

Decision Document

**House Appropriations Committee
Education and Economic Development Subcommittee
2025 Session**

D17B0151
Historic St Mary's City Commission

<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.

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.		
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		

D18
Governor’s Office for Children

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implement strategies aligned with this program.

3. Adopt the following narrative:

Concur.

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 Baltimore City Children and Youth Fund grant due to the mandate’s expiration.

-\$ 3,500,000 GF

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.

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>
5. Add the following section: Section XX Out-of-home Placements Report <u>SECTION XX. 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> (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>				Concur in part. The agency agrees to file the report but takes no position on the withholding of funds. After 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.		

D18
Governor’s Office for Children

<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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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 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

D25
Interagency Commission on School Construction

Amount
Change

Position
Change

Agency Response Hearing Notes

House
Decisions

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Decisions

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

Concur.

, 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:

- (1) 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;
- (2) the functionality of heating, ventilation, and air conditioning; life safety building systems; and roofs; and
- (3) any additional critical building systems identified by IAC.

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.

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: 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 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.

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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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.

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 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.

Information Request	Author	Due Date	
Letter confirming the submission of mandated reports	IAC	Within 30 days of the submission of the last outstanding report	

D28A03
Maryland Stadium Authority

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response 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.		
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.		
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.		

D29
Maryland Thoroughbred Racetrack Operating 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>
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1. Adopt the following narrative:

No response.

Pimlico and Training Facility Capital Construction Update: The Maryland Thoroughbred Racetrack Operating Authority (MTROA) is authorized to implement Pimlico Plus, which consolidates thoroughbred horse racing at Pimlico Race Course in Baltimore City. The plan is to renovate Pimlico and purchase a training facility to support Pimlico so that the facilities are ready for the 2027 racing season. To support this, the Racing and Community Development Financing Fund was created and has an estimated \$527 million available for capital projects. MTROA should update the committees on status of Pimlico renovations and the training facility construction by August 29, 2025, and by December 19, 2025. For each project, this update should include (1) how far along design documents are; (2) when construction is scheduled to begin or when it began; (3) how long it will take to complete construction; (4) when the facilities will be ready to operate; and (5) when the facility will need to be done to begin thoroughbred horse racing in Pimlico in 2027.

Information Request	Author	Due Date
Pimlico and training facility capital construction update	MTROA	August 28, 2025 December 19, 2025

D73
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>
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1. Concur with Governor's allowance.

Concur.

E75D
Maryland Lottery and Gaming Control Agency

<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.

P00
Maryland Department of Labor

<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 general fund appropriation:

Disagree due to implementation of corrective actions or unable to implement OLA recommendation.

, 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:

- (1) MD Labor 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 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 Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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2. Adopt the following narrative:

Concur.

Unemployment Insurance Performance Status: Despite the number of unemployment insurance claims returning to a pre-pandemic 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 pre-pandemic 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
Unemployment insurance 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>
<p>3. 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>				<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.</p>		
<p>4. Reduce special funds in the Division of Paid Leave as the amount included in the fiscal 2026 allowance is greater than is needed to support the implementation of the program.</p>	<p>-\$ 15,183,330 SF</p>			<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 dollar amount provided by the Department of Legislative Services.</p>		

R00A01
MSDE – Headquarters

<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:

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.

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.

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.

2. Adopt the following narrative:

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:

- 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.

MSDE and MCSS concur.

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.

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.

Information Request	Author	Due Date
Report on SEA ESSER funds	MSDE	January 1, 2026

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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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:

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.

- 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.

Information Request	Author	Due Date
Report on Maryland Leads	MSDE	December 1, 2025

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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5. Adopt the following narrative:

Concur.

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;
- 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

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 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

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| 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. |
| 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. |
| 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. |

R00A01
MSDE – Headquarters

<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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9. Add the following language to the special fund appropriation: Concur.

\$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 budget 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.

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 budget.

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.	
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.	
				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.	

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.

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

5. Add the following language to the special fund appropriation: Disagree, the agency supports the allocation in SB 429/HB 504.

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.

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.

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>
6.	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.	-\$ 14,334,000	SF		Disagree, the agency respectfully disagrees with the recommended reduction and concurs with the Governor’s allowance.	
7.	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.	-\$ 19,310,000	SF		Disagree, MSDE respectfully disagrees with the recommended reduction and concurs with the Governor's allowance.	
8.	Adopt the following narrative:				Concur.	

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.

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;

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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- 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.

Report on the Maryland Comprehensive Assessment Program (MCAP): The committees request a report on learning loss due to the COVID-19 pandemic and costs for MCAP assessment development and implementation. The committees request by November 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;

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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- 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.

Information Request	Author	Due Date
Report on MCAP	MSDE	October 1, 2025

10. Adopt the following narrative:

Concur.

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

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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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

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.						
<p>Add the following language to the general fund appropriation:</p> <p><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></p> <p>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.</p>						
					Disagree, MSDE and MSB support the Governor's allowance.	
2.						
<p>Add the following language to the special fund appropriation:</p> <p>(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></p> <p>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.</p>						
					Disagree, MSDE supports the Governor's allowance.	
3.						
<p>Eliminate the Cigarette Restitution Fund special fund 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.</p>						
		-\$ 2,500,000 SF			Disagree, MSDE supports the Governor's allowance.	

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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4. Add the following language to the special fund appropriation: Concur.

Further provided that \$617,522 of this appropriation shall be used only to provide an additional award for each student with special needs that is at least equal in amount to the Broadening Options and Opportunities for Students Today (BOOST) Program scholarship award that a student is awarded in accordance with paragraph (6) above.

Further provided that the Maryland State Department of Education (MSDE) shall submit a report to the budget committees by January 15, 2026, that includes the following:

- (1) the number of students receiving BOOST Program scholarships;
- (2) the amount of the BOOST Program scholarships received;
- (3) the number of certified and noncertified teachers in core subject areas for each nonpublic school participating in the BOOST Program;
- (4) the assessments being administered by nonpublic schools participating in the BOOST Program and the results of these assessments. MSDE shall report the assessment results reported by nonpublic schools to the budget committees in an aggregate manner that does not violate student data privacy;
- (5) in the aggregate, for each BOOST Program scholarship awarded (a) the nonpublic school and grade level attended by the student; (b) the school attended in the 2024-2025 school year by the student; and (c) if the student attended the same nonpublic school in the 2024-2025 school year, whether, what type, and how much nonpublic scholarship aid the student received in the 2024-2025 school year and will receive in the 2025-2026 school year;
- (6) the average household income of students receiving BOOST Program scholarships;
- (7) the racial breakdown of students receiving BOOST Program scholarships;

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>
(8)						
<u>the number of students designated as English language learners receiving BOOST Program scholarships;</u>						
(9)						
<u>the number of special education students receiving BOOST Program scholarships;</u>						
(10)						
<u>the county in which students receiving BOOST Program scholarships reside;</u>						
(11)						
<u>the number of students who were offered BOOST Program scholarships but declined them as well as their reasons for declining the scholarships and the breakdown of students attending public and nonpublic schools for students who declined scholarships;</u>						
(12)						
<u>the number of students who received BOOST Program scholarships for the 2024-2025 school year who are attending public school for the 2025-2026 school year as well as their reasons for returning to public schools; and</u>						
(13)						
<u>the number of students who received BOOST Program scholarships for the 2024-2025 school year who withdrew or were expelled from the nonpublic schools they were attending and the reasons for which they withdrew or were expelled; the schools they withdrew or were expelled from; and the length of time students receiving BOOST Program scholarships were enrolled at a nonpublic school before withdrawing or being expelled.</u>						

Explanation: This language requires MSDE to report by January 15, 2026, on the distribution of the BOOST scholarships; information on the students receiving BOOST scholarships; teacher certifications for nonpublic schools participating in the BOOST Program; and assessments being administered in nonpublic schools participating in the BOOST Program, including student performance. The language also requires that MSDE report on students who choose to decline scholarships or attend public schools after participating in the BOOST Program in the past, along with their reasons for doing so, and information on students receiving scholarships for the 2024-2025 school year who withdrew or were expelled from the nonpublic schools that they were attending. Finally, the language requires that the BOOST Advisory Board shall

R00A03
MSDE – Funding for Educational Organizations

<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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take into account the special needs of students with disabilities as it is determining scholarship award amounts and that \$700,000 of the BOOST appropriation shall be used to provide higher awards for these students.

Information Request	Author	Due Date
BOOST Program participation	MSDE	January 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. Adopt the following narrative:

Concur.

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					

R11A
Maryland State Library Agency

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

1. Concur with Governor's allowance.

Concur.

R12
Accountability and Implementation Board

Amount
Change

Position
Change

Agency Response Hearing Notes

House
Decisions

Senate
Decisions

1. Adopt the following narrative:

Concur.

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:

- 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 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 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 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.

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.

- (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>
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(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 receipt of the report to review and comment to allow for funds to be released prior to the end of fiscal 2025.

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.

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.

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 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 Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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1. Concur with Governor's allowance.

Concur.

R30B21
University of Maryland, Baltimore 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 system wide recommendations. | | | Concur. | |
|--|--|--|---------|--|

R30B22
University of Maryland, College Park Campus

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

1. See the University System of Maryland overview for systemwide recommendations.

Concur.

R30B24
Towson University

<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.

R30B25
University of Maryland Eastern Shore

<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 system wide recommendations. | | | Concur. | |
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R30B26
Frostburg State University

<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.

R30B30
University of Maryland Global 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. Adopt the following narrative:

Concur.

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.						
Add the following language to the general fund appropriation: <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>						
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.						
2.						
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.						
				Disagree. MHEC does not have the resources or expertise to administer this grant program.		
				Disagree.		

R62I0005
Aid to Community Colleges

<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.

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>
1.						
<p>Add the following language:</p> <p><u>\$5,000,000 in general funds is reduced from the fiscal 2025 appropriation for program R62I00.48 Maryland Community College Promise Scholarship Program within the Maryland Higher Education Commission that was made for the purpose of the Maryland Community College Promise Scholarship Program.</u></p> <p>Explanation: 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.</p>						
				Disagree and suggests that any reduction in funds be postponed for 2 years.		
2.						
<p>Add the following language:</p> <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>						
				Concur due to the reduction will leave enough remaining funds for program to grow.		
3.						
<p>Adopt the following narrative:</p> <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,</p>						
				Concur.		

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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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.

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.

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.

R62I0010
MHEC – Student Financial Assistance

		<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				
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.		
6.	Reduce special funds within the Teaching Fellows for Maryland Scholarship Program due to lower projected expenditures. The Maryland Higher Education omission (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.		

R75T0001
State Support for Higher Education Institutions

<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 general 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 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.

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 16, 2016

2. Add the following language to the general 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.

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

R75T0001
State Support for Higher Education Institutions

<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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- (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 receipt of the report to review and comment to allow for funds to be released prior to the end of fiscal 2025.

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.

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 tenured/tenure-track faculty provides an incomplete picture of how students are taught.

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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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.

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 Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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1. Adopt the following narrative:

Concur.

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 per pupil allowance.	-\$ 656,336 GF		Disagree, MSD concurs with the Governor's allowance.		

S50B01
Maryland African American Museum 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>
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1. Concur with Governor's allowance.

Concur.

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>
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.		
2. Delete grant funding to Ignite Capital.	-\$ 1,000,000	GF	Disagree. Funding will support business investment in historically underserved communities.		
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.		
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.		
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.		

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.	
7. Reduce funding for the Maryland New Start Microloan Program due to an available fund balance.	-\$ 300,000	GF			Concur.	
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.		
9. Add the following language to the general fund appropriation: <u>, 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.</u>					Concur.	

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 Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
10. Reduce funding for the Economic Development Opportunities Program Account, commonly referred to as the Sunny Day Fund, due to the State's budget constraints.	-\$ 15,000,000	GF	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.		

T00A99*
Maryland Economic Development Corporation

<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. Nonbudgeted.

Concur.

T50T01
Maryland Technology Development Corporation

<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.