



Report of the
Education and Economic
Development Subcommittee
To the House Appropriations Committee

2025 SESSION

Recommendations, Reductions, and
Summary of Action Pertaining to:
House Bill 350

General Assembly of Maryland
House Appropriations Committee
Education and Economic Development Subcommittee
2025 Session Membership Roster

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Recommended Reductions
Education and Economic Development Subcommittee

Agency	<u>General Funds</u>	<u>Special Funds</u>	<u>Federal Funds</u>	<u>Higher Ed Funds</u>	<u>Total Funds</u>	<u>Positions</u>
2026 Budget Request						
Governor's Office for Children	-\$24,862,000	-\$22,862,000	\$0	\$0	-\$47,724,000	
Maryland Stadium Authority	0	-19,750,000	0	0	-19,750,000	
West North Avenue Development Authority	-5,000,000	0	0	0	-5,000,000	
Maryland State Department of Education (MSDE) – Headquarters	-5,243,233	1,659,832	-141,544	0	-3,724,945	-5.0
MSDE Aid to Education	0	-23,334,000	0	0	-23,334,000	
Maryland Higher Education Commission (MHEC) – Student Financial Assistance	-3,000,000	-4,000,000	0	0	-7,000,000	
Department of Commerce	-20,190,541	0	0	0	-20,190,541	
ii. <i>Subtotal Fiscal 2026 Regular Budget</i>	<i>-\$58,295,774</i>	<i>-\$68,286,168</i>	<i>-\$141,544</i>	<i>\$0</i>	<i>-\$126,723,486</i>	<i>-5.0</i>
<u>Supplemental Budget #1 – Fiscal 2026</u>						
Maryland Department of Labor	-\$2,000,000	\$0	\$0	\$0	-\$2,000,000	
Department of Commerce	-4,300,000	0	0	0	-4,300,000	
Maryland Department of Labor	0	0	0	0	0	-23.0
MSDE Headquarters	0	0	0	0	0	-12.0
MSDE Early Childhood Development	0	0	0	0	0	-1.0
<i>Subtotal Supplemental Budget #1</i>	<i>-\$6,300,000</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>-\$6,300,000</i>	<i>-36.0</i>
Fiscal 2026 Total Budget	-\$64,595,774	-\$68,286,168	-\$141,544	\$ 0	-\$133,023,486	-41.0
<u>Fiscal 2025 Deficiency Budget</u>						
MHEC – Student Financial Assistance	-\$11,000,000	-\$4,000,000	\$0	\$0	-\$15,000,000	
<i>Subtotal Fiscal 2025 Deficiency Budget</i>	<i>-\$11,000,000</i>	<i>-\$4,000,000</i>	<i>\$0</i>	<i>\$0</i>	<i>-\$15,000,000</i>	
Total Fiscal 2025 Deficiency Budget	-\$11,000,000	-\$4,000,000	\$0	\$0	-\$15,000,000	
Grand Total Budget Bill	-\$75,595,774	-\$72,286,168	-\$141,544	\$ 0	-\$148,023,486	-41.0

D18A
Governor’s Office for Children

Budget Amendments

D18A01.01 Governor’s Office for Children

Amend appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce the general fund appropriation for the Engaging Neighborhoods, Organizations, Unions, Governments, and Households Grant Fund to the mandated level.	-17,862,000	GF
2. Reduce the special fund appropriation for the Engaging Neighborhoods, Organizations, Unions, Governments, and Households Grant Fund to align with the general fund appropriation.	-17,862,000	SF
 Total Change	 -35,724,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
Position	27.00	27.00		0.00
General Fund	37,307,870	19,445,870	-17,862,000	
Special Fund	32,862,000	15,000,000	-17,862,000	
Total Funds	70,169,870	34,445,870	-35,724,000	

Amendment No. _____

Committee Narrative

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.

D18A

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

Budget Amendments

D18A01.03 The Children’s Cabinet Interagency Fund

Amend appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce the general fund appropriation for the Baltimore City Children and Youth Fund grant due to the mandate’s expiration.	-2,000,000 GF	
2. Reduce the general fund appropriation for the Engaging Neighborhoods, Organizations, Unions, Governments, and Households Grant Fund to the mandated level.	-5,000,000 GF	
3. Reduce the special fund appropriation for the Engaging Neighborhoods, Organizations, Unions, Governments, and Households Grant Fund to align with the general fund appropriation.	-5,000,000 SF	
 Total Change	 -12,000,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
General Fund	28,960,335	21,960,335	-7,000,000	
Special Fund	5,000,000	0	-5,000,000	
Total Funds	33,960,335	21,960,335	-12,000,000	

Amendment No. _____

D18A

1. Add the following section:

Section 35 Out-of-home Placements Report

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:

- (1) 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;
- (2) 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;
- (3) the costs associated with out-of-home placements;
- (4) an explanation of recent placement trends;
- (5) findings of child abuse and neglect occurring while families are receiving family preservation services or within one year of each case closure; and
- (6) 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 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

D18A

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

Budget Amendments

D25E03.01 Interagency Commission on School Construction

Add the following language to the general fund appropriation:

, 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

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

Amendment No. _____

Add the following language to the general fund appropriation:

. 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

Amendment No. _____

Add the following language to the general fund appropriation:

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.

D25

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

Amendment No. _____

D28A03
Maryland Stadium Authority

Budget Amendments

D28A03.02 Maryland Stadium Facilities Fund

Amend appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</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
Total Change	-250,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
Special Fund	59,505,777	59,255,777	-250,000	
Total Funds	59,505,777	59,255,777	-250,000	

Amendment No. _____

D28A03.78 Major Sports and Entertainment Event Program Fund

Amend appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. 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
Total Change	-2,500,000	0.00

D28A03

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
Special Fund	4,500,000	2,000,000	-2,500,000	
Total Funds	4,500,000	2,000,000	-2,500,000	

Amendment No. _____

Add the following language to the special fund appropriation:

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.

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.

D28A03.69 Racing and Community Development Financing Fund

Amend appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce appropriation to the Racing and Community Development Financing Fund (RCDFE). The fund supports renovation of Pimlico Race Course and the purchase and construction of a training facility to support Pimlico. Resources received by the RCDFE 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
Total Change	-17,000,000	0.00

D28A03

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
Special Fund	17,000,000		0 -17,000,000	
Total Funds	17,000,000		0 -17,000,000	

Amendment No. _____

D29

Maryland Thoroughbred Racetrack Operating Authority

Committee Narrative

D29A01.01 Administration

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

D91
West North Avenue Development Authority

Budget Amendments

D91A01.01 General Administration

Add the following language to the general fund appropriation:

, provided that \$82,614 of this appropriation made for the purpose of personnel is contingent on the enactment of SB 4 or HB 258 to establish the West North Avenue Development Authority as an instrumentality of the State and to expand its statutory authority and responsibilities.

Explanation: This language makes funding intended to support a new position associated with pending legislation contingent on the enactment of that legislation.

Amendment No. _____

Amend appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for grants to nongovernmental entities. The fiscal 2026 allowance includes a \$5 million increase in funding for West North Avenue Development Authority’s (WNADA) grants program. The agency is in its second fiscal year of funding as a State agency. A reduction is recommended to provide additional time to evaluate the outcomes of WNADA’s grantmaking strategy prior to increasing funding. Additional funding is not recommended until WNADA has demonstrated success in advancing the comprehensive plan using existing funding. The reduced funding level of \$15 million would be a \$5.4 million increase over fiscal 2024 grant expenditures.	-5,000,000 GF	
Total Change	-5,000,000	0.00

D91

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
Position	15.00	15.00		0.00
General Fund	22,443,101	17,443,101	-5,000,000	
Total Funds	22,443,101	17,443,101	-5,000,000	

Amendment No. _____

P00
Maryland Department of Labor

Supplemental Budget No. 1

Amend the following language:

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:		
Prgrm 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

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.

Amendment No. _____

Amend the following language:

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

P00

Object .08 Contractual Services	1,835,500
	<u>3,990,336</u>
General Fund Appropriation	3,990,336

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.

Amendment No. _____

Budget Amendments

P00A01.01 Executive Direction

Add the following language to the general fund appropriation:

. 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 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

P00

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 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

Amendment No. _____

Supplemental Budget No. 1

P00G01.15 Cyber Maryland Program

Amend appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Amend the appropriation for the purposes indicated:	-2,000,000	GF

Delete funds for Cyber Workforce Grants due to the

P00

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.

Total Change -2,000,000 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
General Fund	3,300,000	1,300,000	-2,000,000	
Total Funds	3,300,000	1,300,000	-2,000,000	

Amendment No. _____

Committee Narrative

P00H01.01 Office of Unemployment Insurance

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.

P00

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

Budget Amendments

P00J01.01 Division of Paid Leave

Add the following language to the special fund appropriation:

, 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.

Amendment No. _____

R00A01
Headquarters
State Department of Education

Budget Amendments

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.

Amendment No. _____

Supplemental Budget No. 1

Amend the following language:

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		-213,794
Object .01 Salaries, Wages, and Fringe Benefits		902,676
Object .02 Technical and Special Fees		-605,423
		297,253
General Fund Appropriation		297,658
Special Fund Appropriation		106,051
Federal Fund Appropriation		-106,456

R00A01

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.

Amendment No. _____

Supplemental Budget No. 1

Amend the following language:

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.

Amendment No. _____

Amend the following language:

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 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

R00A01

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.

Amendment No. _____

Amend the following language:

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
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

R00A01

Department of Education has sufficient existing vacant positions that can be reclassified to serve these roles.

Amendment No. _____

Committee Narrative

R00A01.01 Office of the State Superintendent

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 Grant (SSF); and any other one-time grants, programs, or evaluations administered 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.

Information Request	Author	Due Date
Report on accounting practices	MCSS MSDE	October 1, 2025

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;

R00A01

- 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

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.

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

R00A01

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 (LEA) 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
- 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

R00A01

Budget Amendments

R00A01.03 Office of the Deputy for Teaching and Learning

Amend appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. 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	
 Total Change	 -3,200,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
Position	156.75	156.75		0.00
General Fund	6,919,617	6,919,617	0	
Special Fund	13,843,069	10,643,069	-3,200,000	
Federal Fund	26,158,958	26,158,958	0	
Total Funds	46,921,644	43,721,644	-3,200,000	

Amendment No. _____

R00A02
Aid to Education
State Department of Education

Budget Amendments

R00A02.01 State Share of Foundation Program

Strike the following language from the special fund appropriation:

~~, 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.~~

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.

Amendment No. _____

R00A02.02 Compensatory Education

Strike the following language from the special fund appropriation:

~~, 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.~~

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.

Amendment No. _____

Committee Narrative

R00A02.07 Students With Disabilities

Report on the Nonpublic Placement Program: The committees request a report on costs for the Nonpublic Placement program; implementation of nonpublic school special education

R00A02

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.

Information Request	Author	Due Date
Report on the nonpublic placement program	MSDE	October 1, 2025

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

Budget Amendments

R00A02.24 Limited English Proficient

Strike the following language from the special fund appropriation:

~~, 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.~~

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.

Amendment No. _____

R00A02

R00A02.55 Teacher Development

Amend appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. 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
2. Delete Blueprint for Maryland’s Future special funds for Collaborative Time Innovation Demonstration grants	-9,000,000	SF
Total Change	-23,334,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
General Fund	96,000	96,000	0	
Special Fund	74,797,161	51,463,161	-23,334,000	
Federal Fund	31,679,678	31,679,678	0	
Total Funds	106,572,839	83,238,839	-23,334,000	

Amendment No. _____

Committee Narrative

R00A02.59 Child Care Assistance Grants

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;

R00A02

- 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.

Information Request	Author	Due Date
CCS quarterly expenditure reports	MSDE	September 15, 2025 December 15, 2025 March 15, 2026 June 15, 2026

R00A02.60 Blueprint for Maryland’s Future Grant Program

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;

R00A02

- 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

Budget Amendments

R00A02.63 Education Effort Adjustment

Strike the following language from the special fund appropriation:

~~, 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.

Amendment No. _____

Committee Narrative

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 October 1, 2025, that the

R00A02

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.

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

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 RELIEF 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

R00A02

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
Funding for Educational Organizations
State Department of Education

Budget Amendments

R00A03.05 Broadening Options and Opportunities for Students Today

Add the following language to the special fund appropriation:

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;
- (8) the number of students designated as English language learners receiving BOOST Program scholarships;
- (9) the number of special education students receiving BOOST Program scholarships;

R00A03

- (10) the county in which students receiving BOOST Program scholarships reside;
- (11) 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;
- (12) 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
- (13) 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.

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 take into account the special needs of students with disabilities as it is determining scholarship award amounts and that \$617,522 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

Amendment No. _____

R00A03

Supplemental Budget No. 1

R00A03.07 Non-Public School Health and Security

Add the following language to the special fund appropriation:

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.

Amendment No. _____

R00A06
Maryland Center for School Safety
State Department of Education

Budget Amendments

R00A06.02 Maryland Center for School Safety – Grants

Amend appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. 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
Total Change	-5,000,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
General Fund	13,000,000	8,000,000	-5,000,000	
Special Fund	13,600,000	13,600,000	0	
Total Funds	26,600,000	21,600,000	-5,000,000	

Amendment No. _____

Add the following language to the special fund appropriation:

\$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.

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.

Amendment No. _____

R12

Accountability and Implementation Board

Committee Narrative

R12A01.01 Accountability and Implementation Board

Status Report on the Blueprint for Maryland’s Future (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. 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 the Maryland State Department of Education, 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;
- 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.

R12

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

R13M00
Morgan State University

Budget Amendments

R13M00.00 Morgan State University

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.

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

Amendment No. _____

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:

- (1) MSU has taken corrective action with respect to all repeat audit findings on or before November 1, 2024; 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 2025.

R13M00

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

Amendment No. _____

R15P00
Maryland Public Broadcasting Commission

Budget Amendments

R15P00.02 Administration and Support Services

Add the following language to the general fund appropriation:

.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

Amendment No. _____

R30B30
University of Maryland Global Campus
University System of Maryland

Committee Narrative

R30B30.00 University of Maryland Global Campus

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

R62I00
Maryland Higher Education Commission

Budget Amendments

Add the following language:

\$3,000,000 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.

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.

Amendment No. _____

Add the following language:

\$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.

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.

Amendment No. _____

R62I0010
Student Financial Assistance
Maryland Higher Education Commission

Committee Narrative

R62I00.10 Educational Excellence Awards

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.

Information Request	Author	Due Date
Report on impact of credit completion requirement on financial aid awards	MHEC	December 12, 2025

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.

Information Request	Author	Due Date
Report on postsecondary outcomes for NGS senior students	MHEC	December 1, 2025

R62I0010

Budget Amendments

R62I00.48 Maryland Community Colleges Promise Scholarship Program

Amend appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. 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
 Total Change	 -3,000,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
General Fund	15,000,000	12,000,000	-3,000,000	
Total Funds	15,000,000	12,000,000	-3,000,000	

Amendment No. _____

R62I00.49 Teaching Fellows for Maryland Scholarships

Amend appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. 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
 Total Change	 -4,000,000	 0.00

R62I0010

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
Special Fund	18,000,000	14,000,000	-4,000,000	
Total Funds	18,000,000	14,000,000	-4,000,000	

Amendment No. _____

R62I00.56 Teacher Development and Retention Program

Add the following language:

\$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.

Amendment No. _____

R75T0001
Higher Education

Budget Amendments

R75T00.01 Support for State Operated Institutions of Higher Education

Add the following language to the general fund appropriation:

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.

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

Amendment No. _____

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:

- (1) MSU has taken corrective action with respect to all repeat audit findings on or before November 1, 2024; 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 2025.

R75T0001

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

Amendment No. _____

Committee Narrative

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. 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

R75T0001

Report on Fiscal 2026 Historically Black Colleges and Universities (HBCU) Settlement Funds: The committees remain interested in the HBCU settlement funds. The 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

Committee Narrative

R95C00.00 Baltimore City Community College

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

**T00
Department of Commerce**

Supplemental Budget No. 1

OFFICE OF THE SECRETARY

T00A00.08 Division of Administration and Technology

Amend appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete funds realigned from the Dedicated Purpose Account for Economic Agenda Information Technology (IT) Investments allocated for a customer management system and other IT tools in the Department of Commerce.	-800,000	GF
Total Change	-800,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
General Fund	800,000	0	-800,000	
Total Funds	800,000	0	-800,000	

Amendment No. _____

Budget Amendments

DIVISION OF BUSINESS AND INDUSTRY SECTOR DEVELOPMENT

T00F00.01 Managing Director of Business and Industry Sector Development

Amend appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</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
Total Change	-457,241	0.00

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<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
Position	8.00	8.00		0.00
General Fund	1,702,555	1,245,314	-457,241	
Special Fund	102,467	102,467	0	
Total Funds	1,805,022	1,347,781	-457,241	

Amendment No. _____

Supplemental Budget No. 1

T00F00.01 Managing Director of Business and Industry Sector Development

Amend appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funds realigned from the Dedicated Purpose Account for the Certified Sites Program due to the State's fiscal condition. This action leaves \$3.5 million for this program.	-3,500,000 GF	
Total Change	-3,500,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
General Fund	17,292,500	13,792,500	-3,500,000	
Total Funds	17,292,500	13,792,500	-3,500,000	

Amendment No. _____

T00

Budget Amendments

T00F00.04 Office of Business Development

Amend appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Delete grant funding to Ignite Capital.	-1,000,000	GF
Total Change	-1,000,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
Position	22.00	22.00		0.00
General Fund	5,102,383	4,102,383	-1,000,000	
Special Fund	26,324,390	26,324,390	0	
Total Funds	31,426,773	30,426,773	-1,000,000	

Amendment No. _____

T00F00.05 Office of Strategic Industries and Entrepreneurship

Amend appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. 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
2. 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
Total Change	-4,500,000	0.00

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<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
Position	15.00	15.00		0.00
General Fund	21,412,297	16,912,297	-4,500,000	
Special Fund	466,777	466,777	0	
Total Funds	21,879,074	17,379,074	-4,500,000	

Amendment No. _____

T00F00.30 Regional Institution Strategic Enterprise Zone Program

Amend appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. 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
 Total Change	 -750,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
General Fund	750,000	0	-750,000	
Total Funds	750,000	0	-750,000	

Amendment No. _____

T00F00.31 Child Care Capital Support Revolving Loan Fund

Add the following language to the special fund appropriation:

, provided that, contingent on the enactment of SB 611/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

T00

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
Amendment No. _____		

T00F00.33 Maryland New Start Microloan Program

Amend appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for the Maryland New Start Microloan Program due to an available fund balance.	-300,000	GF
Total Change	-300,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
General Fund	300,000	0	-300,000	
Total Funds	300,000	0	-300,000	

Amendment No. _____

T00

DIVISION OF TOURISM, FILM AND THE ARTS

T00G00.03 Maryland Tourism Development Board

Amend appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for the Tourism Development Board.	-3,183,300	GF
 Total Change	 -3,183,300	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
General Fund	13,366,600	10,183,300	-3,183,300	
Special Fund	2,000,000	2,000,000	0	
Federal Fund	127,000	127,000	0	
Total Funds	15,493,600	12,310,300	-3,183,300	

Amendment No. _____

Committee Narrative

T00G00.05 Maryland State Arts Council

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 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

**Y01A
State Reserve Fund**

Budget Amendments

Y01A03.01 Economic Development Opportunities Program Account

Add the following language to the general fund appropriation:

, 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.

Amendment No. _____

Amend appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for the Economic Development Opportunities Program Account, commonly referred to as the Sunny Day Fund, due to the State's budget constraints.	-10,000,000	GF
 Total Change	 -10,000,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
General Fund	25,000,000	15,000,000	-10,000,000	
Total Funds	25,000,000	15,000,000	-10,000,000	

Amendment No. _____