121,261			
Federal Fund Appropriation		-378,089			

Explanation: This action deletes 1 new position added in Supplemental Budget No. 1 for the Office of the Deputy for Operations but retains the funding provided. The Maryland State Department of Education has sufficient existing vacant positions that can be reclassified to serve these roles.

R00A02
MSDE – Aid to Education

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
1.	Reduce fiscal 2026 State Share of the Foundation general funds for discretionary grants to Garrett and Dorchester counties because these grants are not mandated.	-\$ 1,969,251	GF		Disagree, the agency concurs with the Governor's allowance. These funds are provided to ensure that no LEA receives less State funding than what was received in the prior year.	Reject.
2.	Add the following language to the general fund appropriation: <u>, provided that this appropriation for the School for Educational Evolution and Development shall be reduced by \$241,102 contingent upon the enactment of SB 429 or HB 504 delaying the implementation of the collaborative time per pupil amount.</u>				Disagree, the agency concurs with the Governor's allowance.	Reject.
	Explanation: This action specifies that \$241,102 in general funds for the School for Educational Evolution and Development in Children at Risk, R00A02.04, subprogram0465, is reduced contingent on the enactment of SB 429 or HB 504 delaying the collaborative time per pupil amount as funds are not required if funds to implement collaborative time are provided in the fiscal 2026 budget.					
3.	Adopt the following narrative: Report on the Nonpublic Placement Program: The committees request a report on costs for the Nonpublic Placement program; implementation of nonpublic school special education teacher pay parity related to the Teacher Pay Parity Act (Chapter 648 of 2023); and actions taken by the Maryland State Department of Education (MSDE) to implement this program. The committees request that MSDE submit a report by October 1, 2025, including (1) program closeout data for fiscal 2025 by provider, including annual reimbursement costs and any costs that could not be covered within the fiscal 2025 appropriation; (2) actions taken in calendar 2024 and 2025 to implement Chapter 648; and (3) planned actions related to implementation of Chapter 648 and efforts to achieve pay parity in future years.				No response.	Adopt.

R00A02
MSDE – Aid to Education

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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Information Request	Author	Due Date
Report on the nonpublic placement program	MSDE	October 1, 2025

4. Adopt the following narrative: Concur. Adopt.

Report on the Autism Waiver Program: The committees request a report by November 1, 2025, on the Autism Waiver program, which is managed by the Maryland State Department of Education (MSDE). This status update should provide information on the (1) current number of individuals on the Autism Waiver waitlist; (2) the number of slots utilized in fiscal 2025; (3) the number of slots in use in fiscal 2026; (4) a timeline for increasing utilized slots to the target level; and (5) projected costs for Autism Waiver services through fiscal 2031 by year based on the timeline for increasing utilized slots.

Information Request	Author	Due Date
Report on the autism waiver program	MSDE	November 1, 2025

R00A02
MSDE – Aid to Education

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
5.				Disagree, the agency supports the allocation in SB 429/HB 504.	Reject.	
				<u>, provided that \$9,000,000 of this appropriation made for the purpose of Collaborative Time Innovation Demonstration Grants is contingent on the enactment of SB 429 or HB 504 delaying the implementation of the collaborative time per pupil amount.</u>		
				Explanation: This action specifies that \$9.0 million in Blueprint for Maryland’s Future special funds for Collaborative Time Innovation Demonstration Grants in Teacher Development, R00A02.55, subprogram 5589, is contingent on the enactment of SB 429 or HB 504 delaying the collaborative time per pupil amount as funds for a demonstration grant are not required if funds to implement collaborative time are provided in the fiscal 2026 budget.		
6.			-\$ 14,334,000	SF	Disagree, the agency respectfully disagrees with the recommended reduction and concurs with the Governor's allowance.	Adopt.
					Reduce Blueprint for Maryland’s Future special funds for the Grow Your Own Educators program by \$14.3 million to level-fund the program with the fiscal 2025 working appropriation for the Maryland Leads Grow Your Own Staff program.	
7.			-\$ 19,310,000	SF	Disagree, MSDE respectfully disagrees with the recommended reduction and concurs with the Governor's allowance.	Reject.
					Eliminate Blueprint for Maryland’s Future special funds for the Academic Excellence Fund because the program is duplicative to Blueprint Training for Teachers and other local professional development programming.	
8.					Concur.	Adopt.
					Adopt the following narrative:	
					Report on Enrollment and Counts for Blueprint for Maryland’s Future Programs. The committees request a report by October 1, 2025, on Maryland State Department of Education (MSDE) enrollment collection procedures for free and reduced-price meal (FRPM) students; teacher counts for national board certified (NBC) for the career ladder program; and student counts for the college and career readiness (CCR) program.	

R00A02
MSDE – Aid to Education

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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For FRPM student enrollment, this report should include data by local education agency (LEA) and school for the Community Eligibility Provision (CEP), including the percentage of FRPM students in the fiscal year prior to entry into CEP; and greater than comparisons by LEA and school used to calculate compensatory education enrollment.

For NBC teachers counts, the report should include the following data by LEA and school-type (either low-performing and non-low-performing) if applicable:

- count of teachers eligible for a fiscal 2026 award and their year of NBC attainment;
- count of teachers who attempted NBC but did not attain it in either school year 2023-2024 or 2024-2025;
- count of teachers attempting NBC in school year 2025-2026; and
- steps taken by MSDE and LEAs to encourage NBC teachers to move to low-performing schools.

For CCR student counts, this report and data should include projected CCR counts and funding from fiscal 2027 through 2030 based on expanded CCR standard.

Information Request	Author	Due Date
Report on enrollment and counts for Blueprint for Maryland’s Future programs	MSDE	October 1, 2025

9. Adopt the following narrative: Concur. Adopt.

Report on the Maryland Comprehensive Assessment Program (MCAP): The committees request a report on learning loss due to the COVID-19 pandemic and costs

R00A02
MSDE – Aid to Education

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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for MCAP assessment development and implementation. The committees request by October 1, 2024, that the Maryland State Department of Education (MSDE) submit a report on MCAP, which should include, but is not limited to:

- a timetable for MCAP administration for all assessments for the 2025-2026 and 2026-2027 school years, including field testing and pilots for new assessments;
- details on MCAP measurement of student learning loss in the 2025-2026 school year by local education agency (LEA), subject area, grade level, and assessment, as well as additional steps taken, if any, by MSDE at the State level to measure student learning loss;
- details on MCAP administration in the 2025-2026 and 2026-2027 school years by LEA, program, grade level, and assessment, including alternative assessments and the Kindergarten Readiness Assessment;
- anticipated changes, if any, to assessments for virtual school students in the 2025-2026 and 2026-2027 school years;
- expenditures in fiscal 2025 and 2026, and anticipated allowances for fiscal 2027, for each MCAP assessment, assessments under development, and administration, including contractual expenditures by vendor;
- information pertaining to any formal review of MCAP assessments and standards in calendar 2026 and 2027 by MSDE, by curriculum and assessment, including any anticipated changes to MCAP assessments as a result of that review and the projected costs of those changes; and
- alignment of MCAP goals and outcomes with Blueprint for Maryland’s Future outcome measures.

R00A02
MSDE – Aid to Education

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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Information Request	Author	Due Date
Report on MCAP	MSDE	October 1, 2025

10. Adopt the following narrative: Concur. Adopt.

Reports on Local Education Agency (LEA) COVID-19 Federal Stimulus Fund Expenditures: In fiscal 2021, 2022, and 2023, LEAs received a total of \$256.6 million as authorized in the Recovery for the Economy, Livelihoods, Industries, Entrepreneurs, and Families Act (Chapter 39 of 2021) and allocated in the fiscal 2022 Budget Bill (Chapter 357 of 2021) for tutoring, behavioral health, summer school, school reopening, and transitional supplemental instruction. As part of mandated reporting in Chapter 55 of 2021, the Blueprint for Maryland’s Future Program – Revisions, LEAs were required to report on expenditures of these funds to the General Assembly and the Accountability and Implementation Board through calendar 2023. LEAs were to submit a report consistent with the requirements of the previous report by December 1, 2024, as part of committee narrative in the 2024 Joint Chairmen’s Report. At the time of the submitted responses, LEAs reported carrying balances as the deadline for expenditures had not passed. Therefore, the committees request that the 24 LEAs submit a final closeout report by October 1, 2025, consistent with the requirements of the previously mandated report on COVID-19 federal stimulus fund expenditures, which requested the following information: (1) the county board’s use of federal funding to address the effects of the COVID-19 pandemic on education; and (2) State funding received to implement the Blueprint for Maryland’s Future Program, including a description of the amount of funding spent on student instruction. Additionally, as part of this submission, LEAs should review previous reports for this purpose and document corrections in this final report.

Information Request	Author	Due Date
Reports on LEA COVID-19 expenditures	LEAs	October 1, 2025

R00A02
MSDE – Aid to Education

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
1. Strike the following language from the special fund appropriation:				Adopt.	
<p>, provided that this appropriation shall be reduced by \$73,128,727 contingent upon the enactment of legislation delaying implementation of the collaborative time per pupil amount.</p> <p>Explanation: This action strikes language that would have reduced \$73.1 million of the special fund appropriation from the Blueprint for Maryland’s Future Fund in the Maryland State Department of Education – Aid to Education – State Share of Foundation Program budget, R00A02.01, contingent on legislation delaying the collaborative time per pupil amount. This action is consistent with actions in HB 504, as amended, to retain current law for the collaborative time per pupil amount.</p>					
2. Strike the following language from the special fund appropriation:				Adopt.	
<p>, provided that this appropriation shall be reduced by \$31,299,669 contingent upon the enactment of legislation delaying implementation of the collaborative time per pupil amount.</p> <p>Explanation: This action strikes language that would have reduced \$31.3 million of the special fund appropriation from the Blueprint for Maryland’s Future Fund in the Maryland State Department of Education – Aid to Education – Compensatory Education budget, R00A02.02, contingent on legislation delaying the collaborative time per pupil amount. This action is consistent with actions in HB 504, as amended, to retain current law.</p>					
3. Strike the following language from the special fund appropriation:				Adopt.	
<p>, provided that this appropriation shall be reduced by \$9,750,947 contingent upon the enactment of legislation delaying implementation of the collaborative time per pupil amount.</p>					

R00A02
MSDE – Aid to Education

<u>Amount</u> <u>Change</u>	<u>Position</u> <u>Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House</u> <u>Decisions</u>	<u>Senate</u> <u>Decisions</u>
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Explanation: This action strikes language that would have reduced \$9.8 million of the special fund appropriation from the Blueprint for Maryland’s Future Fund in the Maryland State Department of Education – Aid to Education – Limited English Proficient budget, R00A02.24, contingent on legislation delaying the collaborative time per pupil amount. This action is consistent with actions taken in HB 504, as amended, to retain current law for the collaborative time per pupil amount.

4. Delete Blueprint for Maryland's Future special funds for -\$ 9,000,000 SF Collaborative Time Innovation Demonstration grants				Adopt.	
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5. Strike the following language from the special fund appropriation:				Adopt.	
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~~-, provided that this appropriation shall be reduced by \$9,876,396 contingent upon the enactment of legislation delaying implementation of the collaborative time per pupil amount.~~

Explanation: This action strikes language that would have reduced \$9.9 million of the special fund appropriation in the Maryland State Department of Education – Aid to Education – Education Effort Adjustment budget, R00A02.63, contingent on the enactment of legislation delaying the collaborative time per pupil amount. This action is consistent with actions in HB 504, as amended, to retain current law for the collaborative time per pupil amount.

R00A03
MSDE – Funding for Educational Organizations

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
1.						
Add the following language to the general fund appropriation: <u>, provided that this appropriation for the Maryland School for the Blind shall be reduced by \$401,375 contingent on the enactment of SB 429 or HB 504 delaying the implementation of the collaborative time per pupil amount.</u>				Disagree, MSDE and MSB support the Governor's allowance.	Reject.	
Explanation: This action specifies that \$401,375 in general funds for the Maryland School for the Blind in R00A03.01, subprogram 9061, is reduced contingent on the enactment of SB 429 or HB 504 delaying the collaborative time per pupil amount as funds are not required if funds to implement collaborative time are provided in the fiscal 2026 budget.						
2.						
Add the following language to the special fund appropriation: (1) <u>\$1,700,000 in special funds is reduced from the fiscal 2025 appropriation for program R00A03.04 Aid to Non-Public Schools within Funding for Educational Organizations within the Maryland State Department of Education that was made for the purpose of the Non-Public School Health and Security program.</u>				Disagree, MSDE supports the Governor's allowance.	Reject.	
Explanation: This action reduces the fiscal 2025 special fund appropriation from the Cigarette Restitution Fund for the Non-Public School Health and Security program within the Aid to Non-Public Schools program in the Funding for Educational Organizations budget to more closely align with actual spending.						
3.						
Eliminate the Cigarette Restitution Fund special fund -\$ 2,500,000 SF appropriation for the Non-Public School Health and Security Program. The savings can be recycled to fund Medicaid reducing general fund spending on that program.				Disagree, MSDE supports the Governor's allowance.	Reject.	

R00A03
MSDE – Funding for Educational Organizations

<u>Amount</u> <u>Change</u>	<u>Position</u> <u>Change</u>	<u>Agency Response</u> <u>Hearing Notes</u>	<u>House</u> <u>Decisions</u>	<u>Senate</u> <u>Decisions</u>
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1. Add the following language to the special fund appropriation:

Adopt.

Further provided that this appropriation shall be funded with special funds from the Cigarette Restitution Fund only.

Explanation: This action requires the appropriation for the Nonpublic School Health and Security Program, R00A03.07, to be funded with special funds from the Cigarette Restitution Fund only.

R00A99
MSDE – Early Childhood Development

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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1. Adopt the following narrative:

Concur.

Adopt.

Child Care Scholarship (CCS) Program Quarterly Reports: The Maryland State Department of Education (MSDE) has implemented a series of significant changes under the CCS program. These changes, along with increasing program enrollment, have contributed to higher costs and shortfalls in fiscal 2023, 2024 and 2025. In response to these financial pressures, the department has proposed an enrollment freeze as a cost- saving measure to control program expenditures and align them with available funding. The committees request that MSDE submit quarterly reports with the following information:

- CCS expenditures by fund, including Child Care and Development Fund spending carried over from prior fiscal years;
- fiscal 2026 year-to-date spending and annualized cost estimates, noting the adequacy of remaining State and federal fund sources;
- the number of scholarships awarded by income eligibility category by month, total expenditures for those scholarships, and average cost per child;
- updates on whether the department is maintaining a CCS waiting list and, if so, which income categories are impacted and how many children and families have applied for CCS benefits and been added to the waiting list; and
- updates on the implementation of the enrollment freeze, including the anticipated savings and how the freeze will affect the program’s budget.

In its September 2025 report, MSDE should include actual data for the CCS program in the final quarter of fiscal 2025 and aggregate fiscal 2025 data. All reports should provide data on a monthly basis for fiscal 2026 year to date.

R00A99
MSDE – Early Childhood Development

Information Request	Author	Due Date	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
CCS quarterly expenditure reports	MSDE	September 15, 2025 December 15, 2025 March 15, 2026 June 15, 2026					

R00A99
MSDE – Early Childhood Development

<u>Amount</u> <u>Change</u>	<u>Position</u> <u>Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House</u> <u>Decisions</u>	<u>Senate</u> <u>Decisions</u>
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1. Amend the following language:

Adopt.

R00A01.04 Division of Early Childhood

In addition to the appropriation shown on page 102 of the printed bill (first reading file bill), to provide funds for contractual conversions and position realignments.

Personnel Detail:		
Fiscal Services Administrator V	1.00	95,991
Fringe Benefits		<u>43,515</u>
Object .01 Salaries, Wages, and Fringe Benefits		139,506
Federal Fund Appropriation		139,506

Explanation: This action deletes 1 new position added in Supplemental Budget No. 1 for the Division of Early Childhood but retains the funding provided. The Maryland State Department of Education has sufficient existing vacant positions that can be reclassified to serve these roles.

R11A
Maryland State Library Agency

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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1. Concur with Governor's allowance.

Concur.

Adopt.

R12
Accountability and Implementation Board

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
1. Adopt the following narrative:					Concur.	Adopt.
<p>Status Report on Blueprint Implementation: The committees request that the Accountability and Implementation Board (AIB) submit a report by September 1, 2025, on agency actions to implement Blueprint for Maryland’s Future (Blueprint). This report shall include a timeline and detailed information on the progress in completing and/or implementing the following programs, reports, and measures:</p> <ul style="list-style-type: none"> ● calendar 2025 and 2026 local education agency (LEA) Blueprint implementation plans and current status relative to minimum school funding requirements; ● calendar 2024 and 2025 State agency Blueprint implementation plans; ● collaboration with MSDE, the State Board of Education, the Professional Standards and Teacher Education Board, and the teacher preparation workgroup to revise teacher preparation program requirements; ● targeted training on Blueprint and any changes to training and/or funding for 2025-2026 school year; ● progress on the independent evaluation of Blueprint implementation and outcomes; ● LEA and Career and Technology Education Committee technical assistance Phase I and II grants, including use of funds; roles and responsibilities of strategic facilitators; categorized expenditures by LEA; and AIB collaboration, training, and accountability measures for grantees; ● LEA career ladder implementation plans; 						

R12
Accountability and Implementation Board

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
<ul style="list-style-type: none"> • LEA career counseling programs for middle and high school students and accompanying fiscal reports; • monthly Blueprint financial reporting on minimum funding requirements; and • progress to determine Blueprint final outcome measures, baseline data, and targets for early childhood education; college and career readiness; career ladder; student support personnel; or any other outcome measures under development. 					

Information Request	Author	Due Date
Status report on Blueprint implementation	AIB	September 1, 2025

R13M00
Morgan State University

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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1. Add the following language to the unrestricted fund appropriation:

, provided that \$250,000 of this appropriation made for the purpose of the general administration may not be expended until Morgan State University (MSU) submits a report to the budget committees on the development of East North Avenue in the City of Baltimore. The General Assembly requests that MSU convene a group of stakeholders to create a plan for long-term development for East North Avenue. The report shall include tentative redevelopment plans, MSU’s stakeholder and community engagement efforts, and the role of stakeholders in development of the plans. This report shall be submitted by January 15, 2026, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise and shall revert to the general fund if the report is not submitted.

Disagree MSU says a comprehensive plan will take 2 years to develop. They propose submitting a report outlining their strategy to produce a comprehensive report and provide periodic updates but reject restricting funds.

Adopt.

Explanation: This language restricts funds pending a report on MSU’s development plans in East North Avenue.

Information Request	Author	Due Date
East North Avenue development report	MSU	January 15, 2026

2. Add the following language to the unrestricted fund appropriation:

Further provided that since Morgan State University (MSU) has had four or more repeat findings in the most recent compliance audit issued by the Office of Legislative Audits (OLA), \$250,000 of this agency’s administrative appropriation may not be expended unless:

Disagree MSU contends all of the audit findings have been addressed.

Adopt.

- (1) MSU has taken corrective action with respect to all repeat audit findings on or before November 1, 2024; and

R13M00
Morgan State University

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
(2)	<u>a report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days from the date of the receipt of the report to review and comment to allow for funds to be released prior to the end of fiscal 2025.</u>					

Explanation: The Joint Audit and Evaluation Committee (JAEC) has requested that budget bill language be added for each unit of State government that has four or more repeat audit findings in its most recent fiscal compliance audit. Each agency is to have a portion of its administrative budget withheld pending the adoption of corrective action by the agency and a determination by OLA that each finding was corrected. OLA shall submit a report to the budget committees on the status of repeat findings.

If OLA reports that an agency failed to completely resolve or make adequate progress toward resolving those repeat audit findings, JAEC requests that \$250,000 in general funds is withheld from each agency’s appropriation in the fiscal year following the OLA report until more satisfactory progress has been made toward resolution of those repeat findings.

Information Request	Author	Due Date
Status of corrective actions related to the most recent fiscal compliance audit	OLA	45 days before the release of the funds

R14D00
St Mary's College of Maryland

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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1. Concur with Governor's allowance.

Concur.

Adopt.

R15P00
Maryland Public Broadcasting Commission

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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1. Add the following language to the general fund appropriation:

Disagree as corrective actions will occur by June 30, 2025. Adopt.

, provided that \$100,000 of this appropriation made for the purpose of administrative expenses may not be expended for that purpose until the Maryland Public Broadcasting Commission (MPBC) submits a report to the budget committees providing information on the status of corrective actions taken to address findings related to the affiliated foundation and the retention and provision of documents to the Office of Legislative Audits (OLA) included in the fiscal compliance audit released by OLA in October 2024. Specifically, the report shall address actions to review procedures related to its collections process, underwriting and sponsorship agreements; monitoring of revenue generating activities; review of annual conflict of interest disclosures; and eliminating payments of certain State funds to the affiliated foundation. The report shall be submitted by October 1, 2025, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: In October 2024, OLA released a fiscal compliance audit for MPBC including six findings. This language restricts funds until MPBC submits a report regarding the status of actions taken to address the findings related to the affiliated foundation contained within the audit.

Information Request	Author	Due Date
Actions taken or planned to be taken to address findings related to the affiliated foundation in the fiscal compliance audit released in October 2024.	MPBC	October 1, 2025

R30B00*
University System of Maryland Overview

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
1. Concur with Governor's allowance.			Concur.		Adopt.	

R30B21
University of Maryland, Baltimore Campus

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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1. See the University System of Maryland overview for system wide recommendations.

Concur.

Adopt.

R30B22
University of Maryland, College Park Campus

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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1. See the University System of Maryland overview for systemwide recommendations.

Concur.

Adopt.

R30B24
Towson University

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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1. See the University System of Maryland overview for systemwide recommendations.

Concur.

Adopt.

R30B25
University of Maryland Eastern Shore

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
1. See the University System of Maryland overview for system wide recommendations.			Concur.		Adopt.	

R30B26
Frostburg State University

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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1. See the University System of Maryland overview for systemwide recommendations.

Concur.

Adopt.

R30B30
University of Maryland Global Campus

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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1. Adopt the following narrative:

Concur.

Adopt.

National Marketing Campaign: The University of Maryland Global Campus (UMGC) undertook an expansive national campaign to expand its reach, spending approximately \$326 million from fiscal 2020 to 2025. The committees are interested in the results of this multimillion dollar campaign. The committees request that UMGC submit a report by December 1, 2025, detailing the amount spent in each fiscal year, as well as the number and dollar value of each media contract used, and the students gained from each contract. The report should also include the metrics on how the institution determined the enrollment gains from the campaign. UMGC should address the details of any planned or implemented new marketing campaigns not related to the initial \$500 million campaign.

Information Request	Author	Due Date
National marketing campaign	UMGC	December 1, 2025

R62I0001
Maryland Higher Education Commission

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
1.						
<p>Add the following language to the general fund appropriation:</p> <p><u>, provided that \$36,661,362 of this appropriation made for the purpose of the Joseph A. Sellinger Formula for Aid to Non-Public Institutions of Higher Education may not be expended for that purpose, but instead may be transferred by budget amendment to program R62I00.07 Educational Grants to be used only for providing grants to the Maryland Independent College and University Association institutions based on financial need of the institution. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.</u></p> <p>Explanation: This language restricts funds for the Sellinger formula to be only used to provide grants to Maryland Independent College and University Association institutions based on the financial needs of the institution. The grant program will be administered by the Maryland Higher Education Commission.</p>				Disagree. MHEC does not have the resources or expertise to administer this grant program.	Reject.	
2.						
<p>Reduce funding for the Sellinger formula. A separate -\$ 36,661,362 GF action restricts the remaining funds to be used to provide grants to the independent institutions based on financial need.</p>				Disagree.	Reject.	

R62I0005
Aid to Community Colleges

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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1. Concur with Governor's allowance.

Concur.

Adopt.

R62I0010
MHEC – Student Financial Assistance

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
2.				Concur due to the reduction will leave enough remaining funds for program to grow.	Adopt.	
	<p><u>\$4,000,000 in special funds is reduced from the fiscal 2025 appropriation for program R62I00.49 Teaching Fellows for Maryland Scholarship Program within the Maryland Higher Education Commission that was made for the purpose of the Teaching Fellows for Maryland Scholarship Program.</u></p> <p>Explanation: Reduce special funds within the Teaching Fellows for Maryland Scholarship Program due to lower projected expenditures. The Maryland Higher Education Commission (MHEC) has consistently underspent the appropriation in the last two years. In fiscal 2023 and 2024, MHEC awarded less than the appropriation by approximately \$4.4 million and \$4.7 million, respectively.</p>					
3.				Concur.	Adopt.	
	<p>Impact of Credit Completion Requirement on Financial Aid Awards: The committees are interested in the impact that the 30-credit-hour requirement had on students in the 2024-2025 academic year and the 2025-2026 awarding year, specifically if students are meeting the requirement in order to receive the full amount of award, how many students had their awards prorated, and how many students lost eligibility. The report should also include the graduation rates of students who completed 30 credit hours compared to those who completed less than 30 credit hours. The report should provide summary data by segment (community colleges, four-year public, and independent institutions) and by institution. The report should also identify how the Maryland Higher Education Commission (MHEC) alerts Educational Excellence Award (EEA) recipients that they are in danger of losing their award. The report should identify the updated funding disbursement, by EEA award type and by total credit attainment grouping, for the students from the most recent review cycle as well as what the total funding amount was, by EEA award type, prior to those students having their award funding amounts revised.</p>					

R62I0010
MHEC – Student Financial Assistance

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
Information Request		Author				
			Due Date			
Report on impact of credit completion requirement on financial aid awards		MHEC	December 12, 2025			
4. Adopt the following narrative:				Concur.		Adopt.
<p>Next Generation Scholars (NGS) Postsecondary Outcomes: The committees remain interested in determining how many NGS students met the eligibility requirements and later enrolled in a postsecondary institution. The report should identify the number of NGS seniors for the 2024-2025 and 2025-2026 academic years, the number of NGS seniors who successfully met all of the eligibility requirements, the number of eligible NGS seniors receiving a guaranteed access award, and the number of seniors who later enrolled in a postsecondary institution of higher education in either the summer session or the fall semester and identify to which higher education segment those students enrolled.</p>						
Information Request		Author				
			Due Date			
Report on postsecondary outcomes for NGS senior students		MHEC	December 1, 2025			
5. Reduce general funds within the Maryland Community College Promise Scholarship Program due to lower projected expenditures. The Maryland Higher Education Commission (MHEC) has consistently underspent the appropriation in the last three years. In fiscal 2024, MHEC awarded less than the appropriation by approximately \$7.2 million. MHEC also awarded less than the appropriation in fiscal 2022 and 2023 by \$8.9 million and \$10.8 million, respectively.	-\$ 5,000,000	GF		Disagree and suggests that any reduction in funds be postponed for 2 years.	Modify, see below.	

R62I0010
MHEC – Student Financial Assistance

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
First House Modification						
Reduce general funds within the Maryland Community College Promise Scholarship Program due to lower projected expenditures. The Maryland Higher Education Commission (MHEC) has consistently underspent the appropriation in the last three years. In fiscal 2024, MHEC awarded less than the appropriation by approximately \$7.2 million. MHEC also awarded less than the appropriation in fiscal 2022 and 2023 by \$8.9 million and \$10.8 million, respectively.	-\$ 3,000,000	GF			Adopt.	
6. Reduce special funds within the Teaching Fellows for Maryland Scholarship Program due to lower projected expenditures. The Maryland Higher Education Commission (MHEC) has consistently underspent the appropriation in the last two years. In fiscal 2023 and 2024, MHEC awarded less than the appropriation by approximately \$4.4 million and \$4.7 million, respectively.	-\$ 4,000,000	SF	Concur.		Adopt.	

R62I0010
MHEC - Student Financial Assistance

<u>Amount</u> <u>Change</u>	<u>Position</u> <u>Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House</u> <u>Decisions</u>	<u>Senate</u> <u>Decisions</u>
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1. Add the following language:

Adopt.

\$8,000,000 in general funds is reduced from the fiscal 2025 appropriation for program R62I00.56 Teacher Development and Retention Program within the Maryland Higher Education Commission that was made for the purpose of the Teacher Development and Retention Program.

Explanation: This action reduces the fiscal 2025 general fund appropriation of the Teacher Development and Retention Program due to lower projected expenditures. The fiscal 2025 appropriation is \$10.0 million, however, the Maryland Higher Education Commission awarded less than \$20,000 in fiscal 2025 to date.

R75T0001
State Support for Higher Education Institutions

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>						
1.				Disagree MSU says a comprehensive plan will take 2 years to develop. They propose submitting a report outlining their strategy to produce a comprehensive report and provide periodic updates but reject restricting funds.	Adopt.							
<p><u>Further provided that \$250,000 of this appropriation made for the purpose of the general administration may not be expended until Morgan State University (MSU) submits a report to the budget committees on the development of East North Avenue in the City of Baltimore. The General Assembly requests that MSU convene a group of stakeholders to create a plan for long-term development for East North Avenue. The report shall include tentative redevelopment plans, MSU’s stakeholder and community engagement efforts, and the role of stakeholders in development of the plans. This report shall be submitted by January 15, 2026, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise and shall revert to the general fund if the report is not submitted.</u></p> <p>Explanation: This language restricts funds pending a report on MSU’s development plans in East North Avenue.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Information Request</th> <th style="text-align: left;">Author</th> <th style="text-align: left;">Due Date</th> </tr> </thead> <tbody> <tr> <td>East North Avenue development report</td> <td>MSU</td> <td>January 16, 2016</td> </tr> </tbody> </table>							Information Request	Author	Due Date	East North Avenue development report	MSU	January 16, 2016
Information Request	Author	Due Date										
East North Avenue development report	MSU	January 16, 2016										
2.				Disagree MSU contends all of the audit findings have been addressed.	Adopt.							
<p><u>Further provided that since Morgan State University (MSU) has had four or more repeat findings in the most recent compliance audit issued by the Office of Legislative Audits (OLA), \$250,000 of this agency’s administrative appropriation may not be expended unless:</u></p> <p>(1) <u>MSU has taken corrective action with respect to all repeat audit findings on or before November 1, 2024; and</u></p>												

R75T0001
State Support for Higher Education Institutions

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
(2) <u>a report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days from the date of the receipt of the report to review and comment to allow for funds to be released prior to the end of fiscal 2025.</u>						

Explanation: The Joint Audit and Evaluation Committee has requested that budget bill language be added for each unit of State government that has four or more repeat audit findings in its most recent fiscal compliance audit. Each agency is to have a portion of its administrative budget withheld pending the adoption of corrective action by the agency and a determination by OLA that each finding was corrected. OLA shall submit a report to the budget committees on the status of repeat findings.

If OLA reports that an agency failed to completely resolve or make adequate progress toward resolving those repeat audit findings, JAEC requests that \$250,000 in general funds is withheld from each agency’s appropriation in the fiscal year following the OLA report until more satisfactory progress has been made toward resolution of those repeat findings.

Information Request	Author	Due Date
Status of corrective actions related to the most recent fiscal compliance audit	OLA	45 days before the release of funds

3. Adopt the following narrative: Concur. Adopt.

Instructional Faculty Workload Report: The committees request that the University System of Maryland (USM), Morgan State University (MSU), and St. Mary’s College of Maryland (SMCM) continue to provide annual instructional workload reports for tenured/tenure-track faculty. By focusing on these faculty, the committees gain a sense of the teaching activities for the regular core faculty. However, there are other types of instructional faculty at institutions, such as full- and part-time nontenured/nontenure-track faculty including adjunct faculty, instructors, and lecturers. Focusing on only

R75T0001
State Support for Higher Education Institutions

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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tenured/tenure-track faculty provides an incomplete picture of how students are taught. Therefore, the report should also include the instructional workload when all types of faculty are considered. Additional information may be included at the institution’s discretion. Furthermore, the USM report should include the percent of faculty meeting or exceeding teaching standards for tenured/tenure-track faculty for the University of Maryland, Baltimore Campus.

Information Request	Author	Due Date
Annual report on faculty workload	USM MSU SMCM	December 15, 2024

4. Adopt the following narrative:

Concur.

Adopt.

Report on Fiscal 2026 Historically Black Colleges and Universities (HBCU) Settlement Funds: The committees remain interested in the HBCU settlement funds. The budget committees request that Bowie State University (BSU), Coppin State University (CSU), Morgan State University (MSU), and University Maryland Eastern Shore (UMES) each submit a report on the plans for the fiscal 2026 HBCU settlement funds. The reports should include how the fiscal 2026 funding will be used for scholarships and financial aid support services, faculty recruitment and development, expanding and improving existing academic programs, developing and implementing new academic programs, academic support, and marketing at each institution.

Information Request	Author	Due Date
Report on fiscal 2026 HBCU settlement funds	BSU CSU MSU UMES	November 1, 2025

R95C00
Baltimore City Community College

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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1. Adopt the following narrative:

Concur.

Adopt.

Enrollment and the Mayor’s Scholars Program (MSP): The committees request a report on MSP that includes updated information on MSP for the 2024-2025 academic year and that identifies what additional actions are being taken to increase enrollment per full-time equivalent student. Additionally, the report should provide the following information on MSP: (1) the number of applications received for all cohorts, the number of students who enrolled each semester, and the number of first-year students who enrolled in the second, third, and fourth year (where applicable); (2) the number of students who participated in the Summer Bridge program for all cohorts; (3) the number of students in all cohorts applicable who have successfully completed at least 15 credits each semester, or a total of 30 credits in their academic year; and (4) the amount of financial aid provided to scholars in year one, two, three, and four by cohort, including the total amount each year and the average student award.

Information Request	Author	Due Date
Enrollment and MSP	Baltimore City Community College	December 15, 2025

R99E
Maryland School for the Deaf

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
1.	Reduce funding to align with State Share of the Foundation - \$ 656,336 per pupil allowance.	GF	Disagree, MSD concurs with the Governor's allowance.	Reject.	

S50B01
Maryland African American Museum Corporation

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
1. Concur with Governor's allowance.			Concur.	Adopt.	

T00
Department of Commerce

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
1. Reduce the general fund appropriation for out-of-state/routine operations travel in the Office of the Managing Director of Business and Industry by \$457,241 to the fiscal 2024 actual expenditures level.	-\$ 457,241	GF		Disagree. Increases in the travel budget will support international trade missions for the Governor in fiscal 2026. Additionally, travel costs across the board have increased significantly in recent years.	Adopt.	
2. Delete grant funding to Ignite Capital.	-\$1,000,000	GF		Disagree. Funding will support business investment in historically underserved communities.	Adopt.	
3. Reduce funding for the Industry 4.0 program to the mandated funding level of \$1 million.	-\$5,000,000	GF		Disagree. The program fills a gap in the State's economic development strategy by supporting manufacturing and encouraging companies to keep manufacturing in the State.	Reject.	
4. Reduce grant funding to the Maryland Tech Council for the BioHub Maryland Initiative to the fiscal 2025 funding level of \$500,000.	-\$1,500,000	GF		Disagree. The funding will support workforce training in target industries of biopharma manufacturing and bioprocessing.	Adopt.	
5. Reduce funding for the Build Our Future Grant Pilot Program by \$3 million to the fiscal 2025 working appropriation level of \$7 million.	-\$ 3,000,000	GF		Disagree. Demand for Build Our Future significantly outpaces even a \$10 million appropriation, and these projects bring immediate return as they require matching funds from non-State funding.	Adopt.	

T00
Department of Commerce

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
6.	Reduce funding for the Regional Institution Strategic Enterprise Zone business rental assistance program due to an available fund balance and the underutilization of the program.	-\$ 750,000	GF	Concur.		Adopt.
7.	Reduce funding for the Maryland New Start Microloan Program due to an available fund balance.	-\$ 300,000	GF	Concur.		Adopt
8.	Reduce funding for the Tourism Development Board to the mandated funding level of \$6 million.	-\$6,366,600	GF	Disagree.	\$2.5 million of the funding is mandated for external grants, leaving the Tourism Development Bureau with only \$3.5 million to market the state as a travel destination if funding is reduced to \$6 million. Reducing funding could lead to lower tourism and tourism-related spending.	Modify, see below

First House Modification

Reduce funding for the Tourism Development Board. -\$ 3,183,300 GF Adopt.

9. Add the following language to the general fund appropriation: Concur. Modify, see below
- provided that \$10,000,000 of this appropriation is contingent on the enactment of legislation establishing the Strategic Closing Fund within the Department of Commerce.

Explanation: SB 427/HB 498 includes language renaming the Economic Development Opportunities Program Account to the Strategic Closing Fund and establishing it within the Department of Commerce. This language makes funding for the account contingent on the enactment of the legislation.

T00
Department of Commerce

<u>Amount</u> <u>Change</u>	<u>Position</u> <u>Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House</u> <u>Decisions</u>	<u>Senate</u> <u>Decisions</u>
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First House Modification

Add the following language to the general fund appropriation:

Adopt.

, provided that \$15,000,000 of this appropriation is contingent on the enactment of legislation establishing the Strategic Closing Fund within the Department of Commerce.

Explanation: SB 427/HB 498 includes language renaming the Economic Development Opportunities Program Account to the Strategic Closing Fund and establishing it within the Department of Commerce. This language makes funding for the account contingent on the enactment of the legislation.

10. Reduce funding for the Economic Development - \$15,000,000 GF Opportunities Program Account, commonly referred to as the Sunny Day Fund, due to the State's budget constraints.

Disagree. Commerce is tracking nine potential competitive opportunities and would like funding available to offer incentives if needed quickly, at a speed that aligns with the timelines on which business location decisions are made.

Modify, see below.

First House Modification

Reduce funding for the Economic Development - \$ 10,000,000 GF Opportunities Program Account, commonly referred to as the Sunny Day Fund, due to the State's budget constraints.

Adopt.

T00
Department of Commerce

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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1. Add the following language to the special fund appropriation:

Adopt.

, provided that, contingent on the enactment of SB 611 or HB 859 promoting access to health insurance for child care professionals, \$250,000 of this appropriation made for the purpose of the Child Care Capital Support Revolving Loan Fund may not be expended for that purpose but instead may be transferred by budget amendment to D78Y01.01 Maryland Health Benefit Exchange (MHBE) to be used only for the purpose of conducting a targeted outreach campaign to help child care workers enroll in health insurance and conducting a survey of the landscape and availability of health insurance among child care providers. Further provided that MHBE shall submit a report to the budget committees on their survey findings by January 1, 2026. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled.

Explanation: This language transfers funding to MHBE for the purpose of promoting access to health insurance or childcare professionals and for conducting a survey on the landscape and availability of such access, contingent on the enactment of legislation.

Information Request	Author	Due Date
Report on a survey of the landscape and availability of health insurance among childcare providers	MHBE	January 1, 2026

2. Adopt the following narrative:

Adopt.

Report on the Use of Grant Funds: The committees request that the Department of Commerce (Commerce) and Board of Public Works (BPW) each submit a report on the dollar amount of grant funds by year for fiscal 2024 through 2026 provided to the Baltimore Mayor’s Office of Art and Culture or to the Baltimore Office of Promotion and the Arts (BOPA). Commerce should report on funds provided either directly and

T00
Department of Commerce

<u>Amount</u> <u>Change</u>	<u>Position</u> <u>Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House</u> <u>Decisions</u>	<u>Senate</u> <u>Decisions</u>
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through funding provided to the Maryland State Arts Council or any other funding. BPW should report on funds provided through direct grants or for which the entities are subrecipients of other grants. The reports should include detail on how those funds have been used by the recipients, including details on expenses for which employees were reimbursed.

Information Request	Author	Due Date
Reports on grant funds provided to the Baltimore Mayor’s Office of Art and Culture or to BOPA	Commerce BPW	January 15, 2026

3. Amend appropriation for the purposes indicated:

121. T00A00.08 Division of Administration and Technology

In addition to the appropriation shown on page 135 of the printed bill (first reading file bill), to provide funds for IT system improvements, realigned from the Dedicated Purpose Account.

Object .08 Contractual Services 800,000
0

Explanation: This action is technical.

Delete funds realigned from the Dedicated Purpose Account -\$ 800,000 GF Adopt.
 for Economic Agenda Information Technology (IT)
 Investments allocated for a customer management system
 and other IT tools in the Department of Commerce.

T00
Department of Commerce

<u>Amount</u> <u>Change</u>	<u>Position</u> <u>Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House</u> <u>Decisions</u>	<u>Senate</u> <u>Decisions</u>
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4. Amend appropriation for the purposes indicated:

**123. T00F00.01 Managing Director of Business and Industry Sector
 Development**

In addition to the appropriation shown on page 136 of the printed bill (first reading file bill), to provide funds to the Maryland Economic Development Corporation to support the Certified Sites Program, realigned from the Dedicated Purpose Account.

Object .12 Grants, Subsidies, and Contributions	7,000,000 <u>3,500,000</u>
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Explanation: This action is technical.

5. Reduce funds realigned from the Dedicated Purpose -\$3,500,000 GF Account for the Certified Sites Program due to the State's fiscal condition. This action leaves \$3.5 million for this program.

Adopt.

T00A99*
Maryland Economic Development Corporation

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
1. Nonbudgeted.			Concur.		Adopt.	

T50T01
Maryland Technology Development Corporation

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
1. Concur with Governor's allowance.			Concur.		Adopt.	