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# **Mandated Appropriations in the Maryland State Budget**

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

**December 2025**



# Mandated Appropriations in the Maryland State Budget

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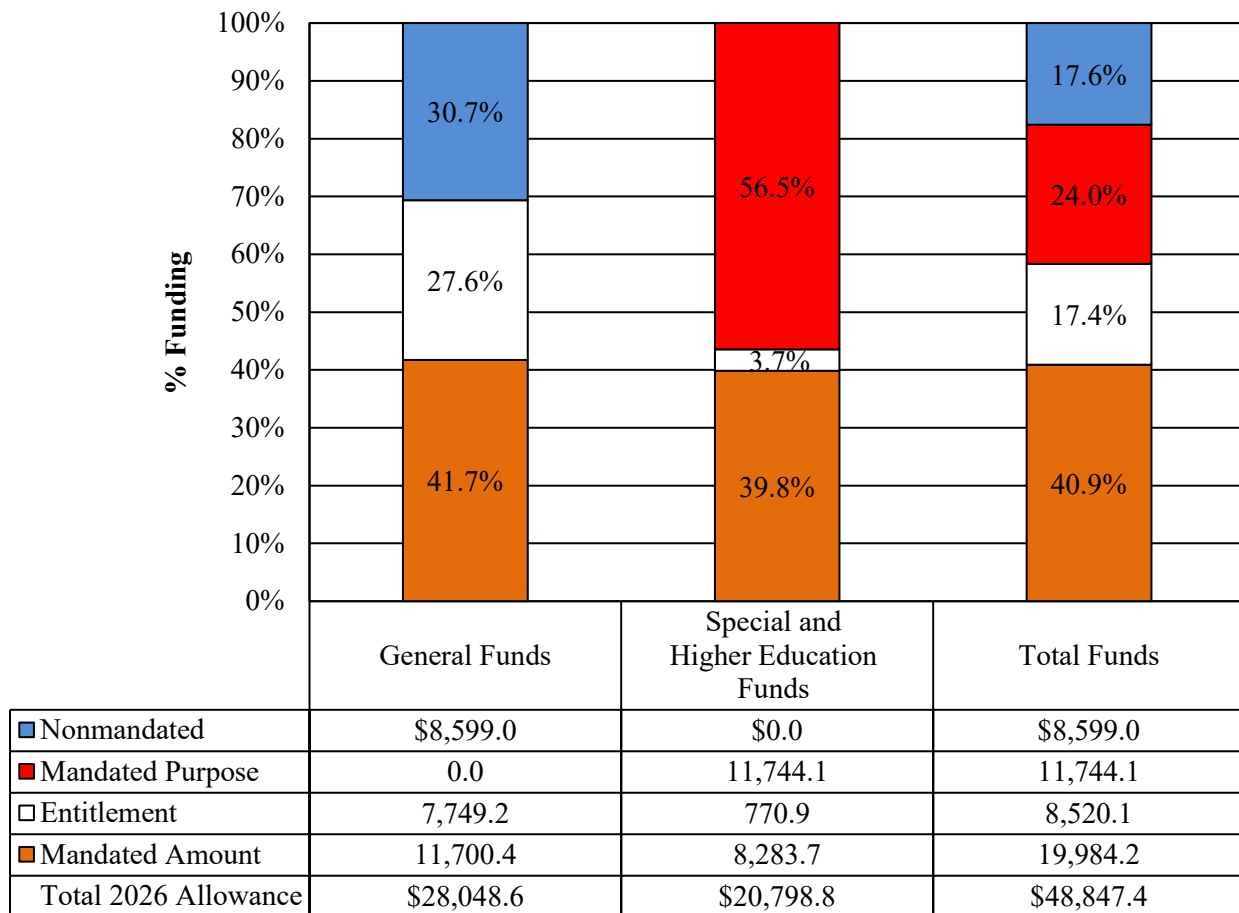
A constitutional amendment enacted in 1978 allowed the General Assembly to require the Governor to include a minimum level of funding for a program in a future budget. Since the constitutional amendment, the use of funding mandates has grown significantly, as mandated spending gives the legislature a stronger role in priority setting and fiscal policy formulation and increases the ability to protect agency budgets and interests. The definition of a mandated appropriation was further clarified by the Attorney General's opinion of Chapter 851 of 1980, which is that a statutory mandate must clearly prescribe a dollar amount or an objective basis from which a level of funding can easily be computed.

Although federal funds may be used to meet spending mandates and support entitlement programs, the focus of this report is on State-sourced funding (general, special, and higher education funds). For purposes of the report, spending is categorized as:

- ***Mandated Amounts:*** General or special funds that have a statutory or constitutional requirement that designates a specific amount be appropriated or a specific formula be used to calculate an appropriation.
- ***Entitlements:*** General or special funds that have a statutory or constitutional requirement that designates certain benefits to all individuals or groups that meet eligibility criteria. In contrast to mandated amounts, the Governor has some flexibility to adjust funding for entitlements. For example, some Medical Care Program Administration (Medicaid) provider payment rates can be reduced without a law change.
- ***Funds with Mandated Purposes:*** Special and higher education funds that have statutory dedications identifying a broad purpose for the funds but that allow the Governor discretion on how much funding is appropriated and as to how the funds are allocated and used.
- ***Nonmandated Funds:*** General funds that allow the Governor substantial flexibility as to the administration and funding levels of the programs with which they are associated. In many cases, State law requires expenditures for these programs without specifically mandating the amount or purpose. For the purposes of this report, the Reserve Fund appropriation is considered nonmandated spending. Although appropriations to the Reserve Fund are based on a statutory formula, the appropriation amount is reliant on the availability of excess revenues at year-end closeout, which can vary significantly from year to year and represent the appropriation of funds held in an account for future use, as opposed to actual expenditures. Expenditures out of the Reserve Fund supporting mandates or entitlement programs would be captured in those categories of spending.

As shown in **Exhibit 1**, the State's own-source budget (as included in the allowance) totals \$48.8 billion for fiscal 2026. Proposed fiscal 2026 appropriations with a mandated amount total just under \$20.0 billion, and entitlements total an additional \$8.5 billion for a combined 58.4% of the State's own-source budget. Approximately 69.3% of the fiscal 2026 general fund allowance and 43.5% of the special and higher education fund allowance are mandates or entitlements. The remaining 56.5% of the special and higher education fund allowance is dedicated for specific purposes defined statutorily.

**Exhibit 1**  
**State Spending from Own-source Budget as**  
**Included in the Fiscal 2026 Allowance**  
 (\$ in Millions)



Note: Numbers may not sum to total due to rounding. Fiscal 2026 special and higher education funds exclude the general and special fund portions which are double counted in current unrestricted funds.

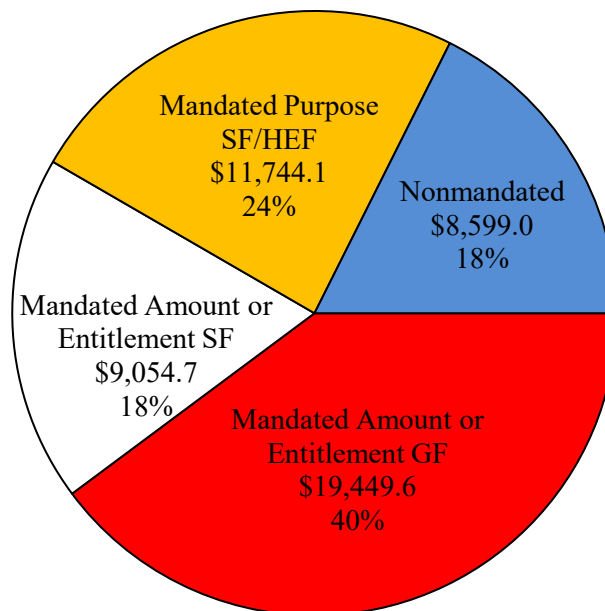
Source: Governor's Fiscal 2026 Budget Books; Department of Legislative Services

From fiscal 2016 through 2026, spending on mandates and entitlements ranged from a low of 52.0% of the State-sourced portion of the budget in fiscal 2017 to a high of 58.4% in fiscal 2026, as shown in **Appendix 1**. The main drivers of the large share of spending on mandates and entitlements are education and health-related expenditures. These two categories accounted for at least 60% of mandates and entitlements in all years between fiscal 2016 and 2026, ranging from a low of 62.3% in fiscal 2023 to a high of 69.7% in fiscal 2017.

**Exhibit 2** shows the distribution of mandates, entitlements, funds with mandated purposes, and nonmandated funds as a percentage of State-sourced spending. Approximately 18% of State-sourced spending in fiscal 2026 is available for discretionary appropriations, a large portion of which includes funding for State employee personnel expenses, operation of the adult correctional system, and other core government functions.

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**Exhibit 2**  
**Detailed State Spending from Own-source Budget**  
**Fiscal 2026 Allowance**  
**(\$ in Millions)**



GF: general funds

HEF: higher education funds (tuition and fee revenue, auxiliary enterprises, federal grants and contracts, etc.)

SF: special funds

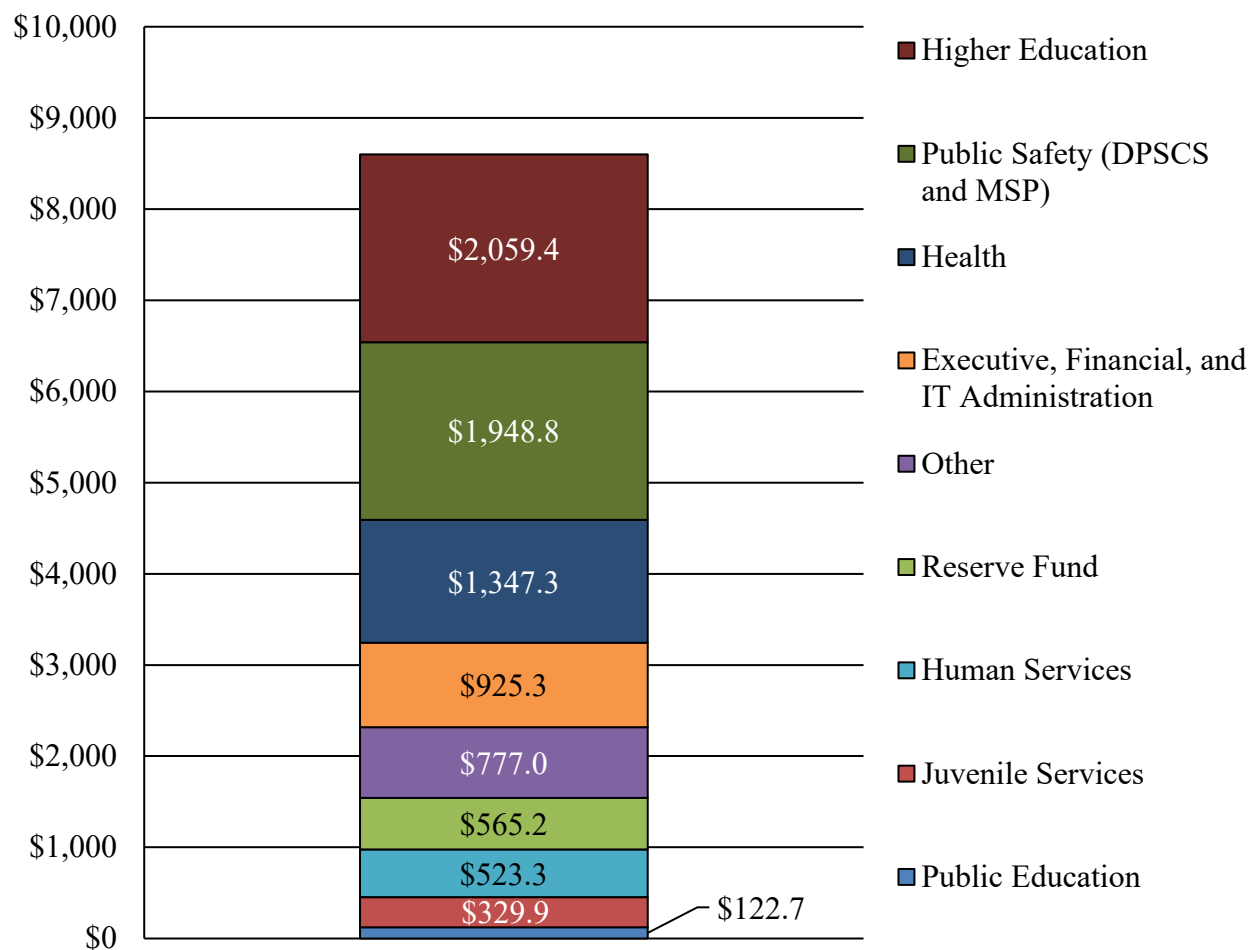
Note: Numbers may not sum to total due to rounding.

Source: Governor's Fiscal 2026 Budget Books; Department of Legislative Services

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**Exhibit 3** shows that combined allowances for higher education, public safety, and health account for 62.3% of the \$8.6 billion of nonmandated general funds in fiscal 2026. Spending on executive and financial administrative control agencies accounts for an additional 10.8% of nonmandated general funds.

**Exhibit 3**  
**Detailed General Fund Spending on Nonmandated Items**  
**Fiscal 2026 Allowance**  
**(\$ in Millions)**



DPSCS: Department of Public Safety and Correctional Services

IT: information technology

MSP: Maryland State Police

Source: Governor's Fiscal 2026 Budget Books; Department of Legislative Services

**Exhibit 4** illustrates that PreK-12 education and health programs receive a combined 79.2% of all mandated general fund spending in the allowance. Transportation, education, and debt service for the State's capital program account for 82.2% of all special fund mandates in the allowance.

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**Exhibit 4**  
**Statutorily Mandated Appropriations and Entitlements by Policy Area**  
**Fiscal 2026 Allowance**  
**(\$ in Millions)**

<u>Policy Area</u>	<u>GF</u>	<u>% GF</u>	<u>SF</u>	<u>% SF</u>	<u>Total</u>	<u>% Total</u>
Education, PreK-12	\$8,098.2	41.6%	\$2,612.1	28.8%	\$10,710.3	37.6%
Health	7,299.9	37.5%	865.6	9.6%	8,165.5	28.6%
Transportation	0.0	0.0%	3,578.1	39.5%	3,578.1	12.6%
Administrative or Legislature	1,144.5	5.9%	333.0	3.7%	1,477.5	5.2%
Capital Program	181.7	0.9%	1,254.1	13.9%	1,435.8	5.0%
Education, Post-Secondary and Continuing	959.3	4.9%	43.7	0.5%	1,003.0	3.5%
Judiciary	737.5	3.8%	98.6	1.1%	836.1	2.9%
Human Services	570.6	2.9%	8.4	0.1%	579.0	2.0%
Economic Development and Housing	212.9	1.1%	90.4	1.0%	303.3	1.1%
Non-specific Aid	207.2	1.1%	1.8	0.0%	209.0	0.7%
Agriculture, Environment, and Natural Resources	27.1	0.1%	151.8	1.7%	179.0	0.6%
Public Safety	10.8	0.1%	17.0	0.2%	27.8	0.1%
<b>Total</b>	<b>\$19,449.6</b>	<b>100.0%</b>	<b>\$9,054.7</b>	<b>100.0%</b>	<b>\$28,504.3</b>	<b>100.0%</b>

GF: general funds

SF: special funds

Note: Numbers may not sum to total due to rounding.

Source: Department of Legislative Services

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The 21 programs that have general fund mandates or entitlements exceeding \$100 million account for 91.4% (nearly \$17.8 billion) of all general fund mandated spending, as shown in **Exhibit 5**. Funding for the 2 largest general fund programs shown, Medicaid and the Foundation Program for education, account for 42.0% of all general fund spending for mandates and entitlements. With respect to special and higher education funds, 19 programs exceed

\$100 million, totaling 89.8% (approximately \$8.1 billion) of all mandated special and higher education fund spending.

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**Exhibit 5**  
**Programs with Statutorily Mandated Appropriations or Entitlements**  
**Exceeding \$100 Million**  
**Fiscal 2026 Allowance**  
**(\$ in Millions)**

	<u><b>Allowance</b></u>	<u><b>% Funds</b></u>
<b><u>General Fund Programs</u></b>		
Maryland Medical Assistance (Medicaid) Program	\$4,432.5	22.8%
State Share of Foundation Program	3,727.6	19.2%
Developmental Disabilities Administration Medical Assistance	1,488.0	7.7%
Compensatory Education	1,295.2	6.7%
Aid for Local School Employees Fringe Benefits	1,074.7	5.5%
State Retirement Contribution	928.5	4.8%
Community Behavioral Health Services for Medicaid-eligible Recipients	923.9	4.7%
Judiciary	722.0	3.7%
Child Care Scholarships	414.2	2.1%
Senator John A. Cade Memorial Formula for the Distribution of Funds to the Community Colleges in the State	404.2	2.1%
Student Transportation – Formula	352.0	1.8%
Limited English Proficiency/English Learner Formula Grant	334.3	1.7%
Students with Disabilities – Formula	311.1	1.6%
Foster Care Payments	273.8	1.4%
General Obligation Bond Debt Service	181.7	0.9%
Disparity Grants to Counties	176.6	0.9%
Students with Disabilities – Nonpublic Placements	172.1	0.9%
Maryland Children’s Health Program	170.0	0.9%
Legislative Branch	165.3	0.9%
Need-based Student Financial Assistance	122.6	0.6%
Core Public Health Services Funding Formula	113.5	0.6%
<b><i>Subtotal</i></b>	<b><i>\$17,783.9</i></b>	<b><i>91.4%</i></b>
Other	\$1,665.7	8.6%
<b>Total General Funds</b>	<b>\$19,449.6</b>	<b>100.0%</b>
<b><u>Special Fund Programs</u></b>		
General Obligation Bond Debt Service	\$1,254.1	13.9%
MTA Operating Subsidy	1,238.7	13.7%
Maryland Medicaid Program	702.5	7.8%



	<u>Allowance</u>	<u>% Funds</u>
WMATA Operating Subsidy	678.0	7.5%
Concentration of Poverty Grants	492.6	5.4%
Compensatory Education	483.4	5.3%
Local Highway User Capital Grants	445.8	4.9%
MTA Capital Subsidy – State of Good Repair	433.5	4.8%
Transportation Debt Service	427.5	4.7%
State Retirement Contribution	330.3	3.6%
Students with Disabilities – Formula	278.7	3.1%
State Share of Foundation Program	255.9	2.8%
Limited English Proficiency/English Learner Formula Grant	220.2	2.4%
State Grants for Early Education Aid (Publicly Funded Prekindergarten)	172.6	1.9%
Comparable Wage Index (PreK-12 education)	157.9	1.7%
WMATA Capital Subsidy	153.5	1.7%
Education Effort Adjustment	145.4	1.6%
Locally Operated Transit Systems	134.6	1.5%
Consortium on Coordinated Community Supports	130.0	1.4%
<b>Subtotal</b>	<b>\$8,135.1</b>	<b>89.8%</b>
Other	\$919.6	10.2%
<b>Total Special Funds</b>	<b>\$9,054.7</b>	<b>100.0%</b>

MTA: Maryland Transit Administration

WMATA: Washington Metropolitan Area Transit Authority

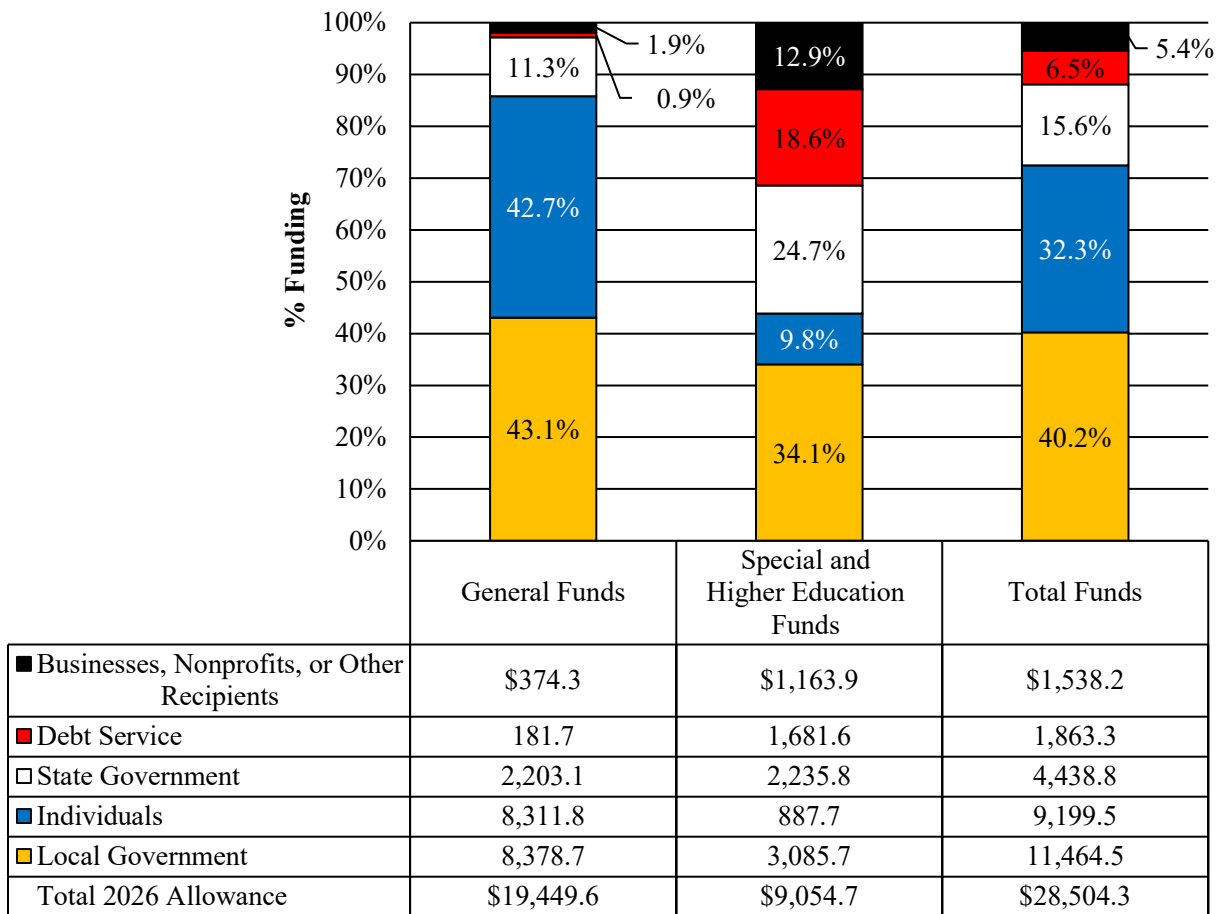
Note: Numbers may not sum to total due to rounding. Foundation Program includes supplemental grants. WMATA Capital Subsidy does not include \$167 million that was funded through general obligation bonds in fiscal 2026, which is double counted as special fund spending.

Source: Department of Legislative Services

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When considering who benefits from mandated appropriations and entitlement programs, **Exhibit 6** demonstrates that 72.5% (\$20.7 billion) of all general and special fund mandates are received by units of local government or individuals. Local governments receive the largest shares of general and special fund mandated amounts, mainly driven by PreK-12 education aid. Individuals receive the second largest amount of general fund mandated spending, largely due to health services provided through the Medicaid program.

**Exhibit 6**  
**Mandated Appropriations and Entitlements by Type of Recipient**  
**Fiscal 2026 Allowance**  
**(\$ in Millions)**



Note: Numbers may not sum to total due to rounding. Special and higher education funds exclude the general and special fund portions of current unrestricted funds.

Source: Department of Legislative Services

Approximately \$4.4 billion, or 15.6%, of the allowance's general and special fund mandated spending is directed toward State government functions. The largest general fund appropriation for State government functions is the State employee retirement contribution at \$928.5 million, followed by the Judicial Branch at \$722.0 million. State government functions account for the second largest portion of mandated special and higher education fund spending in the fiscal 2026 allowance,

receiving approximately 24.7% of funding. Spending for mandates and entitlements in the fiscal 2026 allowance by recipient type is shown in **Appendix 2** for general funds and **Appendix 3** for special and higher education funds.

Although the legislature cannot mandate general obligation (GO) bond authorizations, it has become common practice to mandate general fund pay-as-you-go (PAYGO) capital spending with the stipulation that the Governor can fund the project or program with GO debt. As shown in **Exhibit 7**, \$394.7 million of these PAYGO general fund mandates were funded through GO bond authorizations in the fiscal 2026 capital budget bill. Had the Governor chosen not to use GO debt, the Governor would have been required to fund this amount in the fiscal 2026 allowance, which would have increased the sum of mandated appropriations.

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**Exhibit 7**  
**Statutorily Mandated Appropriations Funded by General Obligation Debt**  
**Fiscal 2026 Allowance**  
**(\$ in Millions)**

<b><u>Program</u></b>	<b><u>Funds</u></b>
WMATA Maryland Metro/Transit Funding Act	\$167.0
Healthy School Facility Fund	90.0
Continuing the CORE Partnership Fund	50.0
Baltimore Regional Neighborhood Initiative	27.0
National Capital Strategic Economic Development Program – Capital	12.0
Seed Community Development Anchor Institution Fund	10.0
County Library Capital Grant Program	7.5
Bowie Racecourse Training Center Property and Rosecroft Raceway	6.2
Aging School Program	6.0
African American Heritage Preservation Program	5.0
Business Façade Improvement Program	5.0
Community College Facilities Renewal Grant Program	3.0
Maryland Arts Capital Grant Program	3.0
Shelter and Transitional Housing Facilities Grant Program	3.0
<b>Total</b>	<b>\$394.7</b>

WMATA: Washington Metropolitan Area Transit Authority

Note: Numbers may not sum to total due to rounding. The Continuing the CORE Partnership Fund was funded in both the operating budget as general funds and general obligation bonds, as the general funds were planned to be reduced contingent on legislation altering the mandate.

Source: Department of Legislative Services

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While mandates require a certain level of spending, the Governor has the authority to allocate more funding for a program than the designated mandate amount. For fiscal 2026, 36 programs received a total of \$641.6 million more than required by law, which is shown in **Exhibit 8**. More than half (58.1%) of the additional funding supports operating subsidies for transportation.

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**Exhibit 8**  
**Underfunded and Overfunded Mandates**  
**Fiscal 2026 Allowance**  
**(\$ in Millions)**

	<u>Mandate</u>	<u>Allowance</u>	<u>Amount Below/Above Mandate</u>
<b><u>Underfunded</u></b>			
MTA Capital Subsidy – State of Good Repair	\$450.0	\$433.5	-\$16.5
Expedited Projects	31.6	28.8	-2.8
Virginia-Maryland Regional College of Veterinary Medicine	6.6	5.8	-0.8
School-based Health Centers	9.1	8.8	-0.2
Expedited Processing and Grants for Major Information Technology Projects Positions	0.2	0.0	-0.2
Video Lottery Terminals Market Analysis	0.1	0.0	-0.1
Citizens Committee for the Enhancement of Communities Surrounding Baltimore-Washington International Thurgood Marshall Airport	0.0	0.0	0.0
Mel Noland Fellowship Program	0.6	0.5	0.0
Constitutional Officer Salaries	1.0	1.0	0.0
<b>Total Underfunded</b>	<b>\$499.2</b>	<b>\$478.5</b>	<b>-\$20.7</b>
<b><u>Overfunded</u></b>			
MTA Operating Subsidy	\$944.8	\$1,317.5	\$372.7
Locally Operated Transit Systems	80.5	134.6	54.0
Need-based Student Financial Assistance	110.1	147.0	36.9
Core Public Health Services Funding Formula	80.0	113.5	33.5
Temporary Cash Assistance	142.8	166.9	24.1
ENOUGH Grant Program	15.0	37.9	22.9
Baltimore Regional Neighborhood Initiative	12.0	27.0	15.0
Customer Sited Solar Program Funding	32.2	46.6	14.4
Temporary Disability Assistance Program	50.0	59.9	9.9
Save4College State Contribution Program	3.0	11.0	8.0
Maryland Park Service Funding	15.8	23.7	7.9
Maryland Tourism Development Board Fund	6.0	12.4	6.4

	<u>Mandate</u>	<u>Allowance</u>	<u>Amount Below/Above Mandate</u>
Tobacco Use Reduction Activities	18.3	23.7	5.5
Soil Conservation Districts	10.0	15.2	5.2
Industry 4.0 Technology Grant Program	1.0	6.0	5.0
Whole Watershed Act	0.1	5.0	4.9
Employment Standards Unit within the Division of Labor and Industry	0.3	3.4	3.1
Conroy Memorial Scholarship and Cryor Memorial Scholarship Program	4.0	7.0	3.0
State Share of Foundation Program	3,981.5	3,983.5	2.0
Maryland Center for School Safety – Administrative Funding	2.0	3.7	1.7
Accountability and Implementation Board	1.8	3.4	1.6
Prevailing Wage Unit within the Division of Labor and Industry	0.4	1.7	1.3
Maryland State Fireman’s Association Widows and Orphans	0.1	0.6	0.6
Maryland State Arts Council – General Fund Formula	28.7	29.1	0.4
Adult External High School Education Program	0.3	0.6	0.3
Tax Credit Awareness Campaign	0.3	0.6	0.3
Higher Education Outreach and College Access	0.5	0.7	0.2
Maryland State Fireman’s Association	0.2	0.4	0.2
Maryland Prenatal and Infant Care Coordination Services Grant Program Fund	3.1	3.3	0.2
Maryland Public Broadcasting Commission – Funding and Video Streaming	13.9	14.1	0.2
Elderly and Handicapped Transportation Services Grants	4.6	4.6	0.1
Director of Dementia Services and Brain Health	0.1	0.1	0.0
Financial Consumer Protection – Office of the Commissioner for Financial Regulation	0.3	0.3	0.0
Senior Citizens Activities Center Operating Fund	0.8	0.8	0.0
Abortion Care Clinical Training Program	3.5	3.5	0.0
<b>Total Overfunded</b>	<b>\$5,697.7</b>	<b>\$6,209.3</b>	<b>\$641.6</b>

ENOUGH: Engaging Neighborhoods, Organizations, Unions, Governments, and Households

MTA: Maryland Transit Administration

Note: Numbers may not sum to total due to rounding. The overfunded or underfunded amount for several smaller programs may appear as zero due to rounding.

Source: Department of Legislative Services

Nine programs were underfunded in the allowance relative to their mandated spending level. The amount of funds below the mandated level for these programs totaled \$20.7 million, largely related to the State of Good Repair capital subsidy budgeted under the Maryland Transit Administration.

Significant projected general fund cash and structural budget shortfalls led to a challenging fiscal outlook as the 2025 session began and, as a result, the General Assembly and the Governor Wes Moore Administration took various actions to reduce general fund mandated and entitlement spending. As shown in **Exhibit 9**, these budget actions reduced general fund expenditures by \$459.3 million, including \$241.2 million for mandated appropriations. **Appendix 4** details the reductions to mandates and entitlements by program. Other actions taken during the 2025 session increased general fund spending on mandates and entitlements by \$31.4 million, partially offsetting the mandate relief for a net reduction of \$427.9 million between the allowance and legislative appropriation.

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**Exhibit 9**  
**Mandate and Entitlement Relief from the 2025 Session**  
**Fiscal 2026**  
**(\$ in Millions)**

	<u><b>General Funds</b></u>
Mandated Expenditures	-\$241.2
Entitlement Expenditures	-218.0
<b>Total</b>	<b>-\$459.3</b>

Source: Department of Legislative Services

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**Appendix 5** lists new, amended, or repealed mandates and entitlements resulting from legislation enacted during the 2025 session and notes mandates and entitlements that are set to expire in fiscal 2027. For existing mandates, this list provides the initial fiscal 2027 mandate amounts as in current law and the revised mandate amounts resulting from the 2025 legislation.

**Appendix 6** provides a comparison of funding for mandates and entitlements in the allowance compared to the legislative appropriation for recent fiscal years.

**Appendix 1**  
**Education and Health Spending on Mandates and Entitlements as Included in the Allowance**  
**Fiscal 2016-2026**  
**(\$ in Millions)**

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Mandated Amount	\$10,488.9	\$10,981.5	\$11,242.1	\$11,681.2	\$12,505.9	\$13,244.2	\$12,883.0	\$16,274.6	\$18,160.0	\$18,515.5	\$19,984.2
Entitlements	4,674.5	4,724.8	5,063.4	5,243.5	5,392.7	5,725.3	6,322.5	6,641.3	7,010.7	7,237.2	8,520.1
<b>Total</b>	<b>\$15,163.4</b>	<b>\$15,706.3</b>	<b>\$16,305.5</b>	<b>\$16,924.7</b>	<b>\$17,898.6</b>	<b>\$18,969.5</b>	<b>\$19,205.4</b>	<b>\$22,915.9</b>	<b>\$25,170.7</b>	<b>\$25,752.7</b>	<b>\$28,504.3</b>
<b>Total Allowance</b>	<b>\$29,062.3</b>	<b>\$30,198.5</b>	<b>\$30,602.5</b>	<b>\$31,793.9</b>	<b>\$33,465.4</b>	<b>\$34,704.5</b>	<b>\$34,689.0</b>	<b>\$40,683.9</b>	<b>\$44,261.2</b>	<b>\$44,521.0</b>	<b>\$48,847.4</b>
% of State-sourced Portion of the Budget	52.2%	52.0%	53.3%	53.2%	53.5%	54.7%	55.4%	56.3%	56.9%	57.8%	58.4%
Education, PreK-12	\$6,065.7	\$6,398.2	\$6,411.4	\$6,556.0	\$7,053.7	\$7,392.2	\$6,995.1	\$8,207.2	\$9,141.4	\$9,770.9	\$10,710.3
Health	\$4,463.9	\$4,553.7	\$4,871.1	\$5,117.0	\$5,199.7	\$5,557.9	\$6,109.1	\$6,061.7	\$6,762.8	\$6,908.8	\$8,165.5
Education, PreK-12 %	40.0%	40.7%	39.3%	38.7%	39.4%	39.0%	36.4%	35.8%	36.3%	37.9%	37.6%
Health %	29.4%	29.0%	29.9%	30.2%	29.1%	29.3%	31.8%	26.5%	26.9%	26.8%	28.6%
<b>Total % Education, PreK-12, and Health on Mandates and Entitlements</b>	<b>69.4%</b>	<b>69.7%</b>	<b>69.2%</b>	<b>69.0%</b>	<b>68.5%</b>	<b>68.3%</b>	<b>68.2%</b>	<b>62.3%</b>	<b>63.2%</b>	<b>64.8%</b>	<b>66.2%</b>

Source: Department of Legislative Services

**Appendix 2**  
**General Fund**  
**Mandated Appropriations and Entitlements by Type of Recipient**  
**Fiscal 2026 Allowance**  
**(\$ in Millions)**

<b><u>General Fund Programs</u></b>	<b><u>Allowance</u></b>	<b><u>% Total Mandated Approp. and Entitlement</u></b>
<b>Local Government</b>		
State Share of Foundation Program	\$3,727.6	19.2%
Compensatory Education	1,295.2	6.7%
Aid for Local School Employees Fringe Benefits	1,074.7	5.5%
Senator John A. Cade Memorial Formula for the Distribution of Funds to the Community Colleges in the State	404.2	2.1%
Student Transportation – Formula	352.0	1.8%
Limited English Proficiency/English Learner Formula Grant	334.3	1.7%
Students with Disabilities – Formula	311.1	1.6%
Disparity Grants to Counties	176.6	0.9%
Students with Disabilities – Nonpublic Placements	172.1	0.9%
Core Public Health Services Funding Formula	113.5	0.6%
Aid to Community Colleges – Retirement Contributions	80.4	0.4%
Guaranteed Tax Base Program	65.0	0.3%
Public Libraries – Minimum Library Program	47.5	0.2%
Student Transportation – Special Education	29.9	0.2%
Teacher Retirement Supplemental Grants	27.7	0.1%
Aid for Local Library Employees Fringe Benefits	25.3	0.1%
Public Libraries – State Library Resource Center (Baltimore City)	12.8	0.1%
School Breakfast Pilot Program (Maryland Meals for Achievement)	12.1	0.1%
Aid to Community Colleges – Small Colleges Grants	11.8	0.1%
Maryland Stadium Authority – Baltimore Convention Center	11.0	0.1%
Infants and Toddlers Program	10.4	0.1%
School Resource Officer Grant	10.0	0.1%
Public School Safety Grant Program	10.0	0.1%
Other	64.5	0.3%
<b>Total</b>	<b>\$8,378.7</b>	<b>43.1%</b>
<b>Individuals</b>		
Maryland Medical Assistance (Medicaid) Program	\$4,432.5	22.8%
Developmental Disabilities Administration Medical Assistance	1,488.0	7.7%



<b><u>General Fund Programs</u></b>	<b><u>Allowance</u></b>	<b><u>% Total Mandated Approp. and Entitlement</u></b>
Community Behavioral Health Services for Medicaid-eligible Recipients	923.9	4.7%
Child Care Scholarships	414.2	2.1%
Foster Care Payments	273.8	1.4%
Maryland Children's Health Program	170.0	0.9%
Need-based Student Financial Assistance	122.6	0.6%
Medicaid Coverage for Noncitizen Pregnant Women	65.6	0.3%
Temporary Cash Assistance	61.0	0.3%
Temporary Disability Assistance Program	56.6	0.3%
Property Tax Credits – Homeowners	56.0	0.3%
Autism Waiver Program	51.4	0.3%
Subsidized Adoption	46.8	0.2%
Medicaid Adult Dental Coverage	42.5	0.2%
Community College Promise Scholarships	15.0	0.1%
Save4College State Contribution Program	11.0	0.1%
Statewide Rental Assistance Voucher Program	10.0	0.1%
Other	71.0	0.4%
<b>Total</b>	<b>\$8,311.8</b>	<b>42.7%</b>
<b>State Government</b>		
State Retirement Contribution	\$928.5	4.8%
Judiciary	722.0	3.7%
Legislative Branch	165.3	0.9%
HBCU Settlement Funds	61.9	0.3%
Baltimore City Community College	48.0	0.2%
Maryland School for the Deaf	47.2	0.2%
St. Mary's College of Maryland	39.1	0.2%
Expedited Projects	28.8	0.1%
University of Maryland Strategic Partnership	22.0	0.1%
Maryland Corps Program	15.0	0.1%
Circuit Court Law Clerks	14.8	0.1%
Maryland Public Broadcasting Commission – Funding and Video Streaming	14.1	0.1%
Maryland Tourism Development Board Fund	12.4	0.1%
University of Maryland Joint Steering Council	10.0	0.1%
Other	73.9	0.4%
<b>Total</b>	<b>\$2,203.1</b>	<b>11.3%</b>
<b>Debt Service</b>		
General Obligation Bond Debt Service	\$181.7	0.9%
<b>Total</b>	<b>\$181.7</b>	<b>0.9%</b>

<b><u>General Fund Programs</u></b>	<b><u>Allowance</u></b>	<b><u>% Total Mandated Approp. and Entitlement</u></b>
<b>Funds for Other Entities</b>		
Joseph A. Sellinger Program for Aid to Nonpublic Institutions of Higher Education	\$73.3	0.4%
Continuing the CORE Partnership Fund	50.0	0.3%
ENOUGH Grant Program	37.9	0.2%
Maryland School for the Blind	30.9	0.2%
Maryland State Arts Council – General Fund Formula	29.1	0.1%
Property Tax Credits – Enterprise Zones	28.0	0.1%
Historic Revitalization Tax Credit – Competitive Commercial	20.0	0.1%
FAMLI Coverage for Community Health Providers	14.8	0.1%
Children At Risk – Public Residential Boarding School (SEED School)	13.6	0.1%
Prince George’s Regional Medical Center	10.0	0.1%
Western Maryland Economic Future Investment Program	10.0	0.1%
Other	56.6	0.3%
<b>Total</b>	<b>\$374.3</b>	<b>1.9%</b>
<b>Total Mandated and Entitlement General Funds</b>	<b>\$19,449.6</b>	<b>100.0%</b>

ENOUGH: Engaging Neighborhoods, Organizations, Unions, Governments, and Households

FAMLI: Family and Medical Leave Insurance

HBCU: historically Black colleges and universities

SEED: School for Education Evolution and Development

Source: Department of Legislative Services

**Appendix 3**  
**Special and Higher Education Fund**  
**Mandated Appropriations and Entitlements by Type of Recipient**  
**Fiscal 2026 Allowance**  
**(\$ in Millions)**

<b><u>Special Fund and Higher Education Programs</u></b>	<b><u>Allowance</u></b>	<b><u>% Total Mandated Approp. and Entitlement</u></b>
<b>Local Government</b>		
Concentration of Poverty Grants	\$492.6	5.4%
Compensatory Education	483.4	5.3%
Local Highway User Capital Grants	445.8	4.9%
Students with Disabilities – Formula	278.7	3.1%
State Share of Foundation Program	255.9	2.8%
Limited English Proficiency/English Learner Formula Grant	220.2	2.4%
State Grants for Early Education Aid (Publicly Funded Prekindergarten)	172.6	1.9%
Comparable Wage Index (PreK-12 Education)	157.9	1.7%
Education Effort Adjustment	145.4	1.6%
Locally Operated Transit Systems	134.6	1.5%
Prince George’s Private-Public Partnership Fund	69.0	0.8%
Montgomery and Prince George’s County Bus Service Operating Subsidies	49.6	0.5%
Blueprint Transition Grants	37.5	0.4%
Career and College Readiness	31.8	0.4%
Outdoor Recreation Land Loan Program, Which Includes Program Open Space – Local Share	25.5	0.3%
Transitional Supplemental Instruction	23.9	0.3%
Baltimore City Public School Construction	20.0	0.2%
Tobacco Use Reduction Activities	11.2	0.1%
Other	30.2	0.3%
<b>Total</b>	<b>\$3,085.7</b>	<b>34.1%</b>
<b>Individuals</b>		
Maryland Medical Assistance (Medicaid) Program	\$702.5	7.8%
Customer Sited Solar Program Funding	46.6	0.5%
Medicaid Program – Cigarette Restitution Fund	31.3	0.3%
Career Ladder for Educators	19.6	0.2%
Teaching Fellows for Maryland Scholarships	18.0	0.2%
Community Behavioral Health Services for Medicaid-eligible Recipients	11.1	0.1%
Medium Duty and Heavy Duty Zero Emission Vehicle Grant Program	10.0	0.1%

		<b>% Total Mandated Approp. and Entitlement</b>
<b><u>Special Fund and Higher Education Programs</u></b>	<b><u>Allowance</u></b>	
Developmental Disabilities Administration Medical Assistance	8.7	0.1%
Other	39.9	0.4%
<b>Total</b>	<b>\$887.7</b>	<b>9.8%</b>
<b>State Government</b>		
Maryland Transit Administration Operating Subsidy	\$1,238.7	13.7%
Maryland Transit Administration Capital Subsidy – State of Good Repair	433.5	4.8%
State Retirement Contribution	330.3	3.6%
Judiciary	84.6	0.9%
Outdoor Recreation Land Loan Program, Which Includes Program Open Space – State Share	72.3	0.8%
Maryland Health Benefit Exchange	32.0	0.4%
Maryland Park Service Funding	23.7	0.3%
Other	20.7	0.2%
<b>Total</b>	<b>\$2,235.8</b>	<b>24.7%</b>
<b>Debt Service</b>		
General Obligation Bond Debt Service	\$1,254.1	13.9%
Transportation Debt Service	427.5	4.7%
<b>Total</b>	<b>\$1,681.6</b>	<b>18.6%</b>
<b>Funds for Other Entities</b>		
WMATA Operating Subsidy	\$678.0	7.5%
WMATA Capital Subsidy	153.5	1.7%
Consortium on Coordinated Community Supports	130.0	1.4%
Shock Trauma Center Grant	39.7	0.4%
Prekindergarten Expansion	26.6	0.3%
Urban Trees Program	10.0	0.1%
Racing and Community Development Act	17.0	0.2%
Access to Counsel in Evictions Special Fund	14.0	0.2%
Statewide Academic Health Centers	13.0	0.1%
Other	82.1	0.9%
<b>Total</b>	<b>\$1,163.9</b>	<b>12.9%</b>
<b>Total Mandated and Entitlement Special Funds</b>	<b>\$9,054.7</b>	<b>100.0%</b>

WMATA: Washington Metropolitan Area Transit Authority

Source: Department of Legislative Services

**Appendix 4**  
**Mandate and Entitlement Relief from the 2025 Session by Program**  
**Fiscal 2026**  
**(\$ in Millions)**

<b><u>General Fund Programs</u></b>	<b><u>GF Approp.</u></b>	<b><u>New Amount</u></b>	<b><u>Amount Change</u></b>	<b><u>% Change</u></b>	<b><u>Spending Type</u></b>
Maryland Medical Assistance (Medicaid) Program	\$4,498.1	\$4,300.7	-\$197.4	-4%	Entitlement
Aid for Local School Employees Fringe Benefits	1,074.7	981.8	-92.9	-9%	Mandate
Continuing the CORE Partnership Fund	50.0	0.0	-50.0	-100%	Mandate
General Obligation Bond Debt Service	181.7	154.7	-27.0	-15%	Mandate
Judiciary	722.0	704.5	-17.5	-2%	Mandate
FAMLI Coverage for Community Health Providers	14.8	0.0	-14.8	-100%	Entitlement
Teacher Retirement Supplemental Grants	27.7	13.8	-13.8	-50%	Mandate
Tobacco Use Reduction Activities	9.0	3.3	-5.7	-63%	Mandate
Aid to Community Colleges – Retirement Contributions	80.4	75.6	-4.8	-6%	Mandate
Industry 4.0 Technology Grant Program	6.0	2.0	-4.0	-67%	Mandate
Medicaid Biomarker Testing	8.0	4.0	-4.0	-50%	Entitlement
Historic Revitalization Tax Credit – Competitive Commercial	20.0	16.5	-3.5	-18%	Mandate
Legislative Branch	165.3	162.1	-3.2	-2%	Mandate
Maryland Tourism Development Board Fund	12.4	9.2	-3.2	-26%	Mandate
Maryland Loan Assistance Repayment Program for Police Officers and Probation Officers	5.0	2.0	-3.0	-60%	Mandate
Maryland Police Officers Scholarship Program	5.0	2.0	-3.0	-60%	Mandate
Core Public Health Services Funding Formula	113.5	111.5	-2.0	-2%	Mandate
Agricultural Tree Planting	2.5	0.5	-2.0	-80%	Mandate
Historic Revitalization Tax Credit – Small Commercial Project Trust Account	2.0	0.0	-2.0	-100%	Mandate
Public Assistance to Adults	7.1	5.3	-1.8	-25%	Entitlement
Community College Promise Scholarships	15.0	13.5	-1.5	-10%	Mandate

<b><u>General Fund Programs</u></b>	<b><u>GF Approp.</u></b>	<b><u>New Amount</u></b>	<b><u>Amount Change</u></b>	<b><u>% Change</u></b>	<b><u>Spending Type</u></b>
Patient Safety Center Fund	1.0	0.2	-0.8	-80%	Mandate
Financial Consumer Protection – Office of the Attorney General	0.4	0.0	-0.4	-100%	Mandate
Maryland New Start Microloan Program	0.3	0.0	-0.3	-100%	Mandate
Maryland Forestry Education Fund	0.3	0.0	-0.3	-100%	Mandate
Maryland New Start Grant Program	0.2	0.1	-0.2	-75%	Mandate
Cyber Maryland Fund	0.1	0.0	-0.1	-100%	Mandate
Construction Education and Innovation Fund	0.6	0.5	-0.1	-15%	Mandate
<b>Total</b>	<b>\$7,023.0</b>	<b>\$6,563.8</b>	<b>-\$459.3</b>	<b>-7%</b>	

FAMLI: Family and Medical Leave Insurance  
GF: general fund

Note: Actions taken during the 2025 session that are not shown in this appendix increased general fund spending on mandates and entitlements by \$31.4 million, for a net reduction of \$427.9 million between the allowance and legislative appropriation.

Source: Department of Budget and Management; Department of Legislative Services

**Appendix 5**  
**New, Amended, and Expiring Fiscal 2027 Mandated Appropriations and**  
**Entitlements**  
**2025 Legislative Session**

<b><u>New Mandates</u></b>	<b><u>Legislation</u></b>	<b><u>New Mandate Amount</u></b>	<b><u>Fund Type</u></b>
Academic Excellence Program	Chapter 237	\$19,300,000	GF
Behavioral Health Crisis Response Grant Program*	Chapter 666	5,000,000	GF
Boys and Girls Clubs of Maryland	Chapter 242	250,000	GF
Buprenorphine Training Grant Program and Workgroup	Chapter 759	50,000	SF
Holocaust Education Assistance Grant	Chapter 317	50,000	GF
Homeowner Protection Program – From Interest on Overdue State Property Tax	Chapter 647	250,000	SF
Homeowner Protection Program – Special Funds from local government payments	Chapter 647	500,000	SF
Maryland Deaf Culture Digital Library	Chapters 325 and 326	450,000	GF
Maryland Leaders in Environmentally Engaged Farming Program	Chapter 430	900,000	GF
Maryland Office of Registered Apprenticeship Development	Chapter 2	1,517,400	GF
Nancy J. Kopp Public School Facilities Priority Fund	Chapter 354	70,000,000	GF or GO
Operating Grants for Eligible Community Action Agencies	Chapter 288	250,000	GF
Public Health Abortion Grant Program	Chapters 435 and 436	2,500,000	SF
Therapeutic Child Care Grant Program*	Chapters 238 and 239	3,700,000	GF

<b><u>Amended/Repealed Mandates</u></b>	<b><u>Legislation</u></b>	<b><u>Initial Mandate Amount</u></b>	<b><u>Revised Mandate Amount</u></b>	<b><u>Fund Type</u></b>
Agricultural Tree Planting	Chapter 604 (BRFA of 2025)	\$2,500,000	\$500,000	GF
Attorney General – Powers – Maryland Defense Act of 2017	Chapter 97	1,000,000	2,500,000	SF
Career Pathways for Healthcare Workers	Chapter 604	1,000,000	500,000	GF
Community College Promise Scholarships	Chapter 604	15,000,000	13,500,000	GF

<b><u>Amended/Repealed Mandates</u></b>	<b><u>Legislation</u></b>	<b><u>Initial Mandate Amount</u></b>	<b><u>Revised Mandate Amount</u></b>	<b><u>Fund Type</u></b>
Consortium on Coordinated Community Supports	Chapter 237	130,000,000	100,000,000	SF
Construction Education and Innovation Fund	Chapter 604	625,000	531,250	GF
Cyber Maryland Fund	Chapter 218	99,000	0	GF
Expedited Information Technology Projects	Chapter 604	Varied based on the appropriation to the ITIF	–	GF
Historic Revitalization Tax Credit – Competitive Commercial	Chapter 604	20,000,000	16,500,000	GF
Maryland Loan Assistance Repayment Program for Police Officers and Probation Officers	Chapter 604	5,000,000	2,000,000	GF
Maryland New Start Grant Program	Chapter 604	200,000	50,000	GF
Maryland Police Officers Scholarship Program	Chapter 604	5,000,000	2,000,000	GF
Patient Safety Center Fund	Chapter 604	1,000,000	0	GF
Teacher Retirement Supplemental Grants	Chapter 604	13,829,331	0	GF

<b><u>Expiring Mandates</u></b>	<b><u>Expiring Mandate Amount</u></b>	<b><u>Fund Type</u></b>
Aging School Program	\$6,019,000	GO
Baltimore Innovation Initiative Pilot Program	1,500,000	GF
Bowie Racecourse Training Center Property and Rosecroft Raceway	6,200,000	GO
Climate Solutions Now Act – Greenhouse Gas Reduction in Affordable Housing	5,000,000	GF
Consumer Health Information Hub	350,000	GF
ENOUGH Grant Program	15,000,000	GF
Growing Family Child Care Opportunities Program	450,000	GF
Healthy School Facility Fund	90,000,000	GO
Historic Sotterley	400,000	GF
Inmate Training and Job Pilot Program	363,000	GF
Language Assistance Services Pilot Program	120,000	GF
Maryland Child Care Credential Program	5,687,000	SF
Maryland Forestry Education Fund	250,000	GF



<b><u>Expiring Mandates</u></b>	<b><u>Expiring Mandate Amount</u></b>	<b><u>Fund Type</u></b>
Maryland Clean Energy Center Climate Catalytic Capital Fund	5,000,000	SF
Racetrack Facility Renewal Account – Rosecroft Raceway	4,500,000	GF
State Lakes Protection and Restoration Fund	1,000,000	GF
The John C. Merrill Act – Baltimore Symphony Orchestra Funding	700,000	GF
Western Maryland Economic Future Investment Program	10,000,000	GF

BRFA: Budget Reconciliation and Financing Act

ENOUGH: Engaging Neighborhoods, Organizations, Unions, Governments, and Households

GF: general funds

GO: general obligation bonds

ITIF: Information Technology Investment Fund

SF: special funds

\*Prior mandates for these programs expired in fiscal 2025. Legislation passed in the 2025 session reestablishes new mandates beginning in fiscal 2027.

Note: Mandates amended by Chapter 218 and Chapter 604 of 2025 were generally altered in that legislation effective fiscal 2025 or 2026 but are shown in this exhibit because the fiscal 2027 allowance is the first time that the Governor is not required to meet in the budget as introduced.

Source: Department of Legislative Services

**Appendix 6**  
**Mandate and Entitlement Spending**  
**Allowance versus Appropriation**  
**Fiscal 2011-2026**  
**(\$ in Millions)**

	<u><b>GF</b></u>	<u><b>SF</b></u>	<u><b>GO Funds</b></u>	<u><b>Total State Funds</b></u>
<b>Fiscal 2026</b>				
Allowance	\$19,450.5	\$9,054.7	\$344.7	\$28,850.0
Appropriation	19,022.6	9,081.6	391.7	28,496.0
Fiscal 2026 Reductions	<b>-\$427.9</b>	<b>\$26.9</b>	<b>\$47.0</b>	<b>-\$354.0</b>
Reduction % State Mandate/Entitlement Expenditures				<b>-1.2%</b>
<b>Fiscal 2025</b>				
Allowance	\$18,012.4	\$7,738.8	\$145.0	\$25,896.1
Appropriation	17,885.1	7,815.5	148.0	25,848.5
Fiscal 2025 Reductions	<b>-\$127.3</b>	<b>\$76.7</b>	<b>\$3.0</b>	<b>-\$47.6</b>
Reduction % State Mandate/Entitlement Expenditures				<b>-0.2%</b>
<b>Fiscal 2024</b>				
Allowance	\$16,088.9	\$7,617.0	\$25.7	\$23,731.5
Appropriation	15,970.0	7,586.2	25.7	23,581.8
Fiscal 2024 Reductions	<b>-\$118.9</b>	<b>-\$30.8</b>	<b>\$0.0</b>	<b>-\$149.7</b>
Reduction % State Mandate/Entitlement Expenditures				<b>-0.6%</b>
<b>Fiscal 2023</b>				
Allowance	\$16,760.9	\$6,155.0	\$114.9	\$23,030.8
Appropriation	16,633.0	6,397.8	114.9	23,145.6
Fiscal 2023 Reductions	<b>-\$127.9</b>	<b>\$242.7</b>	<b>\$0.0</b>	<b>\$114.8</b>
Reduction % State Mandate/Entitlement Expenditures				<b>0.5%</b>
<b>Fiscal 2022</b>				
Allowance	\$15,162.3	\$4,043.2	\$33.6	\$19,239.0
Appropriation	14,622.9	4,152.6	51.4	18,826.9
Fiscal 2022 Reductions	<b>-\$539.4</b>	<b>\$109.5</b>	<b>\$17.8</b>	<b>-\$412.1</b>
Reduction % State Mandate/Entitlement Expenditures				<b>-2.2%</b>

	<u>GF</u>	<u>SF</u>	<u>GO Funds</u>	<u>Total State Funds</u>
<b>Fiscal 2021</b>				
Allowance	\$14,311.1	\$4,658.4	\$27.4	\$18,996.9
Appropriation	14,052.5	4,643.7	27.4	18,723.7
Fiscal 2021 Reductions	<b>-\$258.6</b>	<b>-\$14.6</b>	<b>\$0.0</b>	<b>-\$273.2</b>
Reduction % State Mandate/Entitlement Expenditures				<b>-1.5%</b>
<b>Fiscal 2020</b>				
Allowance	\$13,741.1	\$4,157.5	\$30.1	\$17,928.7
Appropriation	13,463.6	4,433.0	29.1	17,925.7
Fiscal 2020 Reductions	<b>-\$277.5</b>	<b>\$275.5</b>	<b>-\$1.0</b>	<b>-\$3.0</b>
Reduction % State Mandate/Entitlement Expenditures				<b>0.0%</b>
<b>Fiscal 2019</b>				
Allowance	\$12,862.2	\$4,062.6	\$19.0	\$16,943.8
Appropriation	12,760.1	4,063.3	26.0	16,849.4
Fiscal 2019 Reductions	<b>-\$102.1</b>	<b>\$0.7</b>	<b>\$7.0</b>	<b>-\$94.4</b>
Reduction % State Mandate/Entitlement Expenditures				<b>-0.6%</b>
<b>Fiscal 2018</b>				
Allowance	\$12,270.8	\$4,034.7	\$47.7	\$16,353.2
Appropriation	12,321.6	4,037.0	51.7	16,410.3
Fiscal 2018 Reductions	<b>\$50.8</b>	<b>\$2.3</b>	<b>\$4.0</b>	<b>\$57.1</b>
Reduction % State Mandate/Entitlement Expenditures				<b>0.3%</b>
<b>Fiscal 2017</b>				
Allowance	\$12,003.3	\$3,703.0	\$16.1	\$15,722.4
Appropriation	11,999.0	3,673.7	10.0	15,682.7
Fiscal 2017 Reductions	<b>-\$4.3</b>	<b>-\$29.3</b>	<b>-\$6.1</b>	<b>-\$39.7</b>
Reduction % State Mandate/Entitlement Expenditures				<b>-0.3%</b>
<b>Fiscal 2016</b>				
Allowance	\$11,619.8	\$3,543.6	\$17.1	\$15,180.5
Appropriation	11,577.7	3,525.9	12.1	15,115.7
Fiscal 2016 Reductions	<b>-\$42.1</b>	<b>-\$17.7</b>	<b>-\$5.0</b>	<b>-\$64.8</b>
Reduction % State Mandate/Entitlement Expenditures				<b>-0.4%</b>

	<u>GF</u>	<u>SF</u>	<u>GO Funds</u>	<u>Total State Funds</u>
<b>Fiscal 2015</b>				
Allowance	\$11,102.0	\$3,348.6	\$17.1	\$14,467.7
Appropriation	10,925.8	3,322.1	17.1	14,265.0
Fiscal 2015 Reductions	<b>-\$176.2</b>	<b>-\$26.5</b>	<b>\$0.0</b>	<b>-\$202.7</b>
Reduction % State Mandate/Entitlement Expenditures				<b>-1.4%</b>
<b>Fiscal 2014</b>				
Allowance	\$10,761.9	\$3,248.5	\$35.9	\$14,046.3
Appropriation	10,625.9	3,176.4	33.6	13,835.9
Fiscal 2014 Reductions	<b>-\$136.0</b>	<b>-\$72.1</b>	<b>-\$2.3</b>	<b>-\$210.4</b>
Reduction % State Mandate/Entitlement Expenditures				<b>-1.5%</b>
<b>Fiscal 2013</b>				
Allowance	\$10,724.7	\$3,072.3	\$74.7	\$13,871.7
Appropriation	10,258.5	3,179.8	83.3	13,521.6
Fiscal 2013 Reductions	<b>-\$466.2</b>	<b>\$107.5</b>	<b>\$8.6</b>	<b>-\$350.1</b>
Reduction % State Mandate/Entitlement Expenditures				<b>-2.6%</b>
<b>Fiscal 2012</b>				
Allowance	\$10,728.9	\$2,870.8	\$74.7	\$13,674.4
Appropriation	10,601.8	2,802.7	59.8	13,464.3
Fiscal 2012 Reductions	<b>-\$127.1</b>	<b>-\$68.1</b>	<b>-\$14.9</b>	<b>-\$210.1</b>
Reduction % State Mandate/Entitlement Expenditures				<b>-1.6%</b>
<b>Fiscal 2011</b>				
Allowance	\$9,181.8	\$2,783.9	\$10.0	\$11,975.7
Appropriation	8,935.2	2,476.4	85.0	11,496.6
Fiscal 2011 Reductions	<b>-\$246.6</b>	<b>-\$307.5</b>	<b>\$75.0</b>	<b>-\$479.1</b>
Reduction % State Mandate/Entitlement Expenditures				<b>-4.2%</b>

GF: general funds

GO: general obligation bonds

SF: special funds

Note: Excludes federal fund spending.

Source: Department of Legislative Services