

MAJOR ISSUES REVIEW

2023–2026



Department of Legislative Services
Maryland General Assembly

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Victoria L. Gruber
Executive Director



Ryan Bishop
Director

DEPARTMENT OF LEGISLATIVE SERVICES
OFFICE OF POLICY ANALYSIS
MARYLAND GENERAL ASSEMBLY

June 2026

The Honorable Bill Ferguson, President of the Senate
The Honorable Joseline Peña-Melnyk, Speaker of the House of Delegates
Members of the General Assembly

Dear President Ferguson, Speaker Peña-Melnyk, and Members:

We are pleased to present the *Major Issues Review*, which summarizes legislative activity over the 2023-2026 term. Similar to *The 90 Day Report* prepared after each session, the *Major Issues Review* is divided into major policy parts which are listed in the contents. A listing of major issues considered during the four-year term is also provided.

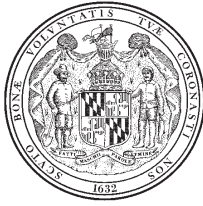
We trust that this report will be a useful source of information for you as well as for members of the public. If you have any questions about the report, please contact us.

Sincerely,

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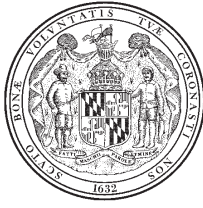


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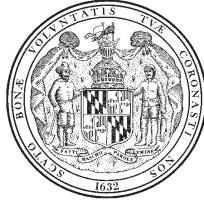


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Part A

Budget and State Aid

Operating Budget

Overview

The fiscal outlook vastly changed over the course of the 2023 to 2026 term due to unexpected surges in entitlement spending and federal policy shifts. The State entered the term with a general fund balance of more than \$3 billion and a structural surplus forecast through at least fiscal 2028. The fiscal 2027 budget enacted at the end of the term assumed a closing general fund balance of \$201 million and a structural shortfall in excess of \$2.5 billion for fiscal 2028.

During the 2023 session, the State's strong fiscal position allowed for modest targeted tax relief, expanded use of general funds for one-time capital projects, a substantial transfer of cash to the Blueprint for Maryland's Future Fund (Blueprint) to assist with outyear costs, and the allocation of general funds to certain transportation priorities. The expiration of federal COVID-19-related assistance, most notably the end of an enhanced Medicaid match; a surge in costs for the child care scholarship program, behavioral health services, and developmental disability services; changes in federal policy, including the elimination of thousands of federal jobs; and unexpected additional Blueprint costs due to an increase in the number of students qualifying for free and reduced-price meals dramatically changed the general fund outlook as the term progressed. At the same time, the Transportation Trust Fund (TTF) and the State's trauma system lacked sufficient funding to meet identified needs.

The General Assembly responded to the fiscal challenges in the final three years of the term through a combination of spending reductions and revenue increases. These actions enhanced support for the trauma system, allowed for new investments in transportation infrastructure, and better aligned ongoing general fund revenue and spending. The General Assembly's actions reduced the projected structural shortfall for fiscal 2028 from the \$4.8 billion forecast in December 2024 to the \$2.6 billion forecast at the end of the 2026 session. The structural shortfall is now projected to peak at \$3.4 billion in fiscal 2030.

Final actions for each session met the Spending Affordability Committee (SAC) recommendations in key areas related to the general fund balance, the Revenue Stabilization Account (Rainy Day Fund) balance, and structural shortfall reductions (where applicable), though other SAC goals in personnel and State disaster recovery fund balance were narrowly missed in the 2026 session.

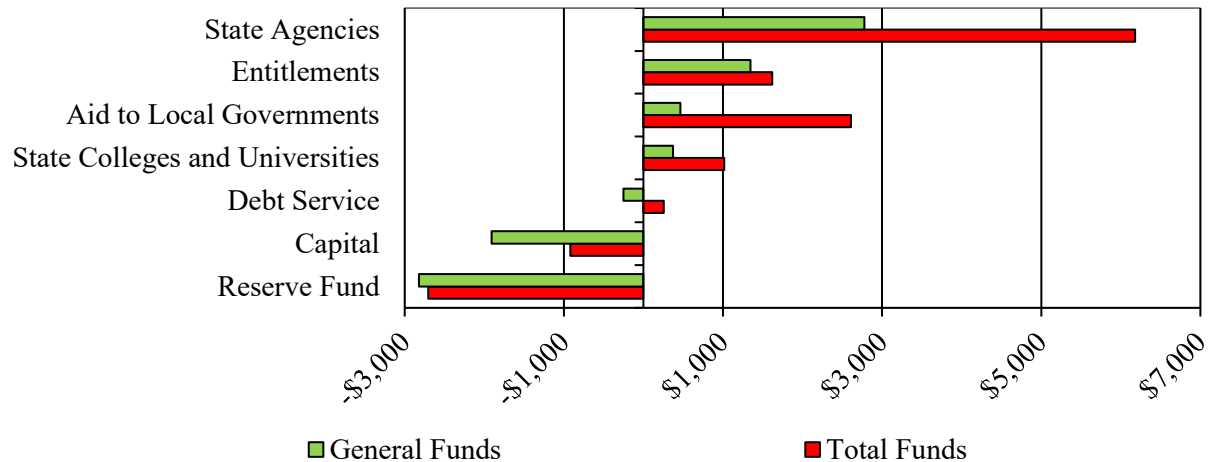
Budget Change

The change in State spending in the operating budget by major category of expenditure is shown in **Exhibit A-1.1**. Between fiscal 2023 and 2027, total expenditures increased by approximately \$8.1 billion, or 12.8%. On average, this equates to about 3.1% annual growth. Excluding capital and the State Reserve Fund, all other categories of spending experienced an increase over the term. General fund spending, however, which is supported primarily by income and sales tax revenues, decreased by approximately \$25 million, or 0.1%.

Special and higher education funding increased by \$7.3 billion (49%). Education aid increased by \$1.9 billion, representing 26% of the total special fund growth during this period due to the continued phase-in of Blueprint education formulas, unexpectedly large enrollment growth for certain formulas, and revisions to the Blueprint programs and formulas during the term. Most of the growth in Blueprint programs was able to be funded through special funds during this period due to available revenue and fund balances, particularly after efforts to enhance revenue for the Blueprint Fund and large one-time cash deposits into the fund early in the term. Transportation spending (operating and capital combined) accounted for growth of \$1.6 billion, or 22%, of special fund growth. During the 2024 and 2025 sessions, significant revenue enhancements to the TTF contributed to this growth. Higher than expected revenue in the Strategic Energy Investment Fund (SEIF) from both Alternative Compliance Payments (ACP) and Regional Greenhouse Gas Initiative (RGGI) auctions also drove significant special fund spending growth, particularly in fiscal 2026 and 2027.

Federal funding grew by \$786 million over the term, despite the exhaustion of most COVID-19-related stimulus funding. The growth in federal funds during this period largely results from provider reimbursements for Medicaid and Medicaid-eligible behavioral health services (\$645 million), which occurred despite enrollment declines following the end of continuous enrollment during the public health emergency and the end of the COVID-19 enhanced match. Federal funds in other areas of health increase by a net \$318 million, primarily due to significant growth in Developmental Disabilities Administration (DDA) provider reimbursements. Partially offsetting these increases were declines in public benefits (\$465 million), primarily due to enrollment declines in the Supplemental Nutrition Assistance Program (SNAP) and the elimination of Pandemic Electronic Benefit Transfer (P-EBT) benefits available during periods when schools were closed due to COVID-19.

Exhibit A-1.1
Budget Change by Category
Fiscal 2023-2027
(\$ in Millions)



General Funds

	<u>2023 Actual</u>	<u>2027 Leg. Appr.</u>	<u>\$ Change</u>	<u>% Change</u>
Reserve Fund	\$2,843	\$23	-\$2,820	-99.2%
Capital	2,018	109	-1,910	-94.6%
Debt Service	430	178	-252	-58.7%
State Colleges and Universities	2,033	2,403	371	18.2%
Aid to Local Governments	8,045	8,510	465	5.8%
Entitlements	4,920	6,265	1,345	27.3%
State Agencies	7,683	10,460	2,776	36.1%
Total	\$27,972	\$27,947	-\$25	-0.1%

Total Funds

Reserve Fund	\$2,843	\$137	-\$2,706	-95.2%
Capital	4,664	3,746	-919	-19.7%
Debt Service	1,692	1,949	257	15.2%
State Colleges and Universities	7,623	8,638	1,014	13.3%
Aid to Local Governments	10,661	13,271	2,610	24.5%
Entitlements	17,502	19,123	1,621	9.3%
State Agencies	18,093	24,273	6,180	34.2%
Total	\$63,079	\$71,136	\$8,058	12.8%

Note: Fiscal 2027 does not account for anticipated reversions.

Source: Department of Legislative Services

Entitlement Programs

Funding for entitlement programs accounts for 20% of the total budget growth since fiscal 2023. General fund growth for entitlements (\$1.3 billion) accounted for approximately 83% of the total entitlement spending growth. Despite enrollment declines, Medicaid drives both general fund and total fund entitlement spending growth. General fund growth for Medicaid is in part impacted by the end of the enhanced Medicaid match during the COVID-19 public health emergency. Rate increases and utilization as well as the expansion of certain services have also contributed to growth in total fund spending, as detailed later in this section. Total spending for all other entitlements decreases by \$337 million, primarily due to lower SNAP and P-EBT benefit spending, while general fund spending increased by approximately \$122 million between fiscal 2023 and 2027 due to changes in availability of federal funds and growth in State-funded public benefits as well as caseload and rate changes for foster care.

Higher Education

Funding for State colleges and universities increased by \$1 billion (13.3%) between fiscal 2023 and 2027. State general fund support increased by \$371 million, with most of this growth occurring in fiscal 2024 and only limited increases in the remaining years (approximately \$70 million). Funding from grants and contracts and enrollment-driven tuition are the primary contributors to the overall increase. The limited general fund growth relative to overall growth was impacted by reduced State support in the later years of the term as well as the availability of special funds to support certain costs.

Debt Service

Debt service, which is paid from the State share of the property tax credited to the Annuity Bond Fund or the TTF, grew by \$257 million (3.2%) between fiscal 2023 and 2027. General fund spending, however, declined by approximately \$252 million during that period. Most of this reduction occurred between fiscal 2025 and 2026 due to lower overall expenses and the availability of bond premium and other special funds.

Reserve Funds

Appropriations to the State Reserve Fund are generally mandated based on the unappropriated general fund surplus at closeout. Through fiscal 2025, up to \$50 million of the unappropriated general fund surplus in excess of \$10 million was required to be split evenly between the State's unfunded pension and retiree health benefit liabilities and the remainder distributed to the Rainy Day Fund. The requirement to appropriate funds for these purposes was relieved during most years in the term and/or the appropriations were deleted. The Budget Reconciliation and Financing Act (BRFA) of 2025 (*Ch. 604*) permanently eliminated this requirement, so most appropriations in the Reserve Fund during the 2023 to 2026 term were appropriations to the Dedicated Purpose Account (DPA). The large decrease in spending in the State Reserve Fund between fiscal 2023 and 2027 primarily reflects a mandated appropriation to the Rainy Day Fund in fiscal 2023 (\$2.4 billion) due to the substantial closing cash balance in

fiscal 2021 as well as one-time spending in the DPA. Despite no appropriations to the Rainy Day Fund during the term, the balance at the close of the 2026 session was 8% of general fund revenues.

Local Aid

Aid to local governments increased by \$2.6 billion (25%), representing 32% of the overall budget growth, of which \$2.1 billion was in special funds. Education aid accounted for \$2.3 billion of the overall growth. Excluding education aid, general fund spending on aid to local governments increased by \$118.8 million, of which \$84 million was aid for community colleges. Notable efforts were made to contain local aid costs during the term, including shifting costs to local governments and adjusting the Senator John A. Cade Funding Formula for community colleges.

Pay-as-you-go Capital

Pay-as-you-go (PAYGO) spending significantly declined during the term (a net decrease of \$918.5 million) primarily due to reduced general fund availability. With large cash balances, the fiscal 2023 budget included \$2.0 billion in general fund PAYGO spending, and the fiscal 2024 budget included \$1.1 billion. General fund PAYGO spending was less than \$150 million in all other years. Declines were not limited to general funds, with a slight decrease in environmental related special fund PAYGO (\$57 million) and a net decrease in nontransportation federal fund PAYGO (\$214 million). The federal fund decrease is driven by temporary funding for broadband and federal stimulus aid used to support capital, including the Healthy School Facility Fund in fiscal 2023. PAYGO spending on transportation increased by a combined \$843.8 million due to the State's transportation revenue enhancements providing the ability to leverage additional federal funds along with the higher formula and discretionary funding available for transportation under the Infrastructure Investment and Jobs Act.

State Agencies

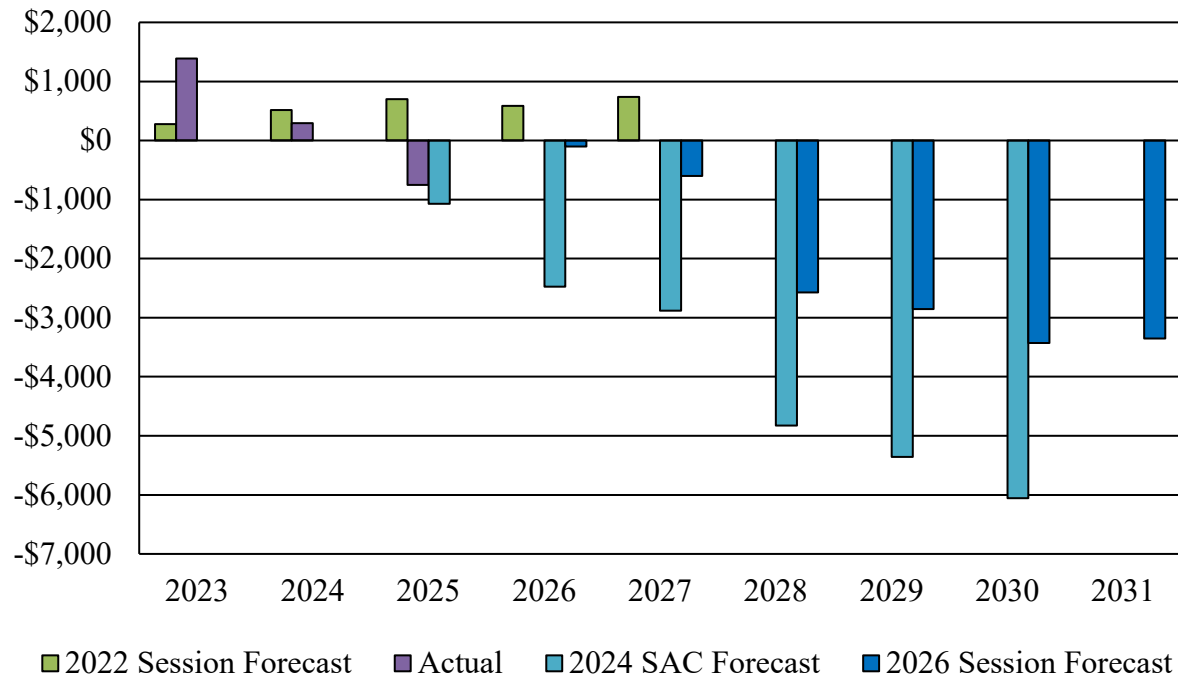
Spending for State agency operations accounts for the largest category of change by dollar for total funds and general funds. Total spending on State agencies increased by \$6.2 billion (34%) between fiscal 2023 and 2027. General fund increases accounted for approximately 45% of that growth. Personnel-related expenses are a significant driver of growth, with compensation enhancements provided in each year of the term, growth in position counts, efforts to reduce vacancy rates, as well as health insurance and retirement contribution cost increases. Health spending accounted for \$1.8 billion of total fund growth (\$1.3 billion of general fund growth), including a large increase in provider reimbursements for developmental disability services. Child care scholarship spending also grew rapidly during the term. Growth in non-general fund spending is impacted by transportation revenue growth, greater use of special funds to substitute for general funds, and greater availability of certain special fund sources (such as the SEIF). Federal fund spending growth for State agencies is driven by health spending.

General Fund Balance Declines and Structural Outlook Deteriorates

The condition of the General Fund declined from the beginning to the end of the term. Higher than anticipated revenues placed the State in a strong fiscal position going into the 2023 session, with a fiscal 2022 closing general fund balance of nearly \$5.5 billion. Recognizing the unusually strong position, actions in the fiscal 2023 session used the higher revenues for one-time purposes, including the dedication of funds to the Blueprint Fund, transportation priorities, and capital investments. In addition, during the 2023 session, actions were taken to provide modest tax relief by permanently extending temporary expansions to the Maryland earned income credit enacted in 2021 and making other changes to the earned income tax credit, permanently extending the child tax credit enacted during the 2021 session and making other changes to the credit (*Chapters 3 and 4*) as well as enhancing the existing military retirement income tax subtraction modification (*Chapters 613 and 614*). As a result, the cash balance at the end of fiscal 2023 declined to approximately \$2.6 billion. The remainder of the term was marked by downward revisions of revenue and revenue uncertainty along with unexpected growth in spending for various health and human services programs, as detailed later in this section. Despite significant enhancements to revenue and actions to reduce ongoing spending enacted in the BRFA of 2025, additional one-time and ongoing actions were required in the BRFA of 2026 (*Chapter 6*) to support a closing fiscal 2027 balance of \$201 million.

As shown in **Exhibit A-1.2**, the structural outlook significantly deteriorated in the initial years of the term (as can be seen from the 2024 SAC forecast), though actions in budget reconciliation legislation improved the outlook relative to what was projected leading up to the 2025 session.

Exhibit A-1.2
Actual and Projected General Fund Structural Trends
Fiscal 2023-2031
(\$ in Millions)



SAC: Spending Affordability Committee

Note: 2024 SAC Forecast represents the forecast presented in the December meeting, accounting for December revenue estimates and updates to spending compared to the forecast presented in November 2024.

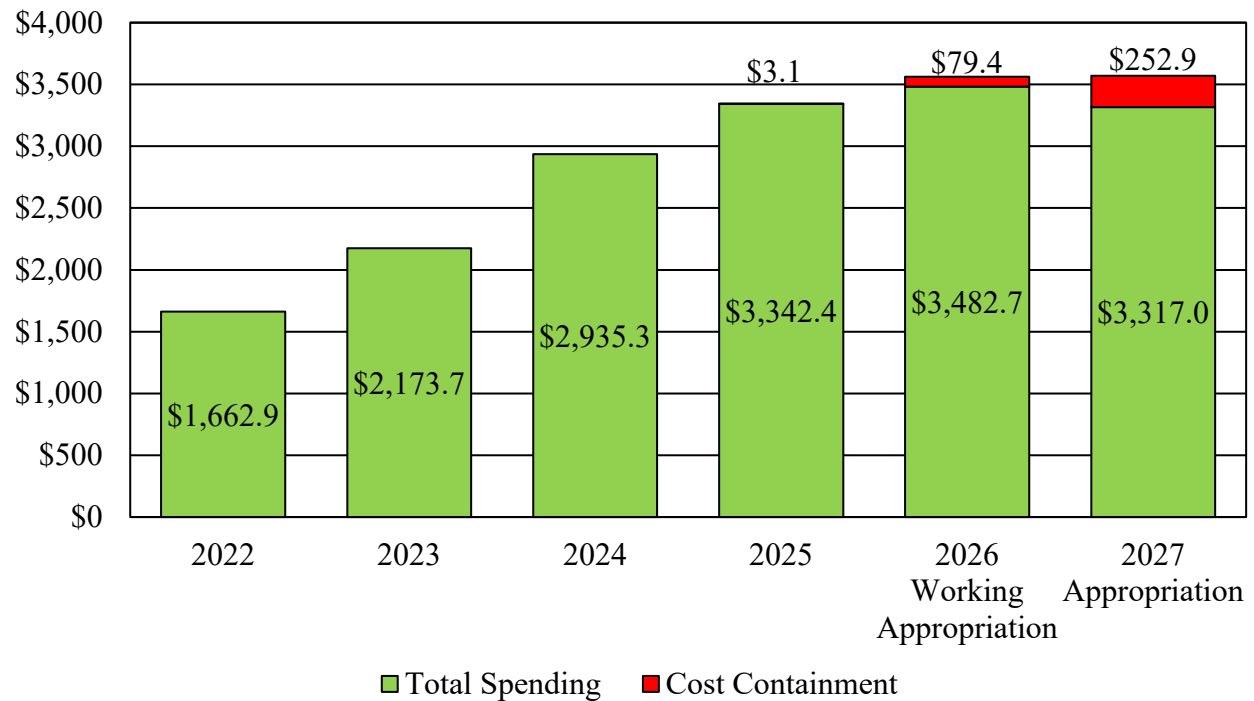
Source: Department of Legislative Services

Drivers of Budget Growth and Actions to Contain Costs

Developmental Disabilities Administration

Community Services Spending Growth: Spending on community services in DDA nearly doubled from \$1.7 billion in fiscal 2022 to \$3.3 billion in fiscal 2025, as shown in **Exhibit A-1.3**. Most of the growth in spending was not budgeted for in the legislative appropriation and required significant deficiencies midyear or in subsequent years to cover shortfalls. During this period of growth, actual spending surpassed the original legislative appropriation by a range of \$212.9 million in fiscal 2022 to \$1.2 billion in fiscal 2025.

Exhibit A-1.3
DDA Community Services Spending and Cost Containment
Fiscal 2022-2027
(\$ in Millions)



DDA: Developmental Disabilities Administration

Source: Department of Budget and Management; Developmental Disabilities Administration; Department of Legislative Services

Much of the growth in spending is attributed to the transition to the Long Term Services and Supports system, which involved moving from a prospective payment model to a fee-for-service reimbursement model, establishing new community services, and increasing provider rates. DDA implemented the transition through a phased pilot process beginning in December 2019 and finalized in September 2024, with most providers transitioning between fiscal 2023 and 2025. Other changes that contributed to spending growth included:

- mandated provider rate increases of 4% each year from fiscal 2020 through 2024, established in Chapters 10 and 11 of 2019;
- an accelerated rate increase of 8% enacted in the fiscal 2024 Budget Bill and *Chapter 2 of 2023* to align DDA provider rate increases with the increase of the State's minimum wage;



- a supplemental 4% rate increase in fiscal 2023 and discretionary rate increase of 3% in fiscal 2025;
- additional rate increases through the rate review adjustment process; and
- the budgeted expansion of services and enrollment, including serving individuals on the Community Services waiting list.

Cost Containment: The Governor’s proposed fiscal 2026 budget included seven cost containment actions reducing \$81.6 million of general funds in fiscal 2025 and eight cost containment actions reducing \$235.5 million of general funds in fiscal 2026. Supplemental Budget No. 1 to the fiscal 2026 budget added funding to correct for various budgeting errors related to the cost containment proposals. The General Assembly fully or partially restored funds to undo or modify much of the remaining proposed cost containment, including adding \$34.2 million in general funds for fiscal 2025 and \$147.2 million in general and special funds for fiscal 2026. The cost containment actions authorized in the fiscal 2026 Budget Bill (*Chapter 602 of 2025*) were projected to reduce general fund spending by \$18.1 million in fiscal 2025 and \$55.1 million in fiscal 2026. Because DDA receives a federal fund match rate of 50% for Medicaid waiver services spending, the reductions in fiscal 2026 were estimated to be \$76.8 million in total funds.

The Governor’s proposed fiscal 2027 budget plan included reductions of \$149.4 million of general funds across four cost containment actions in fiscal 2027. During the 2026 session, language was added to the fiscal 2027 Budget Bill to modify or prohibit certain proposed cost containment actions, specify alternative cost containment actions that DDA could implement, and add \$23.1 million of general funds to limit general fund cost containment to \$126.4 million (\$252.9 million of total funds). The fiscal 2027 legislative appropriation for DDA community services totals \$3.3 billion. The General Assembly also added budget bill language that (1) restricts further reductions to rates, including geographical differential rates; (2) requires that DDA continue providing State-only funded services for certain individuals; and (3) specifies the implementation of day-to-day administrative supports for individuals in self-directed services.

Exhibit A-1.4 summarizes the authorized cost containment actions. Cost containment actions have a variety of impacts, including reducing services provided to participants, reducing rates for providers, and other policy changes that limit service delivery. Cost containment actions impact participants and employees across the community services program, with different actions impacting the traditional services model, self-directed services model, coordinators of community service agencies providing case management, and individuals receiving State-only funded services.

Exhibit A-1.4
DDA Cost Containment Actions
Fiscal 2025-2027
(\$ in Millions)

<u>Authorized Cost Containment Action</u>	<u>GF Reductions</u>
Fiscal 2025	
State-only Funded Services: Reduce State-only funded services by requiring participants to apply for a DDA-operated Medicaid waiver.	-\$3.1
WLEF Fund Swap: Use funds from the WLEF to supplant funds for emergency community placements or transitioning students.	-15.0
<i>Fiscal 2025 Subtotal</i>	<i>-\$18.1</i>
Fiscal 2026	
Wage Exception: Cap wage exception above the reasonable and customary wages to 15% for the standard maximum and 10% for the geographical differential maximum.	-\$10.3
Geographical Differential Rate: Cap the geographical differential rate provided to certain jurisdictions to 10%.	-18.3
IFDGS Cap: Place a \$5,000 cap on IFDGS requests and remove the day-to-day administrator category out of IFDGS.	-7.5
State-only Funded Services: Annualize fiscal 2025 action.	-13.1
LISS Program: Reduce funding for the LISS program and lower the cap per eligible participant from \$2,000 to \$1,000.	-3.5
Dedicated Hours: Lower the dedicated hour rate to 86% of the rates specified by DDA's actuary.	-2.4
<i>Fiscal 2026 Subtotal</i>	<i>-\$55.1</i>
Fiscal 2027	
Reasonable and Customary Wages: Modify self-directed services wages for family as staff and nonfamily as staff and eliminate wages for unlicensed vendors, excluding nursing staff and support brokers.	-\$50.8
Family as Staff Cap: Implement a 60/40 hourly (all family members/individual family member) cap on family as staff in a week.	-1.7
Wage Exception: Eliminate the process that allows participants to request wages for staff higher than the reasonable and customary wages.	-11.7
Dedicated Hours: Enforce a dedicated hours policy requiring utilization reviews of shared hours.	-27.1

Authorized Cost Containment Action**GF
Reductions**

Rate Reductions: Cap fee-for-service rates at 102% of the rates specified by DDA's actuary and reduce rates by 2% for community service providers and coordinator of community service agencies.

-35.1

Fiscal 2027 Subtotal***-\$126.4*****Cost Containment GF Reduction Total****-\$199.6**

DDA: Developmental Disabilities Administration

LISS: Low intensity support services

GF: general fund

WLEF: Waiting List Equity Fund

IFDGS: Individual and Family Directed Goods and Services

Source: Developmental Disabilities Administration; Department of Legislative Services

Financial Management Support: The fiscal 2027 budget as enacted provides \$7.6 million for consulting and financial management services for DDA. The funding is intended to be used for a contract for data analytics support and tool development to ensure financial and programmatic efficiency.

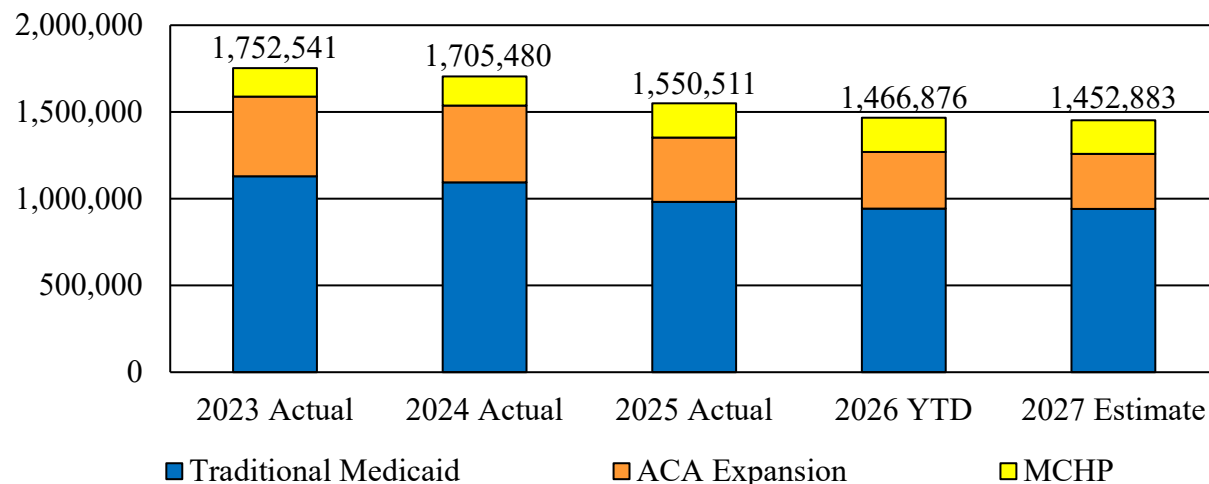
Medicaid/Behavioral Health

At the start of the 2023-2026 term, Medicaid and the Maryland Children's Health Program (MCHP) underwent a major transition due to the unwinding process for enrollment policies and flexibilities in place during the COVID-19 public health emergency. As a condition of receiving enhanced federal matching funds during the public health emergency, the Maryland Department of health (MDH) was required to freeze disenrollment with limited exceptions. Medicaid and MCHP caseloads increased significantly because of the continuous enrollment requirement, rising to a peak monthly enrollment of over 1.78 million participants in May 2023. The freeze on disenrollments ended April 1, 2023, and MDH initiated a 12-month eligibility redetermination schedule.

As shown in **Exhibit A-1.5**, combined Medicaid and MCHP enrollment gradually decreased from 1.75 million in fiscal 2023 to 1.55 million in fiscal 2025 due to ongoing unwinding processes and system reconciliation following the end of the continuous eligibility requirement. Adults served through the Affordable Care Act (ACA) expansion and traditional Medicaid enrollees drove the overall decline, while MCHP participation increased from 164,521 children in fiscal 2023 to 190,288 children in fiscal 2025. MCHP serves low-income children with household incomes that exceed eligibility for Medicaid; therefore, the resumption of eligibility redetermination and rising household incomes likely resulted in children moving from Medicaid into MCHP. Fiscal 2026 caseloads through April 2026 have further decreased in part due to the annualization of disenrollments from the prior year. Caseloads are projected to slightly decline in fiscal 2027 as some impacts of the federal One Big Beautiful Bill Act, such as implementing work

requirements and more frequent eligibility checks for ACA expansion adults, begin to be felt in the second half of fiscal 2027.

Exhibit A-1.5
Medicaid and MCHP Average Monthly Enrollment
Fiscal 2023-2027 Estimate



ACA: Affordable Care Act
MCHP: Maryland Children's Health Program

YTD: year to date

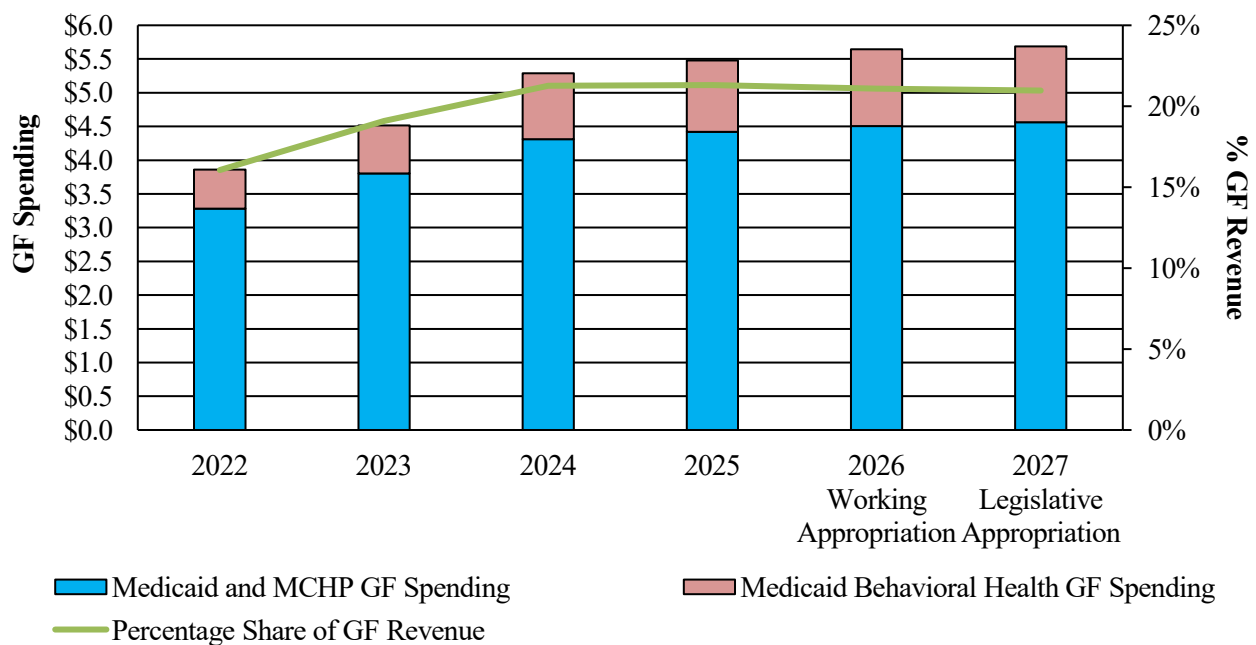
Note: Beginning in fiscal 2024, MCHP includes noncitizen pregnant women enrolled through the Healthy Babies initiative.

Source: Maryland Department of Health; Department of Legislative Services

Despite the downward trend in Medicaid enrollment overall, general fund spending on Medicaid and MCHP provider reimbursements, including behavioral health services, grew substantially from fiscal 2022 to 2025. As shown in **Exhibit A-1.6**, general fund expenditures increased from \$3.86 billion in fiscal 2022 to \$5.48 billion in fiscal 2025, reflecting over \$1 billion in additional annual spending and a growth rate of 42%. Although some of the general fund expenditure growth was expected due to the expiration of enhanced federal matching funds for Medicaid and MCHP and mandated rate increases for certain providers, there was also significant growth in health care utilization and inflation that was not anticipated. One major cost driver is inpatient and outpatient hospital utilization and cost for elderly and disabled Medicaid participants that receive coverage on a fee-for-service basis. Additionally, MDH provided substantial annual rate increases for managed care organizations (MCO) ranging from 1.1% to 5.4% between calendar 2022 and 2026. The Hilltop Institute and Optumas, MDH's actuary for MCO rate-setting, indicated that cost drivers within managed care include maternal health costs and utilization and high-cost drugs, such as medications to treat HIV and glucagon-like peptide-1 medications

(commonly referred to as GLP-1s). Notably, over this period of rapid spending growth for Medicaid, MCHP, and behavioral health services, the share of statewide general fund revenue that is spent on these programs has increased from 16% in fiscal 2022 to approximately 21% each year beginning in fiscal 2024.

Exhibit A-1.6
Medicaid and MCHP Spending as a Share of General Fund Revenue
Fiscal 2022-2027
(\$ in Billions)



GF: general fund
MCHP: Maryland Children's Health Program

Note: GF expenditures reflect provider payments, including Medicaid-funded behavioral health services, and some administrative costs.

Source: Department of Budget and Management; Bureau of Revenue Estimates; Department of Legislative Services

Medicaid and MCHP provider reimbursements are projected to level off in fiscal 2026 and 2027 compared to fiscal 2025, with a much slower growth rate of 3% and 4%, respectively. However, of note, utilization of Medicaid-eligible behavioral health services increased substantially across a number of service categories in fiscal 2026 compared to fiscal 2025, a portion of which may be attributable to challenges associated with the transition of the Administrative Services Organization distorting year-to-year changes. As introduced, the fiscal 2027 budget plan (including fiscal 2026 deficiency appropriations) did not fully account for this unexpectedly large

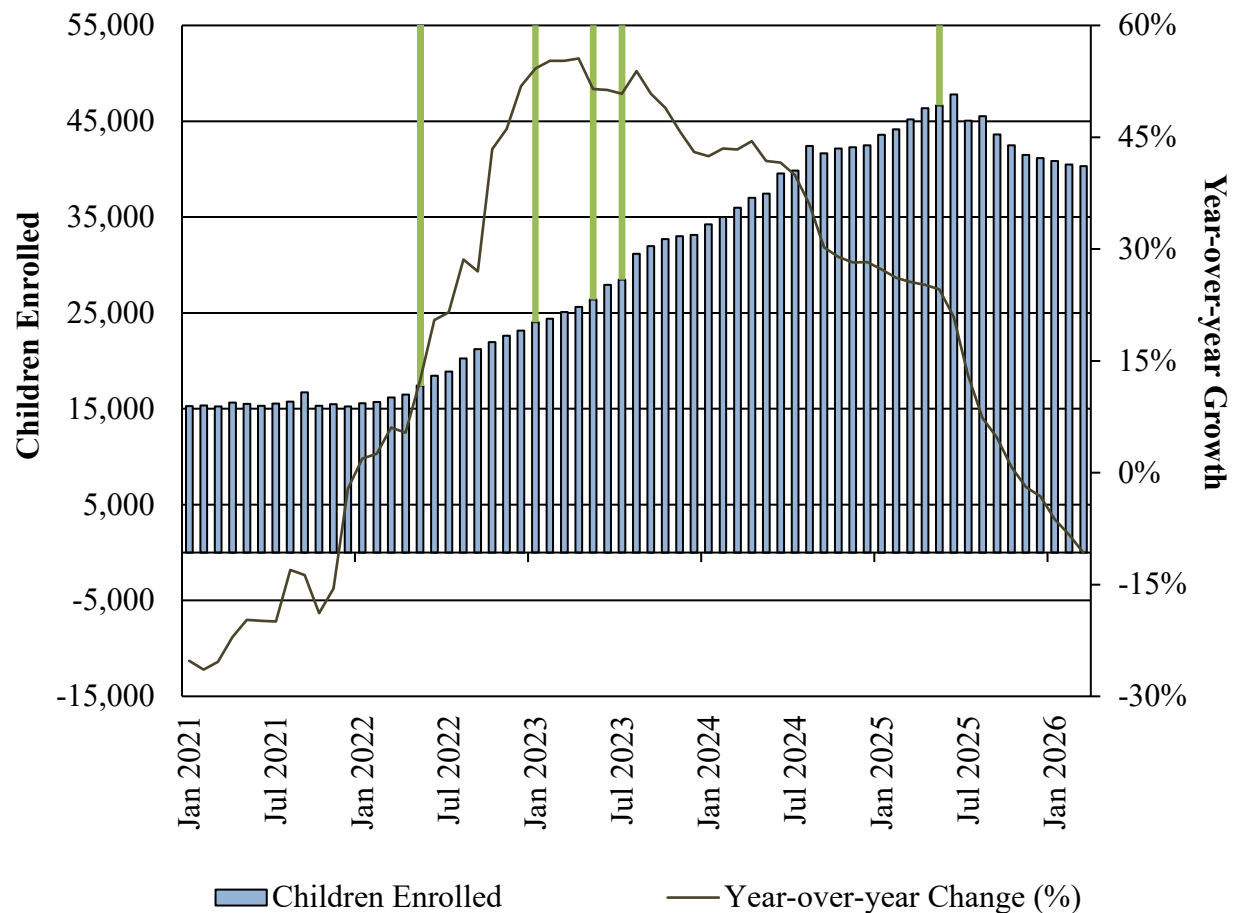
growth. To address the resulting shortfall, Supplemental Budget No. 1 realigned \$137.9 million in funding (\$70 million in general funds) in fiscal 2025 and \$157.7 million (\$80.0 million in general funds) in fiscal 2027 between Medicaid and Medicaid-eligible behavioral health programs.

Child Care Scholarship Program

The Child Care Scholarship (CCS) program provides financial assistance with child care costs to low-income families that meet applicable State or federal requirements. Beginning in fiscal 2022, the Maryland State Department of Education (MSDE) implemented policy changes to expand access and increase provider reimbursement rates. These actions included reducing family copayments to a range of \$1 to \$3 per week, expanding income eligibility from 65% to 75% of the State median income, and increasing provider reimbursement rates from the sixtieth to the seventieth percentile of market rates. Additional changes, as required by Chapters 525 and 526 of 2022, waived copayments for certain families participating in public assistance programs, including SNAP and the Special Supplemental Nutrition Program for Women, Infants, and Children. MSDE also implemented administrative processes that reduced application processing times and accelerated enrollment, such as advance payments to providers based on enrollment rather than attendance and presumptive eligibility (referred to as the fast track application).

As shown in **Exhibit A-1.7**, monthly enrollment increased steadily beginning in calendar 2022 and peaked at 47,811 children in June 2025. As enrollment increased, total program costs grew accordingly. A combination of federal Child Care and Development Block Grant funds and general funds support the CCS program. As shown in **Exhibit A-1.8**, federal funds, including supplemental funds provided under the American Rescue Plan Act, supported most scholarship costs through fiscal 2023. As these one-time funds were expended and enrollment continued to increase, expenditures for program expansion and the policy changes began to exceed available federal resources, resulting in budget shortfalls. In fiscal 2023 and subsequent years, additional general funds were required to support the program and address these gaps. Beginning in fiscal 2024 and continuing through the fiscal 2027 allowance, general funds cover on average approximately 78% of total program expenses, reflecting a shift in the primary funding source for the program.

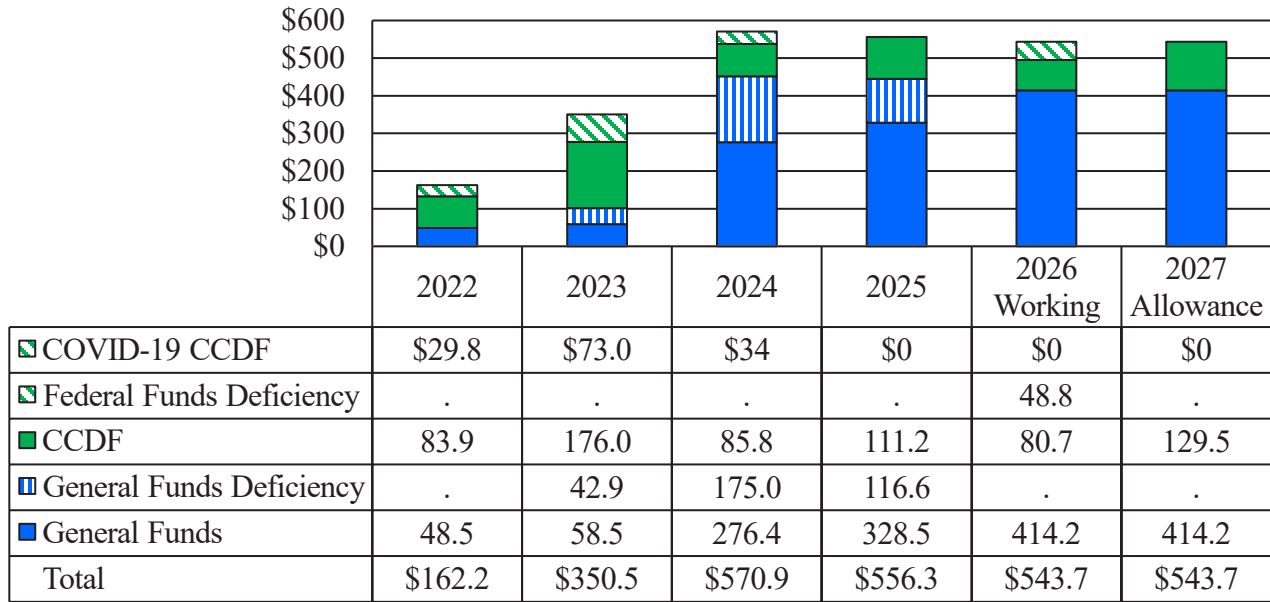
Exhibit A-1.7
Unduplicated Monthly Count of Children Enrolled in the
Child Care Scholarship Program
January 2021 to March 2026



Note: Enrollment counts in calendar 2026 are preliminary and may change. Bars shaded in green represent significant policy changes, such as the Maryland State Department of Education raising income eligibility levels in May 2022, reducing copays and increasing reimbursement rates in May 2022, opening the full presumptive eligibility program statewide in July 2023, and an enrollment freeze implemented in May 2025.

Source: Maryland State Department of Education; Department of Legislative Services

Exhibit A-1.8
Child Care Scholarship Expenditures by Fund Source
Fiscal 2022-2027 Allowance
(\$ in Millions)



CCDF: Child Care and Development Fund

Note: This exhibit reflects only spending on child care scholarships and does not include COVID-19 CCDF distributed as stabilization grants or CCDF spent on other early childhood system improvements. Other CCDF funding budgeted under the Division of Early Childhood for administrative costs is also excluded.

Source: Department of Budget and Management; Maryland State Department of Education; Department of Legislative Services

As enrollment growth and associated costs outpaced available federal funding, MSDE implemented cost containment measures, specifically an enrollment freeze effective May 1, 2025, to limit total scholarship costs to just below the fiscal 2025 funding level. Under the freeze, new scholarships are no longer issued to most applicants, while families already receiving assistance and certain exempt applicants continued to be served. Following implementation of the freeze, enrollment declined from its peak in June 2025 but remains above the agency's target level of approximately 40,000 children, which the department identified as the level needed to maintain fiscal stability in fiscal 2026. Additionally, the enrollment freeze resulted in the establishment of a waitlist for eligible applicants. As of January 31, 2026, 5,113 children from 3,688 families were on the waitlist. MSDE indicated that future enrollment would be managed through attrition, with available slots offered to children on the waitlist as current participants exit the program.

Chapter 594 of 2026 prohibits a freeze in enrollment in the CCS program from applying to certain families, including households who have individuals enrolled in the Temporary Cash Assistance, Temporary Assistance for Needy Families, or federal Supplemental Security Income program. This Act, in combination with \$20 million of general funds added by the General Assembly in fiscal 2027 to support additional enrollment and reduce the waitlist, will reduce the impact of cost containment actions undertaken by MSDE.

Budget Reconciliation and Financing Act

Budget reconciliation legislation was a feature of each session of the 2023-2026 legislative term. The magnitude of budgetary impacts and the types of impacts varied over the course of the term. The BRFA of 2024 (**Ch. 717**) and BRFA of 2025 increased revenues to the TTF, in addition to actions to constrain general fund costs and provide general fund revenue. While general fund revenues were a feature of budget reconciliation legislation in all but the 2023 session, the most notable ongoing changes occurred in the BRFA of 2025. The BRFA of 2026 (**Ch. 6**) provided significant one-time relief through budgetary transfers as well as some limited time and ongoing general fund expenditure reductions.

Revenue Actions

As shown in **Exhibit A-1.9**, the BRFA of 2025 increased general fund revenue by an estimated \$1.48 billion across fiscal 2025 and 2026. The largest source of general fund revenue was a new sales tax on data/information technology services, which was estimated to result in general fund revenue of \$482.0 million. Additional changes to personal income taxes, including adjustments to tax brackets, were expected to result in \$351.4 million of general fund revenue. The BRFA of 2025 also established a 2% surcharge on capital gains for high income earners, of which a portion of the revenue was directed to the General Fund (an estimated \$229.4 million) with the remainder to the TTF. Aside from tax and fee changes (either one-time or ongoing), the BRFAs of 2024 and 2025 made other changes resulting in general fund revenue, primarily from the redirection or redistribution of other funds. The largest source of these redirections was an estimated \$465.1 million by amending the revenue volatility cap to increase the amount of capital gains and other nonwithholding revenues that can be assumed in the budget. Redirecting interest on certain special funds increased revenue by an estimated \$94.3 million, the largest portion of which was from interest in the SEIF (\$65 million). Revenues from this redirection of interest occur at varying levels through fiscal 2029, at which time some of these redirections end.

Exhibit A-1.9
Revenue Actions in Budget Reconciliation Legislation
2024-2026 Session
(\$ in Millions)

	<u>2024</u>	<u>2025</u>	<u>2026</u>
General Fund Revenue			
<i>Tax/Fee Changes</i>			
Sales Tax on Data/Information Technology Services		\$482.0	
Personal Income Tax Reform		351.4	
Surcharge on Capital Gains for High Income Earners		229.4	
Decouple from Certain OBBBA Provisions			\$132.8
Increase Sales Tax Rate on Cannabis		39.1	
Increase Tax Rate on Sports Wagering		31.8	
Repeal/Alter Certain Sales Tax Exemptions		30.3	
Student Loan Debt Relief Tax Credit		9.0	2.0
Phase Out Rather Than Have a Cliff for Child Tax Credit		-7.0	
Other Tax and Fee Changes	\$1.2	9.2	
<i>Redirection of Funds</i>			
Revenue Volatility	260.0	205.1	
Redirect Interest from Special Funds	29.3	65.0	
Divert Transfer Tax Revenue for Four Years		25.0	
Reduce Lottery Agency Commissions	22.4		
Other Revenue Distribution Changes		7.5	
Other General Fund Revenue	10.0	1.5	
Total General Fund Revenue	\$322.8	\$1,479.3	\$134.8
Special Fund Revenues			
Transportation Trust Fund	\$224.9	\$500.4	\$22.9
Vehicle Registration Fee Increase Supporting Trauma Services	104.8		
Blueprint For Maryland's Future Fund	91.4	5.6	
HEIF Revenue Due to OBBBA Decoupling			7.4
Other		3.5	
Total Special Fund Revenue	\$421.1	\$509.6	\$30.2

HEIF: Higher Education Investment Fund

OBBBA: One Big Beautiful Bill Act

Note: Revenue estimates are based on the revenue as estimated in the session of enactment. Revenue estimates are for the current and budget year for each session (as relevant). Special fund revenue increases or decreases associated only with expenditure reductions or appropriations, including cost shifts and fee changes, are excluded.

Source: Department of Legislative Services

Budget reconciliation legislation in the 2024 through 2026 sessions also provided additional special fund revenue, primarily for the TTF, Blueprint, and to support Maryland's trauma systems, as detailed later in this section. Some of the additional revenue, particularly in the 2026 session, were byproducts of general fund revenue actions.

Fund Balance Transfers

Fund balance transfers were part of budget reconciliation legislation in each of the 2024, 2025, and 2026 sessions, with a combined \$2.1 billion of general fund balance resulting from these transfers. As shown in **Exhibit A-1.10**, the largest source of transfers across the three sessions was the Local Income Tax Reserve Account, totaling \$838 million. Of this total, \$530 million in the BRFA of 2024 and BRFA of 2026 reflect overallocations to the account with no planned repayments, with the remaining \$308 million having planned repayment schedules. Transfers totaling \$522 million are from the SEIF, primarily from revenue ACPs. Transfers from the DPA totaled \$418 million, driven by funding deposited for cybersecurity needs, legislative priorities, and PAYGO funds that were not fully needed or for which general obligation bonds were available for replacement.

Exhibit A-1.10
Fund Balance Transfers
2024-2026 Sessions
(\$ in Millions)

	<u>2024</u>	<u>2025</u>	<u>2026</u>
Local Income Tax Reserve Account	\$150.0	\$307.9	\$380.0
Strategic Energy Investment Fund		230.0	292.0
Dedicated Purpose Account	219.6	197.4	1.2
Fiscal Responsibility Fund			119.2
Bay Restoration Fund			70.0
Unemployment Insurance Trust Fund	60.0	20.0	
Land Records Improvement Fund		20.0	
Other		37.7	26.0
Total Transfers to the General Fund	\$429.6	\$812.9	\$888.4

Source: Department of Legislative Services

Expenditure Impacts

Exhibit A-1.11 presents general fund appropriations and reductions that were contingent on the enactment of the BRFAs of 2023 through 2026. These actions reflect changes to mandates, cost shifts to local governments, and replacing general fund expenditures with available special funds either on a one-time, limited-time, or ongoing basis. While the BRFA of 2023 had a net impact of increasing general fund expenditures, all other BRFA legislation has a net impact of reducing general fund expenditures. The BRFA of 2025 had the largest reduction in general fund expenditures (\$481.1 million). Increases in the Medicaid Deficit Assessment produced savings in each of fiscal 2025 and 2026 totaling \$138.8 million, which was the largest expenditure reduction in that year. In some instances, reductions possible due to changes in budget reconciliation legislation are not reflected as impacts of the BRFA because the General Assembly reduced the funds directly rather than contingently. For example, the BRFA of 2024 made changes to the Joseph A. Sellinger Formula for Aid to Non-Public Institutions of Higher Education that allowed for a reduction of \$61 million, which is not shown as an impact.

Exhibit A-1.11
Contingent General Fund Reductions/Appropriations
2023-2026 Sessions
(\$ in Millions)

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Medicaid Deficit Assessment*	-\$50.0		\$138.8	
Teacher, Community College and Library Retirement Shift of 50% of Increase**			97.7	\$39.3
Eliminate Retirement Reinvestment Mandate			43.6	
Alter Local Cost Share for Nonpublic Placements Over Two Years			25.0	
Alter Local Cost Share for SDAT*			21.2	
Expand Uses of Chesapeake and Atlantic Coastal Bays 2010 Trust Fund*		5.0	13.1	
Phase Out Teacher Supplemental Retirement Payment Over Two Years			13.8	
Expand the Uses of the Strategic Energy Investment Fund			12.6	4.7
Expand Uses of MEMSOF for Operating Expenses			11.0	5.5
Other*	0.7	27.2	104.2	34.9
Total General Fund Expenditure Reductions Contingent on the BRFA	-\$49.3	\$32.2	\$481.1	\$84.3

BRFA: Budget Reconciliation and Financing Act
MEMSOF: Maryland Emergency Medical System Operations Fund
SDAT: State Department of Assessments and Taxation
SEIF: Strategic Energy Investment Fund

*Indicates reduction was either fully or partially replaced with a contingent special fund appropriation or the appropriation was fully or partially by a special fund reduction.

**Library retirement growth only reduced in the 2026 session.

Note: A negative number indicates an appropriation.

Source: Department of Legislative Services

In addition to general fund expenditure impacts, special and federal fund reductions have also occurred contingent on budget reconciliation legislation. In general, though not exclusively, the special fund and federal fund reductions are related to general fund reductions (for example, the special and federal fund impact of limiting provider rate increases). While special fund appropriations contingent on the BRFA are often to backfill general fund reductions as part of fund swaps, some contingent reductions and appropriations are not related to general fund appropriations. For example, the BRFA of 2025 reduced special fund expenditures as a result of the abolition of the Maryland Thoroughbred Racetrack Operating Authority, while the BRFAs of 2024 and 2026 reduced special fund expenditures for the Prekindergarten funding formula by modifying the Tier II eligibility expansion. The BRFA of 2025 effectuated contingent appropriations in the Maryland Department of Transportation (MDOT) related to the enhanced TTF revenues of \$206 million in special funds and \$106 million in federal funds.

Transportation Trust Fund Support

Constraints on the TTF

Declines in revenue from the motor fuel tax, the end of federal COVID-19 stimulus funding, and increased operating expenses and capital project costs resulting from high inflation were major factors leading to constraints on the TTF during the term. Additional pressures on the TTF stemmed from impacts of the pandemic. For example, transit ridership remained lower than prepandemic levels.

Motor fuel tax revenues have traditionally made up the largest share of State-sourced funding to the TTF and have historically served as a primary source of funding for transportation projects in Maryland. However, due to increased vehicle fuel efficiency and adoption of electric vehicles (EV), declines in gallonage sold were projected beginning in fiscal 2025, with continued declines in future years, resulting in significant decreases in motor fuel tax revenues.

Chapter 455 of 2023 established the Maryland Commission on Transportation Revenue and Infrastructure Needs (TRAIN Commission) to review and make recommendations on transportation funding levels, need, transportation project prioritization and selection processes, and a host of issues affecting these areas. In January 2024, the TRAIN Commission submitted a

report to the General Assembly. One of the main recommendations was that the State should consider adoption of a new registration fee for EVs and/or plug-in hybrid vehicles or increasing vehicle registration fees for all drivers to offset losses from the projected motor fuel tax revenue decline. These recommendations formed the basis of some TTF revenue increases that were enacted during the 2024 and 2025 legislative sessions.

Enacted TTF Revenue Increases

The BRFA of 2024, *Chapter 17 of 2024* (Maryland Road Worker Protection Act), and the BRFA of 2025 all increased TTF revenues. Major revenue actions included:

- ***Vehicle Registration Fee Increases:*** Increased annual vehicle registration fees for most classes of vehicles over a phased-in schedule of three years beginning in fiscal 2025 and authorized the use of installment payments for registration fees throughout the registration period. The last incremental annual fee increase was accelerated from fiscal 2027 to fiscal 2026 through *Chapter 604*;
- ***Transportation Network Company (TNC) Fee:*** Established effective July 1, 2024, a TNC impact fee on passenger trips that originate in the State of 75 cents per passenger trip (50 cents per shared passenger trip or EV passenger trip), which is indexed to inflation beginning in fiscal 2029;
- ***EV Surcharge:*** Established effective July 1, 2024, a \$125 annual surcharge on EVs and a \$100 annual surcharge on plug-in electric vehicles, which is indexed to inflation beginning in fiscal 2026;
- ***Capital Gains Surcharge for High Income Earners:*** Distributed 37.5% of the proceeds from the newly imposed 2% surtax on certain net capital gain income for individuals with federal adjusted gross income in excess of \$350,000 to the TTF;
- ***Certificate of Title Fee Increase:*** Doubled the fee for each certificate of title issued by the Motor Vehicle Administration (MVA);
- ***Vehicle Excise Tax Increase:*** Increased the vehicle excise tax rate from 6.0% to 6.5% of the fair market value of the vehicle and established an excise tax for rental vehicles of 3.5% of the fair market value of the vehicle; and
- ***Increase Cap on MVA Cost Recovery:*** Authorized MVA to increase the level of miscellaneous fees related to vehicle titling, vehicle certificates, and vehicle registration to up to 105% of its cost recovery needs but requires the fees be set to at least 100% (rather than 95%) of that amount.

The initial set of TTF revenue increases enacted during the 2024 session went into effect at the beginning of fiscal 2025, resulting in a revenue attainment of approximately \$200 million that year and prevented the need for cost containment actions in fiscal 2026. Over the six-year forecast period of fiscal 2026 to 2031, revenues from new and increased TTF revenue sources enacted in both years are projected to average \$800 million annually, or \$4.9 billion in total. **Exhibit A-1.12** shows the estimated new revenues by fiscal year and year of enactment. In addition to the projected revenue attainment from these new and increased TTF revenue sources, the final 2026 MDOT financial forecast released in January 2026 also reflects the availability of an additional \$1.2 billion in revenues from the issuance of Consolidated Transportation Bonds (CTB) compared to the January 2024 MDOT financial forecast. These additional planned CTB issuances are made possible by increases to MDOT's debt capacity because of the new and increased TTF revenues.

Exhibit A-1.12
Actual and Estimated Revenue from Enacted Legislation to Support the TTF
Fiscal 2025-2031 Est.
(\$ in Millions)

	<u>2025</u>	<u>2026</u> <u>Est.</u>	<u>2027</u> <u>Est.</u>	<u>2028</u> <u>Est.</u>	<u>2029</u> <u>Est.</u>	<u>2030</u> <u>Est.</u>	<u>2031</u> <u>Est.</u>	<u>2026-2031</u> <u>Total</u>
Enacted 2024 Session								
Vehicle Registration Fee								
Increases	\$142	\$254	\$255	\$252	\$255	\$257	\$260	\$1,533
Transportation Network								
Company Fee	41	42	44	46	50	53	57	292
Electric Vehicle Surcharge	8	19	24	31	41	55	72	242
SHA Highway Workzone								
Safety	14	25	24	24	24	23	23	143
Sales Tax – Electricity	1	1	1	1	1	1	1	7
Subtotal –								
Enacted 2024 Session	\$206	\$341	\$348	\$354	\$371	\$389	\$413	\$2,216
Enacted 2025 Session								
Capital Gains Surcharge		\$142	\$109	\$111	\$113	\$114	\$115	\$704
Certificate of Title Fee								
Increase		100	101	101	102	102	103	609
Vehicle Excise Tax Increase								
to 6.5%		88	96	100	103	107	112	606
VEIP Fee Increase (Including								
Late Fee)		31	31	32	32	33	33	192
Increase Cap on MVA Cost								
Recovery		25	36	36	36	36	36	205
Historic Tags Eligibility								
Alterations		4	4	0	0	0	0	8

	<u>2025</u>	<u>2026</u> <u>Est.</u>	<u>2027</u> <u>Est.</u>	<u>2028</u> <u>Est.</u>	<u>2029</u> <u>Est.</u>	<u>2030</u> <u>Est.</u>	<u>2031</u> <u>Est.</u>	<u>2026-2031</u> <u>Total</u>
New Tire Fee of \$5		12	24	24	24	24	24	132
Rental Vehicle Excise Tax of 3.5%		28	29	29	29	29	30	174
Rental Vehicle Registration Fee Alteration		5	5	5	5	5	5	30
<i>Subtotal – Enacted 2025 Session</i>		\$435	\$435	\$438	\$444	\$450	\$458	\$2,660
Total Enacted	\$206	\$776	\$783	\$792	\$815	\$839	\$871	\$4,876

MVA: Motor Vehicle Administration

SHA: State Highway Administration

TTF: Transportation Trust Fund

VEIP: Vehicle Emissions Inspection Program

Note: The fiscal 2026 estimate for the vehicle registration increases accounts for revenues attributable to the accelerated phase-in of the registration fee increase enacted in ***Chapter 604 of 2025***. Estimates for the historic tag eligibility account for changes to the definition of historic vehicles under ***Chapter 6 of 2026*** beginning in fiscal 2028.

Source: Maryland Department of Transportation; Department of Legislative Services

Support for Maryland's Trauma System

State funding for Maryland's emergency medical services system is provided from the Maryland Emergency Medical System Operations Fund (MEMSOF). MEMSOF's primary revenue source is a surcharge on motor vehicle registrations for certain classes of vehicles. The entities that traditionally receive funding from MEMSOF include the Maryland Fire and Rescue Institute; the Maryland Institute for Emergency Medical Services Systems; the Maryland State Police Aviation Command; and the Senator William H. Amoss Fire, Rescue, R Adams Cowley Shock Trauma Center (Shock Trauma Center) and Ambulance Fund (Amoss Fund). The motor vehicle registration surcharge also supports the Maryland Trauma Physician Services Fund (MTPSF). The motor vehicle registration surcharge is not inflation sensitive and has been increased through legislation multiple times.

Revenue Enhancements and Distributions

At the beginning of the term, with MEMSOF revenues inadequate to fund expenses, transfers from the General Fund to MEMSOF were provided in fiscal 2023 and 2024. ***Chapters 717, 718, and 719 of 2024*** increased the annual vehicle registration surcharge from \$17.00 to \$40.00 beginning in fiscal 2025. The portion of the annual surcharge supporting MEMSOF was also increased from \$14.50 to up to \$24.50 beginning in fiscal 2025. Actual



MEMSOF revenue from this source in fiscal 2025 was \$100.6 million, though it is expected to reach a level of \$116.5 million in fiscal 2027. The improved financial condition of MEMSOF has allowed subsequent budget reconciliation legislation to expand the authorized uses of MEMSOF to support additional expenditures in the Aviation Command. **Chapters 717, 718, and 719** also:

- increased from \$2.50 to \$6.50 the share of the annual vehicle registration surcharge allocated to the MTPSF. In fiscal 2027, the distribution from motor vehicle registration surcharges for the MTPSF is estimated to be \$32.3 million; and
- established a separate distribution for the Shock Trauma Center of at least \$9.00 from the \$40.00 annual surcharge. In fiscal 2027, the distribution from motor vehicle registration surcharge for the Shock Trauma Center is estimated to be \$44.2 million, a substantial increase over the \$8.7 million it received from MEMSOF’s share in fiscal 2024 prior to the enactment of the surcharge increase.

Blueprint for Maryland’s Future Fund Support

At the start of the 2023 session, the Blueprint Fund was projected to have sufficient balance to cover costs through fiscal 2026, with the general fund need exceeding \$1.49 billion in fiscal 2027 and \$3.8 billion in fiscal 2028. During each legislative session in the term, actions in the operating budget bill or budget reconciliation legislation provided additional support or relief to the Blueprint Fund. These actions have delayed and reduced the general fund need to support Blueprint funded programs. As of the close of the 2026 session, general funds are not needed to support Blueprint programs until fiscal 2028.

Exhibit A-1.13 shows the combined impact of the budget actions impacting the Blueprint Fund, which total \$1.6 billion across fiscal 2024 through 2029. The greatest impact occurred in fiscal 2024, during which one-time deposits were made to boost the fund balance through actions in the budget bill and the BRFAs of 2023 and 2024. Additional ongoing revenue was provided for the Blueprint fund in the BRFAs of 2024 and 2025, primarily from adjustments to tobacco and other smoking related taxes and revenue. Other legislation in the 2025 and 2026 sessions have also impacted the fund balance and costs of Blueprint programs, which are not captured in this exhibit.

Exhibit A-1.13
Budgetary Actions Providing Support for the
Blueprint for Maryland’s Future Fund Balance
Fiscal 2024-2029
(\$ in Millions)

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
Rainy Day Fund Appropriation Transfer	\$500.0					
Dedicated Purpose Account Transfer	400.0					

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
Revenue						
Dedicate a Share of Tobacco Revenues and Increase the Sales Tax on Electronic Smoking Devices		\$91.4	\$154.5	\$152.2	\$73.6	\$71.3
Repeal/Alter Certain Sales Tax Exemptions			4.0	4.3	4.4	4.5
Increase the Tax Rate on Sports Wagering		2.9				
Transfers						
School Construction Revolving Loan Fund Balance	40.0					
Resilient Maryland Revolving Loan Fund		9.0				
Expenditure Reductions						
Slow Phase-in of Tier II Eligibility in Full Day Prekindergarten Formula*		7.7	6.3	3.3		
Consortium for Coordinated Community Supports**		70.0				
Total Impact of Budget Actions on Blueprint Fund	\$940.0	\$181.0	\$164.8	\$159.8	\$77.9	\$75.9

*Excludes \$13,975,960 of increased Blueprint expenditures in fiscal 2027 that resulted from a provision in **Chapter 717 of 2024** (Budget Reconciliation and Financing Act) due to increasing the per pupil funding level in the prekindergarten formula.

**Excludes a reduction in fiscal 2026 contingent on the enactment of separate legislation.

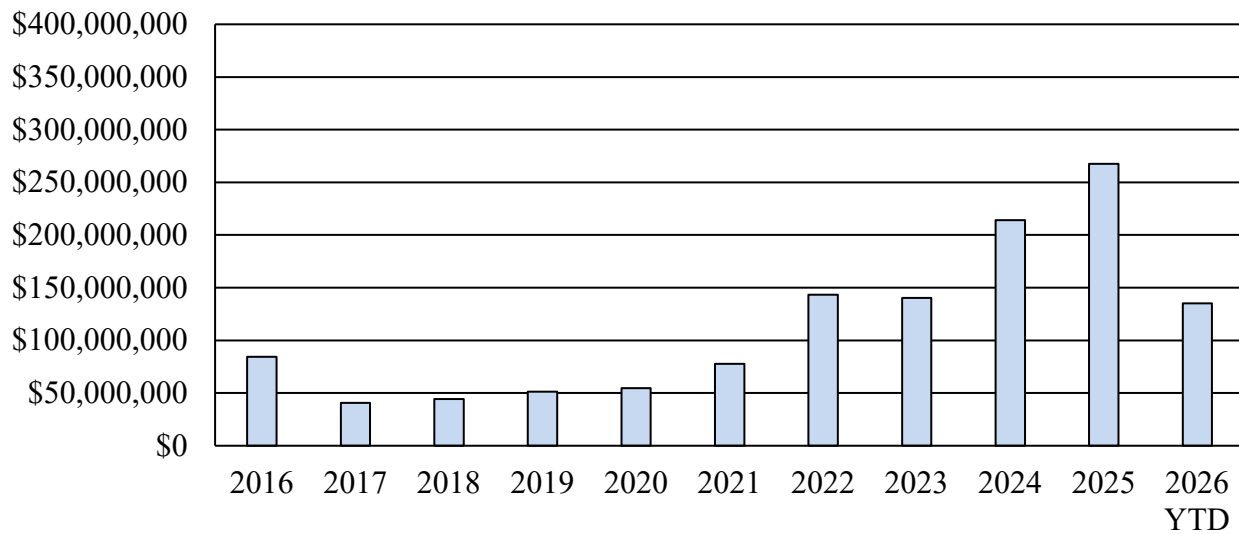
Note: Excludes the impact of separate legislation that may have the impact of either providing additional relief to the Blueprint Fund or increasing spending on Blueprint programs.

Source: Department of Legislative Services

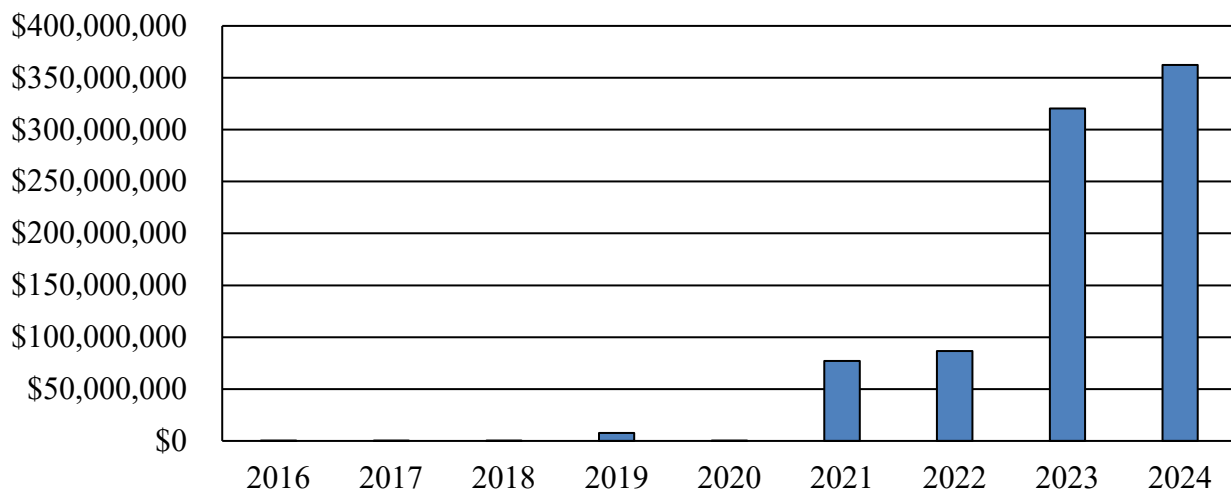
Strategic Energy Investment Fund

The SEIF primarily receives its ongoing revenues from quarterly auctions of RGGI and from ACP. Electric suppliers pay ACP if they fail to secure enough renewable energy credits to meet the required percentage of electricity supplied under the Renewable Portfolio Standard each year. Revenue into the SEIF rapidly increased from both primary fund sources during the 2023-2026 term. As shown in **Exhibit A-1.14**, revenue from RGGI auctions increased from approximately \$140 million in fiscal 2023 to \$267.5 million in fiscal 2025, while revenue from ACP increased from less than \$100,000 in calendar 2020 to \$86.6 million in calendar 2022 before exceeding \$300 million in each of calendar 2023 and 2024.

Exhibit A-1.14
Strategic Energy Investment Fund Revenue
Regional Greenhouse Gas Initiative Revenue
Fiscal 2016-2026 (through December 2025)



Alternative Compliance Payments Revenue
Calendar 2016-2024



Source: Public Service Commission; RGGI, Inc.; Department of Legislative Services

Due to the rapid growth in revenue, fund balance in the SEIF accumulated, as the timing for which revenue is known occurs after budget enactment. Due to the accumulating balances,

budgetary actions, particularly in the 2025 and 2026 session, sought to draw down the balance to provide both budget relief and expand the uses of the funds to support additional energy efficiency, renewable energy, climate change, and resiliency activities. The actions were most pronounced in the 2026 session, as the SEIF had an unencumbered balance at the close of fiscal 2025 of approximately \$836.4 million. The BRFA of 2026 authorized the transfer of \$292 million of SEIF balance (\$259 million from ACPs and \$33 million from the administrative account of RGGI) to the General Fund, and additional RGGI-supported SEIF was used for budgetary relief either under existing law or as authorized through the BRFA. ACP was also used to provide relief to ratepayers as well as to support the creation of new renewable energy and improved energy efficiency.

As shown in **Exhibit A-1.15**, across fiscal 2025 through 2027, the budgets as enacted provided approximately \$50 million in general fund relief and \$57 million of relief for the capital budget through the expanded use of RGGI-sourced SEIF. In the 2026 session, \$109 million of RGGI-sourced SEIF was used for a variety of legislative priorities, the largest of which was \$72.7 million for heat pump installation and replacement for low-and moderate-income households. **Exhibit A-1.16** identifies the uses of these funds, which were added to the fiscal 2027 appropriations through Supplemental Budget No. 2, portions of which were contingent on legislation authorizing the spending for these programs notwithstanding restrictions on revenue distributions in the SEIF.

Exhibit A-1.15
Budgetary Impacts of Expanded Uses of RGGI-sourced SEIF
Fiscal 2025-2027
(\$ in Millions)

	2025		2026		2027	
	<u>GF</u>	<u>SF</u>	<u>GF</u>	<u>SF</u>	<u>GF</u>	<u>SF</u>
	<u>Reduction</u>	<u>Approp.</u>	<u>Reduction</u>	<u>Approp.</u>	<u>Reduction</u>	<u>Approp.</u>
Department of Natural Resources	\$0.0	\$0.0	\$0.0	\$0.0	-\$0.8	\$5.8
PPRP (Not Contingent)	\$0.0	\$0.0	\$0.0	\$0.0		\$5.0
Environmental Review Program in PPRP	0.0	0.0	0.0	0.0	-0.8	0.8
Renewable and Clean Energy Programs Initiatives, Including Climate Change	-\$14.1	\$14.1	-\$17.5	\$17.6	-\$17.7	\$17.8
Chesapeake Bay Trust for Urban Trees Program in BPW (Not Contingent)	-\$7.5	\$7.5	-\$10.0	\$10.0	-\$10.0	\$10.0
Chesapeake Conservation and Climate Corps Program in BPW	0.0	0.0	-1.5	1.5	-1.5	1.5

	2025		2026		2027	
	<u>GF</u>	<u>SF</u>	<u>GF</u>	<u>SF</u>	<u>GF</u>	<u>SF</u>
	<u>Reduction</u>	<u>Approp.</u>	<u>Reduction</u>	<u>Approp.</u>	<u>Reduction</u>	<u>Approp.</u>
Air and Radiation						
Administration						
General Expenses	-6.6	6.6	-6.0	6.1	-5.6	5.6
Climate/Resiliency Positions						
in MDP, Comptroller,						
DHCD, and MDE	0.0	0.0	0.0	0.0	-0.6	0.6
MDEM	\$0.0	\$0.0	\$0.0	\$0.4	-\$0.3	\$1.5
Programs and Initiatives						
Related to Resiliency Efforts						
Implemented by MDEM	\$0.0	\$0.0	\$0.0	\$0.0	-\$0.3	\$1.5
Economic Analysis and						
Policy Benchmark Study	0.0	0.0	0.0	0.4	0.0	0.0
PAYGO (Replacing						
GO Bond Need)	\$0.0	\$0.0	\$0.0	\$27.0	\$0.0	\$30.0
Public Four-year Institutions	\$0.0	\$0.0	\$0.0	\$27.0	\$0.0	\$17.0
Comprehensive Flood						
Management Grant Program						
in MDE	0.0	0.0	0.0	0.0	0.0	9.5
DGS – Facilities Renewal	0.0	0.0	0.0	0.0	0.0	3.5
Total	-\$14.1	\$14.1	-\$17.5	\$45.0	-\$18.8	\$55.0

BPW: Board of Public Works
DGS: Department of General Services
DHCD: Department of Housing and Community Development
GF: general funds
GO: general obligation
MDE: Maryland Department of the Environment
MDEM: Maryland Department of Emergency Management

MDP: Maryland Department of Planning
PAYGO: pay-as-you-go
PPRP: Power Plant Research Program
RGGI: Regional Greenhouse Gas Initiative
SEIF: Strategic Energy Investment Fund
SF: special funds

Note: Approximately \$1.2 million of federal funds in fiscal 2027 in MDEM were also reduced contingent on the expansion of RGGI-sourced SEIF for programs and initiatives related to resiliency efforts implemented by MDEM.

Source: Department of Legislative Services

Exhibit A-1.16
Legislative Priorities for RGGI-sourced SEIF Contained in
Supplemental Budget No 2 to the Fiscal 2027 Budget
(\$ in Millions)

MEA

Grant to Maryland Clean Energy Center for Climate Catalytic Capital Fund.....	\$23.8
Grant to Easton Utilities for an energy storage project.....	0.5

Interagency Commission on School Construction

HVAC upgrades – public schools in Baltimore City*	9.0

Department of Natural Resources

Power Plant Research Program supplemental funding to assist in review of renewable and clean energy projects*	3.0

Higher Education

Grant to the University System of Maryland Office for conducting a study to evaluate the relationship between climate change, the availability and price of homeowner's insurance, and emergency disaster preparedness**	0.1

Dedicated Purpose Account

MEA's Residential Energy Equity Program for heat pump installation and replacement for low- and moderate-income households*	72.7

Supplemental Budget No. 2 – RGGI Spending – Legislative Priorities **\$109.0**

MEA: Maryland Energy Administration
 RGGI: Regional Greenhouse Gas Initiative
 SEIF: Strategic Energy Investment Fund

* Contingent on legislation, contingency met with *Chapter 353 of 2026*.

** Contingent on HB 1219 or SB 739 of 2026, contingency met with *Chapters 696 and 697*.

Source: Department of Legislative Services

Due to the growth in ACP revenue, the fiscal 2025 through 2027 budgets transferred ACP revenues to the General Fund and expanded the allowable uses. As shown in **Exhibit A-1.17**, in each of fiscal 2026 and 2027, more than \$300 million of ACP revenues was spent on expanded uses. Rate relief in different forms has been the largest area of expanded use. In fiscal 2026, the rate relief was provided through direct bill credits from utilities, while in fiscal 2027 the rate relief is provided through reducing costs for certain programs that would otherwise be borne by ratepayers. The second largest area of expanded use is for the development of solar and other renewable energy.

Exhibit A-1.17
Alternative Compliance Payment Uses
Fiscal 2025-2027
(\$ in Millions)

	<u>2025</u>	<u>2026</u>	<u>2027 Leg.</u> <u>Approp.</u>
Public Service Commission			
Rate Relief Credits	\$0.0	\$200.0	\$0.0
Downpayment on EmPOWER Maryland Residential Programming Costs**	0.0	0.0	100.0
Partially Offset Ratepayer Costs for the Limited Income Discount Program**	0.0	0.0	38.0
Maryland Energy Administration			
Local Government Energy Modernization*	0.0	50.0	7.0
Grant Program Operated as a Reverse Auction for New Renewable Energy and Storage Capacity**	0.0	0.0	100.0
Commercial Building Program*	0.0	0.0	4.0
OPEN Energy Innovation Grant Program*	0.0	0.0	2.0
Additional Funding for Residential and Commercial Energy Storage Program (on Top of \$2.0 Million Budgeted)**	0.0	0.0	2.0
Interagency Commission on School Construction			
HVAC Upgrades – Public Schools in Baltimore City**	0.0	0.0	9.9
Comptroller			
Study of HVAC Systems at Four Baltimore City Public Schools**	0.0	0.0	0.2
Maryland Department of Transportation			
Solar Projects*	0.0	50.0	0.0
Department of General Services			
Solar on State Facilities*	0.0	0.0	20.0

	<u>2025</u>	<u>2026</u>	<u>2027 Leg. Approp.</u>
Dedicated Purpose Account			
Various Uses***	43.1	0.0	0.0
Higher Education Research Grant*	0.0	0.0	42.0
ACP Use for Expanded Purposes	\$43.1	\$300.0	\$325.0
<i>Other ACP Budgeted in the Maryland Energy Administration</i>	<i>\$81.0</i>	<i>\$98.0</i>	<i>\$85.0</i>
Total ACP Spending	\$124.1	\$398.0	\$410.0
<i>Transfer to the General Fund</i>	<i>\$230.0</i>	<i>\$259.0</i>	
Total ACP Used to Support Budget	\$354.1	\$657.0	\$410.0

ACP: Alternative Compliance Payments

SEIF: Strategic Energy Investment Fund

* Expanded uses contingent on the Budget Reconciliation and Financing Acts (BRFA) of 2024, 2025, or 2026.

** Contingent on *Chapter 353 of 2026*.

*** Part of an overall transfer of \$90 million as authorized in the BRFA of 2024, a portion of which was transferred from other SEIF sources. Actual uses based on the spending plan (not yet fully expended) and not designated by source.

Source: Department of Legislative Services

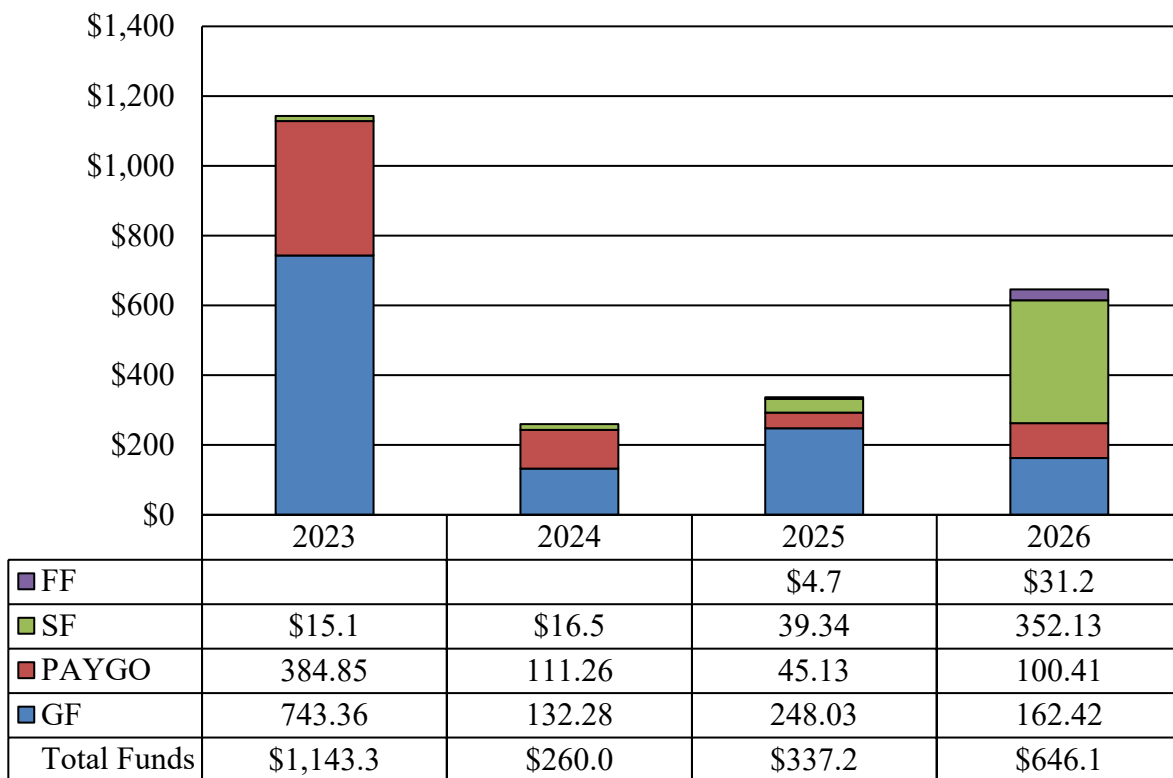
Legislative Additions

Beginning with the fiscal 2024 operating budget, the General Assembly was authorized to increase appropriations made by the Governor and add items to appropriations for Executive Branch agencies. Prior to this, the General Assembly had this authority only for judicial and legislative appropriations. Under this authority, the total appropriation for each fund type in the operating budget cannot exceed the total appropriation submitted by the Governor. The Governor may veto any added or increased items by the General Assembly for Executive Branch agencies. The General Assembly may add items in both the current year and allowance year.

Exhibit A-1.18 provides information on the total amount of funds by fund source added by session year, combining additions for the current and budget year beginning in the 2024 session. Commensurate with the higher than usual cash balance, general fund additions, including PAYGO, were the highest in the 2023 session, exceeding \$1.0 billion. Of this amount, \$400 million was added for the purpose of increasing the balance of the Blueprint Fund, with an additional \$100 million added for transportation. General fund additions declined in subsequent sessions due to the lower general fund capacity. Combined in the 2023 through 2026 sessions, approximately

\$642 million of additions supported PAYGO, primarily to free up capacity in the capital budget. Special fund additions were the highest in the 2026 session, with \$352 million of the total \$646 million in additions in that session. Most of the special fund additions (\$250 million) represented a reappropriation of ACP revenue based on legislative priorities and to support **Chapter 353 of 2026**, the Utility RELIEF Act.

Exhibit A-1.18
Legislative Additions
2023-2026 Sessions
(\$ in Millions)



GF: general funds
 FF: federal funds
 PAYGO: pay-as-you-go
 SF: special funds
 TF: total funds

Note: Excludes additions which were vetoed and which were contingent upon the enactment of legislation and the legislation failed to be enacted (either due to failure to pass or veto).

Source: Department of Legislative Services

Some legislative additions reduced or eliminated the impact of certain cost containment actions, with a combined \$233 million across the 2025 and 2026 sessions to reduce the impact of cost containment and address shortfalls in DDA and \$20 million in the 2026 session to reduce waitlists in the Child Care Scholarship program. Legislative additions also resolved an identified shortfall in debt service in the 2024 session. Other additions provided grant funding to a variety of nonprofit organizations. **Exhibit A-1.19** details legislative additions exceeding \$15 million in each session year.

Exhibit A-1.19
Legislative Additions Exceeding \$15 Million
2023-2026 Sessions
(\$ in Millions)

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Blueprint for Maryland's Future Fund	\$400.0			
Reappropriate the SEIF for Specified Purposes				\$250.0
Developmental Disabilities Administration			\$181.5	51.2
Future Transportation Projects	100.0			
Replace ITIF Funds with Fiscal Responsibility Funds				59.3
Cannabis Business Assistance Fund	40.0			
Trauma Support (MEMSOF and Trauma Facilities)	35.0			
Reappropriate Funding for Blue Line Corridor for Specified Projects				27.0
Debt Service		\$21.0		
Child Care Scholarships				20.0
Disparity Grant Enhancement			17.1	
1% Rate Increase for Nursing Home Providers				16.2

ITIF: Information Technology Investment Fund

MEMSOF: Maryland Emergency Medical System Operations Fund

SEIF: Strategic Energy Investment Fund

Source: Department of Legislative Services

Personnel

As shown in **Exhibit A-1.20**, the number of authorized regular positions in the Executive Branch increased by a net 3,023 positions, or 6% of the workforce, between fiscal 2023 and 2027. Increases in positions occurred in many units of State government, primarily due to efforts to convert contractual full-time equivalents to regular positions and implement legislation. In MDH, positions increased by 815, mainly in State psychiatric hospitals and administrative

headquarters. In the Maryland Department of Labor, 366 new positions were added for the Family and Medical Leave Insurance (FAMLI) program, and another 125 were added to bring the unemployment insurance call center in house. Several smaller administrative units were separated from other functions or established independently through legislation; this includes 101 positions for the Maryland Cannabis Administration, 71 positions for the Department of Social and Economic Mobility, and 66 positions for the Department of Service and Civic Innovation. Despite overall increases, significant numbers of positions were abolished during the term, including 332 through the implementation of a Voluntary Separation Program in fiscal 2026.

Exhibit A-1.20
Authorized Positions in the Executive Branch, Excluding Higher Education
Fiscal 2023 and Fiscal 2027

<u>Department/Service Area</u>	<u>2023 Legislative Appropriation</u>	<u>2027 Legislative Appropriation</u>	<u>Increase (Decrease)</u>	<u>Change %</u>
Public Safety, Health, and Human Services				
Public Safety and Correctional Services	9,217	9,199	-18	-0.2%
Health	6,445	7,260	815	12.6%
Human Services	5,979	5,871	-107	-1.8%
Police and Fire Marshal	2,544	2,574	31	1.2%
Juvenile Services	2,163	2,135	-28	-1.3%
Subtotal	26,347	27,039	692	2.6%
Transportation	9,058	9,442	384	4.2%
Other Executive				
Legal (Excluding Judiciary)	1,629	1,797	168	10.3%
Executive and Administrative Control	1,763	2,164	400	22.7%
Financial and Revenue Administration	2,257	2,492	235	10.4%
Budget and Management and DoIT	530	625	95	17.8%
Retirement	192	218	26	13.5%
General Services	703	750	47	6.7%
Service and Civic Innovation	32	66	34	n/a
Natural Resources	1,462	1,533	72	4.9%
Agriculture	409	439	29	7.2%
Labor	1,417	1,934	517	36.5%
MSDE and Other Education	1,888	2,054	166	8.8%
Housing and Community Development	355	447	92	25.9%
Commerce	186	209	23	12.4%

<u>Department/Service Area</u>	<u>2023 Legislative Appropriation</u>	<u>2027 Legislative Appropriation</u>	<u>Increase (Decrease)</u>	<u>Change %</u>
Environment	959	1,003	44	4.6%
Subtotal	13,783	15,730	1,947	14.1%
Executive Branch	49,187	52,211	3,023	6.1%

DoIT: Department of Information Technology

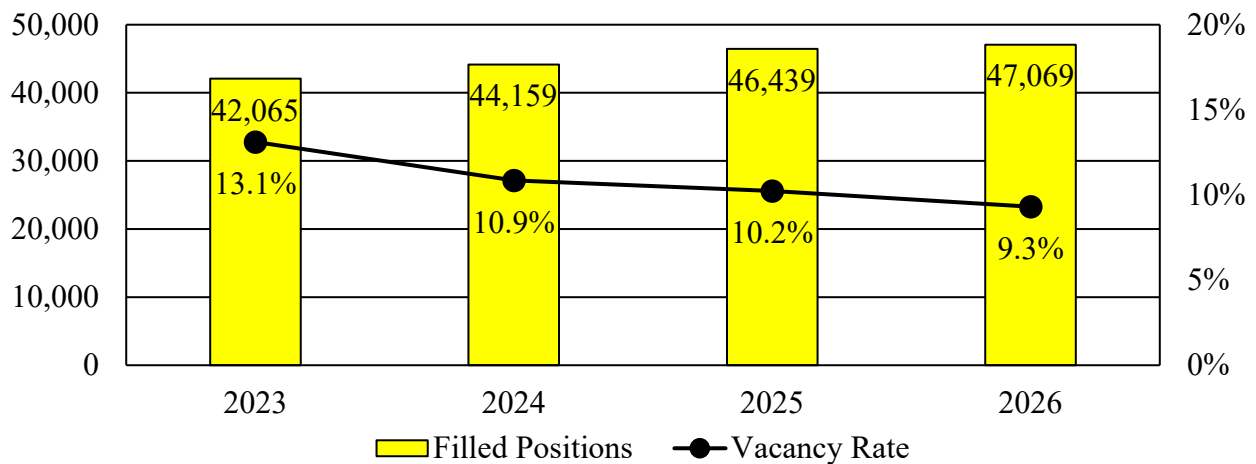
MSDE: Maryland State Department of Education

Note: Totals may not sum due to rounding.

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

A key priority during the 2023 to 2026 term was increasing the number of filled positions throughout State government. Between January 2023 and January 2026, as shown in **Exhibit A 1.21**, the number of filled positions in the Executive Branch increased by just over 5,000, accounting for both new positions created during the period and reduced levels of vacant positions. Over the same period, the vacancy rate declined from 13.1% to 9.3%.

Exhibit A-1.21
Filled Positions and Vacancy Rate for Executive Branch Positions,
Excluding Higher Education
January 2023-2026



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

Efforts to fill State government positions were bolstered by compensation enhancements. **Exhibit A-1.22** summarizes statewide salary actions for State employees for fiscal 2024 through 2027. Regular employees received a general salary increase each year, and increments were provided to all employees in two of the four years of the term. A targeted increment was also provided in fiscal 2025 to employees continuously employed since June 30, 2019, and increments for fiscal 2026 were limited to members of bargaining units. For police, Natural Resources Police, and park rangers, general salary increases were included in three out of four years, with increments provided in lieu of a general salary increase for fiscal 2027.

Exhibit A-1.22
Employee Compensation Increases
Fiscal 2024-2027

<u>Year</u>	<u>Date of Increase</u>	<u>General Salary Increase</u>	<u>Increments</u>	<u>Police, NRP, and Park Ranger Salary Increases</u>	<u>Maximum Deferred Compensation Match</u>	<u>Annual Salary Review</u>
2024	7/1/2023	2%	On time ¹	5% and negotiated increments	\$600	Yes ²
2025	7/1/2024	3%	On time ³	5% and negotiated increments	600	Yes ⁴
2026	7/1/2025	1%	Bargaining units only ⁵	1% and negotiated increments	600	None
2027	7/1/2026	1.5% ⁶	Salary steps expansions ⁷	Negotiated increments	600	Yes ⁸

NRP: Natural Resources Police

¹An additional increment was provided for American Federation of State, County and Municipal Employees-represented employees.

²The fiscal 2024 annual salary review (ASR) provided funding for nearly 6,000 positions across a wide range of high vacancy positions.

³An additional increment was provided to employees continuously employed since June 30, 2019.

⁴The fiscal 2025 ASR provides funding for salary increases for nearly 4,000 positions across State agencies.

⁵Fiscal 2026 increments were funded only for employees represented by a bargaining unit.

⁶The fiscal 2027 1.5% cost-of-living adjustment (COLA) applies to all State employees except members of the State Law Enforcement Officers Labor Alliance. Employees of the Maryland School For the Deaf receive a 2% COLA.

⁷Funding is provided to expand the salary steps in each salary scale for State employees to a standard 2% increase between steps.

⁸The fiscal 2027 ASR provides funding for targeted salary increases for 512 positions.

Source: Department of Legislative Services

In addition to general salary increases and increments, funding was directed toward recruitment and retention efforts for targeted groups, such as correctional officer bonuses and Annual Salary Review increases. In addition, after no match had been provided for a number of years, **Chapter 100 of 2023** required a deferred compensation match of up to \$600 per year for employees making contributions to the State supplemental retirement plan beginning in fiscal 2024. Due to this requirement, the match was provided in each year of the term.

Budget Outlook

Exhibit A-1.23 shows the cash and structural forecast for the General Fund at the end of the 2026 session. Fiscal 2027 is projected to end with a general fund balance of \$201 million and a structural shortfall of \$598 million. Between fiscal 2027 and 2031, ongoing spending is projected to grow at an average annual rate of 5.6%, outpacing ongoing revenues, which are estimated to grow at an average annual rate of 3.5%. The structural gap grows beginning in fiscal 2028, as Blueprint costs exceed available Blueprint revenues, and nearly \$2.6 billion of general funds are required to close the overall structural gap. The estimated structural deficit further increases to \$3.43 billion by fiscal 2030. The forecast assumes the State closes fiscal 2027 with a Rainy Day Fund balance of \$2.2 billion, which equates to 8% of general fund revenues, and the balance grows to \$2.3 billion by fiscal 2031.

Exhibit A-1.23
General Fund Budget Outlook
Fiscal 2027-2031
(\$ in Millions)

	Leg. Approp.					Average Annual Change
	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2027-2031</u>
Revenues						
Opening Fund Balance	\$753	\$201	\$0	\$0	\$0	
Transfers	115	0	0	0	0	
One-time Revenues	2	0	0	0	0	
Subtotal – One-time Revenue	\$870	\$201	\$0	\$0	\$0	
Ongoing Revenues	\$27,085	\$28,098	\$29,174	\$29,982	\$31,246	
Revenue Adjustments – Legislation	92	57	16	-21	-62	
Subtotal – Ongoing Revenue	\$27,177	\$28,155	\$29,190	\$29,960	\$31,184	3.5%
Total Revenues and Fund Balance	\$28,047	\$28,356	\$29,190	\$29,960	\$31,184	2.7%
Spending						
Ongoing Spending	\$27,775	\$30,728	\$32,043	\$33,389	\$34,536	5.6%
One-time Spending	\$72	\$198	\$193	\$193	\$193	

	Leg. Approp.					Average Annual Change
	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2027-2031</u>
Total Spending	\$27,847	\$30,925	\$32,236	\$33,582	\$34,729	5.7%
Ending Balance	\$201	-\$2,570	-\$3,045	-\$3,622	-\$3,545	
Rainy Day Fund Balance	\$2,156	\$2,194	\$2,240	\$2,287	\$2,334	
Balance Over 5% of General Fund Revenues	800	788	785	795	783	
As % of General Fund Revenues	8.0%	7.8%	7.7%	7.7%	7.5%	
Structural Balance	-\$598	-\$2,573	-\$2,853	-\$3,429	-\$3,353	

Source: Department of Legislative Services

Legislation enacted during the term with a significant impact on revenues, excluding previously discussed BRFA provisions, includes the following.

- **Chapters 3 and 4 of 2023** extended the temporary expansions to the Maryland earned income credit that were enacted in 2021 and eliminated an existing limit on the value of the State refundable earned income credit for individuals without qualifying children. In addition, the Acts permanently extended and altered eligibility for the State child tax credit originally enacted in 2021. Under the Acts, general fund revenues were projected to decrease by \$172 million in fiscal 2024, \$176 million in fiscal 2025, \$179 million in fiscal 2026, \$183 million in fiscal 2027, and \$187 million in fiscal 2028.
- **Chapters 254 and 255 of 2023** established the regulatory framework for adult-use cannabis, created a Social Equity Partnership Grant Program, and established a sales and use tax applicable to adult-use cannabis. At the time, the Acts were expected to increase general fund revenues by \$16.4 million in fiscal 2024, \$30 million in fiscal 2025, \$49 million in fiscal 2026, \$66 million in fiscal 2027, and \$79 million in fiscal 2028.
- **Chapters 351 and 352 of 2026** exempted certain related-party sales of data and information technology services and digital products from the sales and use tax, which reduces general fund revenues by a total of \$241.4 million from fiscal 2027 to 2031. This provision also reduces revenue for the Blueprint Fund by \$9.6 million and, as a result, general fund spending increases by \$9.6 million over the period to fund Blueprint expenses. In addition, the Acts extend three tax credits that reduce general fund revenues by a combined \$55.1 million from fiscal 2028 through 2031.

Legislation passed in the 2023 to 2026 sessions with significant impacts on general fund spending includes the following.

- ***Chapters 258 and 259 of 2023*** modified the FAMILI Program by altering key administrative deadlines, technical definitions, and components of the program's administration. The Acts delayed the start dates for required contributions and benefit payments to October 1, 2024, and January 1, 2026, respectively. These start dates were further delayed, most recently by ***Chapter 363 of 2025***. Due to the changes in ***Chapters 258 and 259***, general fund spending was expected to increase by \$22 million in fiscal 2025 and between \$36 million and \$39 million per year in fiscal 2026 to 2028.
- ***Chapter 449 of 2024*** established the Strategic Infrastructure Revolving Loan Program and Fund in the Maryland Economic Development Corporation (MEDCO) to make loans for targeted investments in real estate and infrastructure projects to support specified economic, community development, inclusion, and equity objectives. Under the Act, general fund spending for MEDCO was projected to increase by \$20 million annually from fiscal 2026 through 2029.
- ***Chapter 602 of 2026*** makes several alterations to Blueprint programs and initiatives, including extending a hold harmless provision for counts of low-income students through fiscal 2028. Since the forecasts prepared by the Administration and the Department of Legislative Services at the beginning of the 2026 session assumed that the hold harmless provision would be extended permanently, the sunset of the provision after fiscal 2028 is calculated as reducing general fund spending from fiscal 2029 to 2031 by a total of \$1.21 billion.

Exhibit A-1.24 sets forth State expenditures during the 2023-2026 term as follows: general funds; special and higher education funding; federal funds; all State funds; and all funds.

Exhibit A-1.24
State Expenditures – General Funds
Fiscal 2023-2027
(\$ in Millions)

Category	Actual 2023	Actual 2024	Actual 2025	Working Appr. 2026	Legislative Appr. 2027	\$ Change 2023 to 2027	% Change
Debt Service	\$430.0	\$425.1	\$397.1	\$154.7	\$177.7	-\$252.3	-58.7%
County/Municipal	393.8	453.7	417.2	395.9	420.0	26.2	6.6%
Community Colleges	434.8	476.0	478.3	504.3	518.5	83.6	19.2%
Education/Libraries	7,109.9	7,214.7	7,379.5	7,429.2	7,456.2	346.2	4.9%
Health	106.1	135.0	85.8	115.2	115.2	9.0	8.5%
Aid to Local Governments	\$8,044.7	\$8,279.4	\$8,360.8	\$8,444.6	\$8,509.8	\$465.1	5.8%
Foster Care Payments	\$253.6	\$268.5	\$279.0	\$336.4	\$346.1	\$92.5	36.5%
Assistance Payments	123.5	58.4	208.1	139.8	139.5	16.1	13.0%
Medical Assistance	4,465.5	5,080.8	5,652.3	5,626.2	5,688.7	1,223.3	27.4%
Property Tax Credits	77.4	93.8	96.0	98.3	90.5	13.1	16.9%
Entitlements	\$4,920.0	\$5,501.5	\$6,235.4	\$6,200.7	\$6,264.9	\$1,344.9	27.3%
Health	\$2,018.8	\$2,276.0	\$3,054.3	\$3,387.4	\$3,317.3	\$1,298.5	64.3%
Human Services	450.5	515.6	471.4	572.5	550.2	99.7	22.1%
Juvenile Services	292.3	321.4	341.9	367.2	372.2	79.8	27.3%
Public Safety/Police	1,807.7	1,981.3	2,208.8	2,231.7	2,276.3	468.6	25.9%
Higher Education	2,032.6	2,333.7	2,433.3	2,410.9	2,403.4	370.8	18.2%
Transportation	0.0	0.3	196.9	1.1	3.0	3.0	n/a.
Other Education	703.9	930.0	1,048.2	1,049.9	1,076.2	372.3	52.9%
Agriculture/Natural Resources/Environment	200.0	236.9	214.4	201.5	214.3	14.3	7.2%
Other Executive Agencies	1,420.6	1,414.8	1,448.5	1,628.2	1,721.9	301.2	21.2%
Judiciary	646.2	670.3	708.3	708.0	764.0	117.8	18.2%
Legislative	143.3	155.2	165.0	163.5	164.4	21.2	14.8%
State Agencies	\$9,715.9	\$10,835.5	\$12,291.0	\$12,721.9	\$12,863.1	\$3,147.2	32.4%
Deficiencies (for Prior Years)	\$0.0	\$0.0	\$0.0	\$321.8	\$0.0	\$0.0	n/a
Total Operating	\$23,110.6	\$25,041.5	\$27,284.3	\$27,843.7	\$27,815.4	\$4,704.8	20.4%
Capital	\$2,018.5	\$1,145.0	\$146.1	\$114.6	\$108.7	-\$1,909.8	-94.6%
Subtotal	\$25,129.1	\$26,186.5	\$27,430.4	\$27,958.3	\$27,924.1	\$2,795.1	11.1%
Reserve Funds	\$2,843.1	\$1,210.6	\$2.5	\$79.5	\$22.6	-\$2,820.5	-99.2%
Appropriations	\$27,972.1	\$27,397.1	\$27,432.9	\$28,037.8	\$27,946.7	-\$25.4	-0.1%
Reversions	\$0.0	\$0.0	\$0.0	-\$100.0	-\$100.0	-\$100.0	n.a.
Grand Total	\$27,972.1	\$27,397.1	\$27,432.9	\$27,937.8	\$27,846.7	-\$125.4	-0.4%

Note: The fiscal 2026 working appropriation reflects \$1.0 billion in deficiencies and supplemental deficiencies plus targeted reversions of \$28.9 million. It also reflects legislative additions of \$54.2 million.

Exhibit A-1.24 (cont.)
State Expenditures – Special and Higher Education Funds*
Fiscal 2023-2027
(\$ in Millions)

Category	Actual 2023	Actual 2024	Actual 2025	Working Appr. 2026	Legislative Appr. 2027	\$ Change 2023 to 2027	% Change
Debt Service	\$1,256.0	\$1,427.6	\$1,532.3	\$1,673.4	\$1,770.8	\$514.9	41.0%
County/Municipal	478.0	511.6	599.8	650.7	645.8	167.8	35.1%
Community Colleges	0.0	0.0	0.0	0.0	0.0	0.0	n/a
Education/Libraries	869.3	1,498.0	1,795.3	2,431.5	2,781.3	1,912.0	220.0%
Health	0.0	0.0	0.0	0.0	0.0	0.0	n/a
Aid to Local Governments	\$1,347.3	\$2,009.5	\$2,395.0	\$3,082.2	\$3,427.1	\$2,079.8	154.4%
Foster Care Payments	\$2.3	\$2.2	\$1.4	\$4.3	\$4.4	\$2.0	88.8%
Assistance Payments	8.3	8.9	12.0	14.1	12.3	4.0	48.5%
Medical Assistance	792.8	763.8	822.6	862.1	883.1	90.3	11.4%
Property Tax Credits	0.0	0.0	0.0	0.0	0.0	0.0	n/a
Entitlements	\$803.4	\$774.8	\$835.9	\$880.5	\$899.8	\$96.3	12.0%
Health	\$780.8	\$697.3	\$704.8	\$903.0	\$935.3	\$154.5	19.8%
Human Services	150.6	172.7	162.6	251.7	237.0	86.4	57.4%
Juvenile Services	1.8	2.5	3.3	3.5	3.3	1.5	81.4%
Public Safety/Police	174.1	218.9	196.4	242.9	246.0	71.9	41.3%
Higher Education	5,590.8	5,687.6	6,008.2	6,170.8	6,234.2	643.4	11.5%
Other Education	151.0	298.2	300.6	342.8	362.8	211.8	140.3%
Transportation	1,959.6	2,386.8	2,823.2	2,932.9	3,104.3	1,144.8	58.4%
Agriculture/Natural Resources/Environment	311.7	330.1	351.2	415.0	430.9	119.2	38.2%
Other Executive Agencies	936.1	1,300.0	1,415.7	2,023.5	2,301.5	1,365.4	145.9%
Judiciary	63.5	85.3	73.2	83.5	80.2	16.7	26.3%
Legislative	0.0	0.0	0.0	0.0	0.0	0.0	n/a
State Agencies	\$10,119.9	\$11,179.5	\$12,039.2	\$13,369.5	\$13,935.5	\$3,815.6	37.7%
Deficiencies (for Prior Years)	\$0.0	\$0.0	\$0.0	-\$1.0	\$0.0	\$0.0	n/a
Total Operating	\$13,526.6	\$15,391.4	\$16,802.5	\$19,004.5	\$20,033.2	\$6,506.7	48.1%
Capital	\$1,293.1	\$2,150.4	\$1,990.5	\$1,855.1	\$1,968.7	\$675.6	52.2%
Transportation	904.6	1,125.2	1,450.5	1,330.5	1,396.2	491.7	54.4%
Environment	225.7	265.7	209.6	205.7	169.1	-56.6	-25.1%
Other	162.8	759.5	330.3	318.9	403.4	240.6	147.8%
Subtotal	\$14,819.7	\$17,541.9	\$18,793.0	\$20,859.6	\$22,002.0	\$7,182.3	48.5%
Reserve Funds	\$0.0	\$0.0	\$90.0	\$0.0	\$114.7	\$114.7	n/a
Grand Total	\$14,819.7	\$17,541.9	\$18,883.0	\$20,859.6	\$22,116.6	\$7,296.9	49.2%

*Includes higher education funds (current unrestricted and current restricted) net of general and special funds.

Note: The fiscal 2026 working appropriation reflects \$29.6 million in deficiencies and supplemental deficiencies. It also reflects \$59.3 million in legislative additions. Fiscal 2023 excludes \$1.1 billion, fiscal 2024 excludes \$200.6 million, fiscal 2025 excludes \$70.3 million, fiscal 2026 excludes \$68.7 million, and fiscal 2027 excludes \$95.0 million of special funds that double counts general fund spending.

Exhibit A-1.24 (Cont.)
State Expenditures – Federal Funds
Fiscal 2023-2027
(\$ in Millions)

Category	Actual 2023	Actual 2024	Actual 2025	Working Appr. 2026	Legislative Appr. 2027	\$ Change 2023 to 2027	% Change
Debt Service	\$6.4	\$6.4	\$4.1	\$2.9	\$0.8	-\$5.6	-87.1%
County/Municipal	56.7	64.0	100.8	82.1	82.2	25.5	45.0%
Community Colleges	0.0	0.0	0.0	0.0	0.0	0.0	n/a
Education/Libraries	1,212.1	1,186.3	1,202.2	1,232.8	1,251.6	39.4	3.3%
Health	0.0	0.0	25.0	0.0	0.0	0.0	n/a
Aid to Local Governments	\$1,268.8	\$1,250.2	\$1,328.0	\$1,315.0	\$1,333.7	\$64.9	5.1%
Foster Care Payments	\$86.1	\$73.1	\$130.8	\$85.1	\$85.1	-\$1.0	-1.1%
Assistance Payments	2,108.9	1,800.6	1,765.4	1,840.3	1,644.7	-464.2	-22.0%
Medical Assistance	9,583.9	9,488.0	9,885.5	10,001.6	10,228.5	644.6	6.7%
Property Tax Credits	0.0	0.0	0.0	0.0	0.0	0.0	n/a
Entitlements	\$11,778.9	\$11,361.6	\$11,781.7	\$11,927.0	\$11,958.4	\$179.5	1.5%
Health	\$2,706.4	\$2,486.0	\$2,822.1	\$3,081.9	\$3,024.1	\$317.7	11.7%
Human Services	690.3	734.7	786.5	779.9	671.7	-18.6	-2.7%
Juvenile Services	5.9	9.4	8.2	6.3	7.2	1.2	20.7%
Public Safety/Police	50.4	36.1	34.3	48.5	49.0	-1.4	-2.7%
Higher Education	0.0	0.0	0.0	0.0	0.0	0.0	n/a
Other Education	523.7	411.1	384.2	431.5	435.1	-88.6	-16.9%
Transportation	474.7	253.9	129.2	140.5	142.8	-331.9	-69.9%
Agriculture/Natural Resources/Environment	78.8	83.6	95.1	113.8	128.4	49.6	63.0%
Other Executive Agencies	1,349.4	1,543.9	1,105.7	1,530.2	1,652.3	302.9	22.4%
Judiciary	0.5	0.7	1.2	1.0	1.4	0.9	174.2%
Legislature	0.0	0.0	0.0	0.0	0.0	0.0	n/a
State Agencies	\$5,880.0	\$5,559.4	\$5,366.4	\$6,133.7	\$6,112.0	\$231.9	3.9%
Deficiencies (for Prior Years)	\$0.0	\$0.0	\$0.0	\$430.7	\$0.0	\$0.0	n/a
Total Operating	\$18,934.2	\$18,177.6	\$18,480.1	\$19,809.2	\$19,404.9	\$470.7	2.5%
Capital	\$1,352.5	\$1,323.8	\$1,506.2	\$1,565.8	\$1,668.2	\$315.6	23.3%
Transportation	883.8	1,013.4	1,107.9	1,342.2	1,413.0	529.2	59.9%
Environment	213.5	116.8	173.2	174.6	217.4	3.9	1.8%
Other	255.3	193.6	225.1	48.9	37.8	-217.5	-85.2%
Grand Total	\$20,286.7	\$19,501.5	\$19,986.4	\$21,375.0	\$21,073.1	\$786.4	3.9%

Note: The fiscal 2026 working appropriation reflects \$1.8 billion in deficiencies and supplemental deficiencies.

Exhibit A-1.24 (Cont.)
State Expenditures – State Funds
Fiscal 2023-2027
(\$ in Millions)

Category	Actual 2023	Actual 2024	Actual 2025	Working Appr. 2026	Legislative Appr. 2027	\$ Change 2023 to 2027	% Change
Debt Service	\$1,686.0	\$1,852.7	\$1,929.4	\$1,828.1	\$1,948.5	\$262.6	15.6%
County/Municipal	871.9	965.3	1,017.0	1,046.6	1,065.8	194.0	22.2%
Community Colleges	434.8	476.0	478.3	504.3	518.5	83.6	19.2%
Education/Libraries	7,979.2	8,712.7	9,174.8	9,860.7	10,237.5	2,258.3	28.3%
Health	106.1	135.0	85.8	115.2	115.2	9.0	8.5%
Aid to Local Governments	\$9,392.0	\$10,288.9	\$10,755.8	\$11,526.7	\$11,936.9	\$2,544.9	27.1%
Foster Care Payments	\$255.9	\$270.7	\$280.4	\$340.6	\$350.5	\$94.5	36.9%
Assistance Payments	131.8	67.3	220.1	153.9	151.9	20.1	15.3%
Medical Assistance	5,258.3	5,844.5	6,474.9	6,488.3	6,571.8	1,313.5	25.0%
Property Tax Credits	77.4	93.8	96.0	98.3	90.5	13.1	16.9%
Entitlements	\$5,723.4	\$6,276.3	\$7,071.3	\$7,081.2	\$7,164.6	\$1,441.3	25.2%
Health	\$2,799.6	\$2,973.3	\$3,759.1	\$4,290.4	\$4,252.6	\$1,453.0	51.9%
Human Services	601.1	688.3	634.1	824.3	787.2	186.1	31.0%
Juvenile Services	294.1	324.0	345.1	370.7	375.5	81.3	27.6%
Public Safety/Police	1,981.8	2,200.1	2,405.2	2,474.6	2,522.2	540.5	27.3%
Higher Education	7,623.4	8,021.3	8,441.6	8,581.7	8,637.6	1,014.2	13.3%
Other Education	854.9	1,228.2	1,348.8	1,392.7	1,439.0	584.2	68.3%
Transportation	1,959.6	2,387.1	3,020.1	2,934.0	3,107.3	1,147.7	58.6%
Agriculture/Natural Resources/Environment	511.7	567.0	565.6	616.5	645.2	133.6	26.1%
Other Executive Agencies	2,356.7	2,714.8	2,864.2	3,651.7	4,023.3	1,666.6	70.7%
Judiciary	709.7	755.6	781.5	791.4	844.2	134.5	19.0%
Legislative	143.3	155.2	165.0	163.5	164.4	21.2	14.8%
State Agencies	\$19,835.8	\$22,015.0	\$24,330.2	\$26,091.4	\$26,798.6	\$6,962.7	35.1%
Deficiencies (for Prior Years)	\$0.0	\$0.0	\$0.0	\$320.8	\$0.0	\$0.0	n/a
Total Operating	\$36,637.2	\$40,432.9	\$44,086.8	\$46,848.2	\$47,848.6	\$11,211.5	30.6%
Capital	\$3,311.6	\$3,295.4	\$2,136.5	\$1,969.6	\$2,077.5	-\$1,234.1	-37.3%
Transportation	1,081.6	1,292.3	1,454.6	1,336.5	1,396.2	314.7	29.1%
Environment	243.8	282.5	210.6	206.3	169.6	-74.1	-30.4%
Other	1,986.3	1,720.7	471.3	426.8	511.6	-1,474.7	-74.2%
Subtotal	\$39,948.8	\$43,728.4	\$46,223.4	\$48,817.8	\$49,926.1	\$9,977.3	25.0%
Reserve Funds	\$2,843.1	\$1,210.6	\$92.5	\$79.5	\$137.3	-\$2,705.8	-95.2%
Appropriations	\$42,791.9	\$44,939.0	\$46,315.9	\$48,897.3	\$50,063.4	\$7,271.5	17.0%
Reversions	\$0.0	\$0.0	\$0.0	-\$100.0	-\$100.0	-\$100.0	n/a
Grand Total	\$42,791.9	\$44,939.0	\$46,315.9	\$48,797.3	\$49,963.4	\$7,171.5	16.8%

Note: The fiscal 2026 working appropriation reflects deficiencies and supplemental deficiencies of \$1.0 billion. It also reflects general fund targeted reversions of \$28.9 million and legislative additions of \$113.5 million. Fiscal 2023 excludes \$1.1 billion, fiscal 2024 excludes \$200.6 million, fiscal 2025 excludes \$70.3 million, fiscal 2026 excludes \$68.7 million and fiscal 2027 excludes \$95.0 million of special funds that double counts general fund spending.

Exhibit A-1.24 (Cont.)
State Expenditures – All Funds
Fiscal 2023-2027
(\$ in Millions)

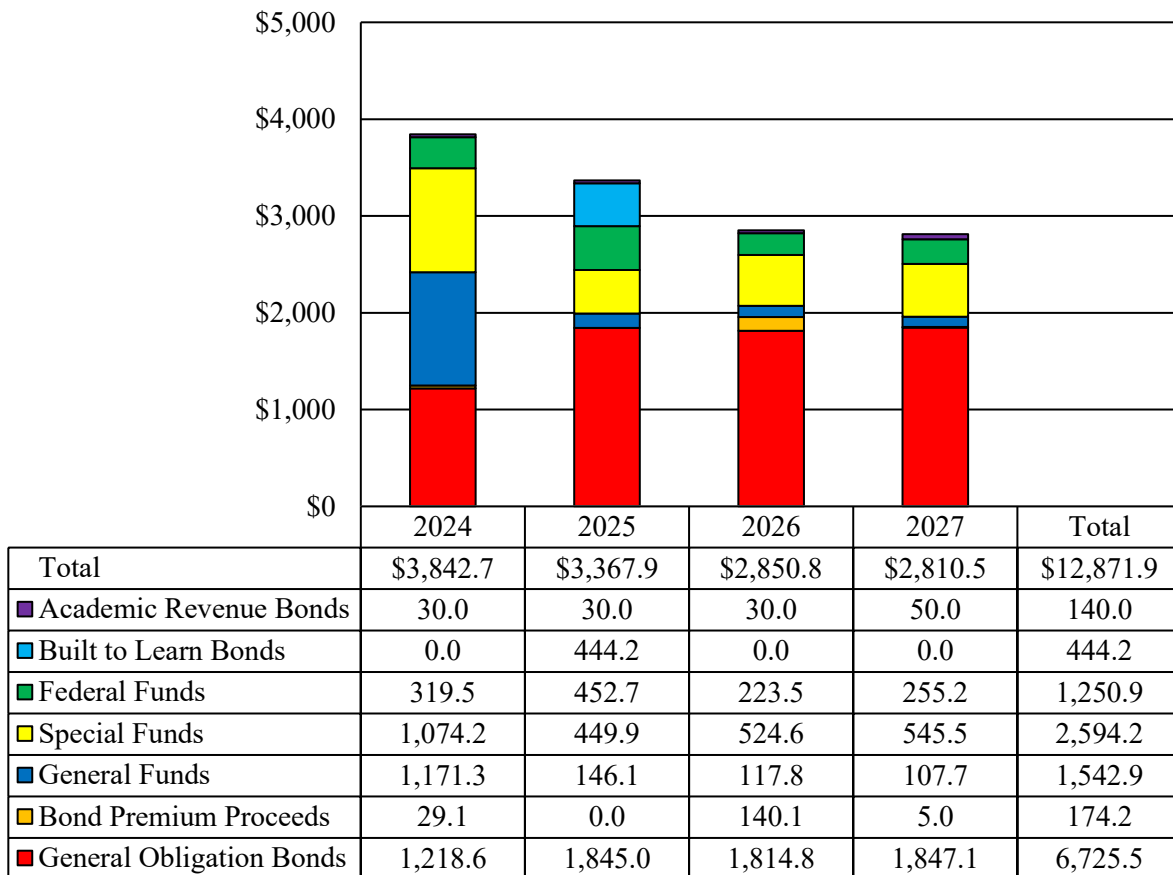
Category	Actual 2023	Actual 2024	Actual 2025	Working Appr. 2026	Legislative Appr. 2027	\$ Change 2023 to 2027	% Change
Debt Service	\$1,692.4	\$1,859.1	\$1,933.4	\$1,830.9	\$1,949.4	\$257.0	15.2%
County/Municipal	928.5	1,029.2	1,117.8	1,128.7	1,148.0	219.4	23.6%
Community Colleges	434.8	476.0	478.3	504.3	518.5	83.6	19.2%
Education/Libraries	9,191.3	9,898.9	10,377.0	11,093.5	11,489.0	2,297.7	25.0%
Health	106.1	135.0	110.8	115.2	115.2	9.0	8.5%
Aid to Local Governments	\$10,660.8	\$11,539.2	\$12,083.8	\$12,841.7	\$13,270.6	\$2,609.8	24.5%
Foster Care Payments	\$342.0	\$343.8	\$411.2	\$425.8	\$435.6	\$93.6	27.4%
Assistance Payments	2,240.7	1,867.9	1,985.4	1,994.2	1,796.6	-444.1	-19.8%
Medical Assistance	14,842.2	15,332.5	16,360.4	16,489.9	16,800.4	1,958.2	13.2%
Property Tax Credits	77.4	93.8	96.0	98.3	90.5	13.1	16.9%
Entitlements	\$17,502.3	\$17,637.9	\$18,853.0	\$19,008.2	\$19,123.0	\$1,620.7	9.3%
Health	\$5,505.9	\$5,459.3	\$6,581.1	\$7,372.3	\$7,276.7	\$1,770.7	32.2%
Human Services	1,291.4	1,423.0	1,420.6	1,604.1	1,458.9	167.5	13.0%
Juvenile Services	300.1	333.3	353.3	377.0	382.6	82.5	27.5%
Public Safety/Police	2,032.1	2,236.3	2,439.6	2,523.1	2,571.2	539.1	26.5%
Higher Education	7,623.4	8,021.3	8,441.6	8,581.7	8,637.6	1,014.2	13.3%
Other Education	1,378.6	1,639.3	1,733.0	1,824.2	1,874.2	495.6	36.0%
Transportation	2,434.2	2,641.1	3,149.3	3,074.5	3,250.1	815.9	33.5%
Agriculture/Natural Resources/Environment	590.5	650.6	660.6	730.2	773.7	183.2	31.0%
Other Executive Agencies	3,706.2	4,258.7	3,969.9	5,181.9	5,675.6	1,969.4	53.1%
Judiciary	710.2	756.3	782.7	792.5	845.6	135.4	19.1%
Legislative	143.3	155.2	165.0	163.5	164.4	21.2	14.8%
State Agencies	\$25,715.9	\$27,574.4	\$29,696.7	\$32,225.1	\$32,910.6	\$7,194.7	28.0%
Deficiencies (for Prior Years)	\$0.0	\$0.0	\$0.0	\$751.6	\$0.0	\$0.0	n/a
Total Operating	\$55,571.3	\$58,610.6	\$62,567.0	\$66,657.4	\$67,253.6	\$11,682.2	21.0%
Capital	\$4,664.2	\$4,619.3	\$3,642.8	\$3,535.4	\$3,745.6	-\$918.5	-19.7%
Transportation	1,965.4	2,305.7	2,562.6	2,678.7	2,809.2	843.8	42.9%
Environment	457.3	399.3	383.9	381.0	387.1	-70.2	-15.4%
Other	2,241.5	1,914.2	696.3	475.7	549.4	-1,692.2	-75.5%
Subtotal	\$60,235.5	\$63,229.8	\$66,209.7	\$70,192.8	\$70,999.2	\$10,763.7	17.9%
Reserve Funds	\$2,843.1	\$1,210.6	\$92.5	\$79.5	\$137.3	-\$2,705.8	-95.2%
Appropriations	\$63,078.5	\$64,440.4	\$66,302.2	\$70,272.3	\$71,136.4	\$8,057.9	12.8%
Reversions	\$0.0	\$0.0	\$0.0	-\$100.0	-\$100.0	-\$100.0	n/a
Grand Total	\$63,078.5	\$64,440.4	\$66,302.2	\$70,172.3	\$71,036.4	\$7,957.9	12.6%

Note: The fiscal 2026 working appropriation reflects deficiencies and supplemental deficiencies of \$2.8 billion. It also reflects general fund targeted reversions of \$28.9 million and legislative additions of \$113.5 million. Fiscal 2023 excludes \$1.1 billion, fiscal 2024 excludes \$200.6 million, fiscal 2025 excludes \$70.3 million, fiscal 2026 excludes \$68.7 million, and fiscal 2027 excludes \$95.0 million of special funds that double counts general fund spending.

Capital Budget

A total of \$12.9 billion was authorized by the General Assembly for the State's capital program during the 2023-2026 term, excluding the Maryland Department of Transportation (MDOT) capital program. Total authorizations by fund type are shown in **Exhibit A-2.1**. The overall size of the capital program decreased annually throughout the four-year period, although the \$12.9 billion total still exceeds the \$11.6 billion of capital authorizations in the previous 2019-2022 term.

Exhibit A-2.1
Authorizations by Fund Type
Fiscal 2024-2027
(\$ in Millions)



Source: Department of Legislative Services

In fiscal 2025, the authorization level for new general obligation (GO) bonds was raised to \$1.75 billion (\$545 million above what had been the planned amount) in order to relieve fiscal pressures on the General Fund. The \$1.75 billion authorization level was maintained throughout the remainder of the term and is planned to continue through the end of the current five-year planning period in fiscal 2031. The increased GO bond levels have been offset with a limited use of pay-as-you-go (PAYGO) general funds to support the capital program.

The lower use of PAYGO general funds beginning in fiscal 2025 contrasts with particularly high levels of PAYGO in fiscal 2022 through 2024. Those high levels reflected the State's strong cash and structural outlook at the time in light of improved revenue estimates and the availability of flexible federal funds for pandemic relief. Much of the surplus in revenues was used to support an expansion of the capital program for one-time infrastructure projects.

Exhibit A-2.2 shows the major categories of spending in the capital program (excluding MDOT) in the 2023-2026 term compared to the previous term. Overall, the four largest categories continue to be environment, school construction, higher education, and housing and community development. However, the share of the capital program allocated to local projects and support for transportation outside of the MDOT capital program increased significantly compared to the prior term.

Exhibit A-2.2
Capital Program by Category
Fiscal 2020-2027
(\$ in Millions)

	2020-2023		2024-2027	
	<u>Amount</u>	<u>Share</u>	<u>Amount</u>	<u>Share</u>
Environment	\$2,824	24%	\$2,744	21%
Education	2,716	23%	2,680	21%
Higher Education	1,976	17%	1,792	14%
Housing	1,353	12%	1,730	13%
Local Projects	1,161	10%	1,673	13%
Transportation	533	5%	1,136	9%
Other	1,038	9%	1,118	9%
Total	\$11,601		\$12,872	

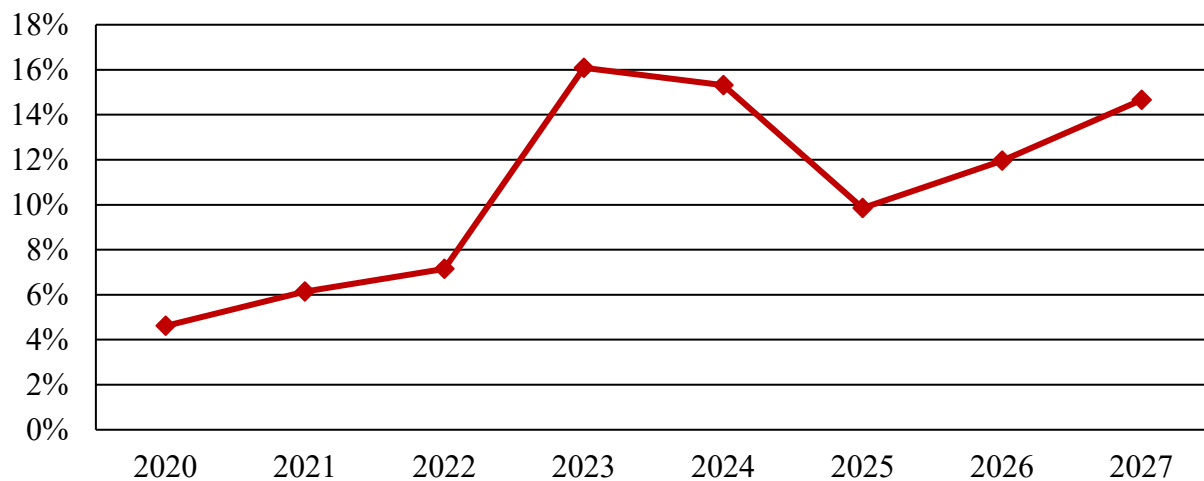
Note: Transportation includes \$100 million in each of fiscal 2024 and 2025 for infrastructure improvements related to the relocation of the Federal Bureau of Investigation headquarters.

Source: Department of Legislative Services

Local Projects

Local projects accounted for nearly 15% of the fiscal 2027 capital program. As shown in **Exhibit A-2.3**, the share of the capital program allocated to local projects jumped significantly in fiscal 2023, when a large surplus of general funds was used for one-time capital projects. The surplus and elevated share for local projects continued in fiscal 2024. However, when general fund surpluses were no longer available, the share of the capital budget allocated to local projects did not return to previous levels. After an initial dip in fiscal 2025 that nevertheless remained significantly higher than the fiscal 2022 level, the share has increased in each of the last two years of the term to return nearly to the fiscal 2023 and 2024 highs.

Exhibit A-2.3
Share of Capital Budget for Local Projects
Fiscal 2020-2027



Source: Department of Legislative Services

Environment

Capital funding for environmental programs totaled \$2.7 billion over the four-year period. These programs are typically administered by the Department of Natural Resources (DNR), the Maryland Department of Agriculture (MDA), the Maryland Department of the Environment (MDE), and the Maryland Environmental Service. Programs receiving significant funding over the four-year term included:

- \$1.7 billion for MDE capital programs, including \$1.4 billion for grants and loans under the Water Quality and Drinking Water loan programs, \$290.2 million for nutrient removal

and allied programs for wastewater treatment plants (WWTP) and septic systems funded through the Bay Restoration Fund (BRF), and \$47.0 million for the Comprehensive Flood Management Program;

- \$760.7 million for DNR capital programs, including \$653.1 million for Program Open Space (POS) and other land preservation and park improvement programs, \$86.5 million for Waterway Improvement Program projects, and \$10.5 million for oyster restoration efforts in the Chesapeake Bay; and
- \$205.5 million for MDA capital programs, including \$188.5 million for the Maryland Agricultural Land Preservation Program (MALPP) and \$17.0 million for the Maryland Agricultural Cost-Share program.

The major undertakings during the 2023-2026 term include the implementation of the federal Infrastructure Investment and Jobs Act (IIJA) funding and POS funding and balance use modifications. In terms of Chesapeake Bay restoration, the upgrades to the State's 67 largest WWTPs were largely completed by the beginning of the term using the BRF, with 1 facility in design and the remainder in operation as of April 9, 2026. In other actions during the term, the Budget Reconciliation and Financing Act (BRFA) of 2026 (*Ch. 6*) authorized the Governor to transfer \$70.0 million from the BRF to the General Fund as long as the transfer occurs by June 30, 2027, and stipulated that the transferred funds are to be replaced with GO bonds.

In addition, *Chapter 402 of 2024* granted additional flexibility to DNR in spending funds allocated to the department under Chapter 39 of 2022 (the Great Maryland Outdoors Act) by (1) extending the deadline by which DNR must spend certain funds in the Park System Critical Maintenance Fund from July 1, 2026, to July 1, 2029, and (2) expanding the purposes and authorized uses of the Park System Capital Improvements and Acquisition Fund. Through February 18, 2026, \$12.7 million of the \$70.0 million, or 18%, allocated to the Park System Critical Maintenance Fund and \$13.3 million of the \$80.0 million, or 17%, allocated to the Park System Capital Improvements and Acquisition Fund had been spent.

Infrastructure Investment and Jobs Act

The federal IIJA became law on November 15, 2021. As shown in **Exhibit A-2.4**, MDE's fiscal 2023 to 2027 appropriations included additional formula funding for the Water Quality Revolving Loan Fund and the Drinking Water Revolving Loan Fund (DWRLF): (1) both funds received a general supplemental appropriation in each fiscal year to be used for the original purposes of the funds; (2) both funds received appropriations to address emerging contaminants, such as per- and polyfluoroalkyl substances; and (3) the DWRLF received funding for lead service line inventorying and replacement, an issue that gained national attention with the water crisis in Flint, Michigan.

Exhibit A-2.4
Appropriated Base and IIJA Federal Funding for Revolving Loan Funds
Fiscal 2023-2027
(\$ in Millions)

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>Total</u>
Water Quality Revolving Loan Fund						
Base Amount	\$38.4	\$28.0	\$19.7	\$20.1	\$38.4	\$144.6
IIJA General Supplemental	45.7	43.0	55.0	55.0	59.6	258.3
IIJA Emerging Contaminants	0.0	0.0	5.1	0.0	0.0	5.1
Subtotal	\$84.1	\$71.0	\$79.8	\$75.1	\$98.0	\$408.1
Drinking Water Revolving Loan Fund						
Base Amount	\$20.3	\$12.8	\$7.5	\$8.6	\$15.7	\$65.0
IIJA General Supplemental	109.0	33.0	31.9	44.4	37.8	256.1
IIJA Emerging Contaminants	0.0	0.0	15.9	12.6	10.6	39.0
IIJA Lead Service Line	0.0	0.0	28.7	24.8	41.3	94.7
IIJA Nationally Reallotted Funds	0.0	0.0	0.0	4.6	0.0	4.6
Subtotal	\$129.4	\$45.8	\$84.0	\$95.0	\$105.3	\$459.4
IIJA Total Appropriated Capital Funding	\$154.7	\$76.0	\$136.6	\$141.4	\$149.2	\$657.9

IIJA: Infrastructure Investment and Jobs Act

Note: In fiscal 2027, the Drinking Water Revolving Loan fund received \$10.6 million in IIJA Emerging Contaminants funding that was reallocated from the Water Quality Revolving Loan Fund, which did not receive any applications for this purpose.

Source: Department of Budget and Management

POS Funding Allocation and Balance Use Modifications

Modifications to the POS funding allocation and balance use included the following:

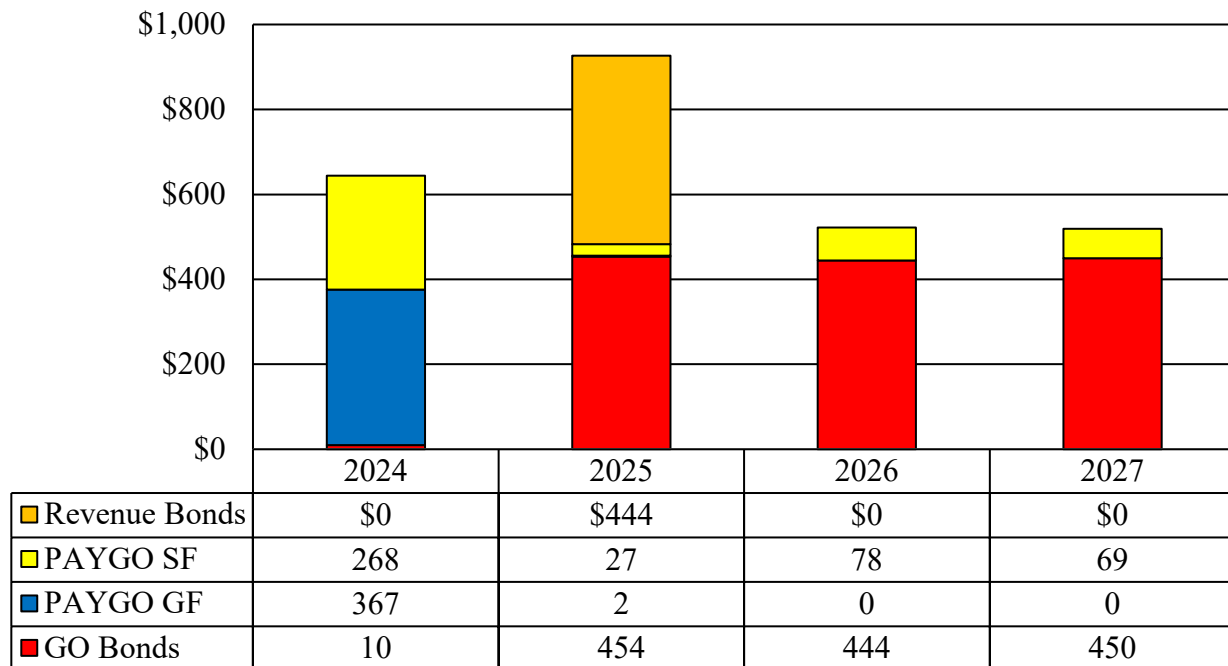
- **Greenspace Equity Program:** *Chapter 487 of 2023* established the Greenspace Equity Program within DNR. Beginning in fiscal 2025, DNR must make grants under the program to eligible applicants for community greenspace projects located (1) in an overburdened community; (2) in an underserved community; or (3) on a property that is owned by an eligible applicant or for which the applicant holds a conservation easement and is located in a census tract adjacent to an overburdened community or an underserved community.

- **Operating Budget Relief and Enhancement:** Several pieces of legislation authorized POS – State land acquisition funding for operating relief on an annual basis before a permanent change was adopted in the 2025 session. The BRFA of 2024 (*Ch. 717*) authorized the Governor to transfer up to \$6.7 million by June 30, 2025, to DNR to replace general funds budgeted for personnel expenses in the Maryland Forest Service and the Maryland Park Service. The BRFA of 2025 (*Ch. 604*) authorized up to \$16.4 million to be used for Maryland Park Service operating expenses in DNR in fiscal 2026 only. The permanent change was made in *Chapter 443 of 2025*, which authorized the Governor to reallocate funding if (1) the balance is more than \$80 million at the end of a given fiscal year and (2) DNR’s existing special fund sources are insufficient to cover existing salaries for permanent classified positions responsible for operating and maintaining land administered and managed by the department. After such a fund transfer, the remaining balance must be at least \$80 million. Subsequently, the BRFA of 2026 required that the Heritage Conservation Fund and any other funds appropriated to POS Stateside be included as part of the POS – State land acquisition balance for purposes of a fund transfer to the operating fund.
- **Transfer Tax Revenue Diversion:** The BRFA of 2025 diverted \$25 million of transfer tax revenue annually from fiscal 2026 through 2029 proportionately from POS Land Acquisition, the Rural Legacy Program, and the MALPP. This action also reduced the same amount of special fund revenue and expenditures in each of those years and specified that existing provisions requiring reimbursement do not apply to the transfers.
- **Maryland Heritage Areas Authority Allocation: Chapters 276 and 277 of 2026** increased the overall amount authorized to be transferred from POS to the Maryland Heritage Areas Authority Financing Fund from up to \$6.0 million to up to \$12.0 million.

School Construction

During the 2023-2026 term, the General Assembly provided approximately \$2.6 billion for school construction. **Exhibit A-2.5** shows the school construction funding levels by source.

Exhibit A-2.5
School Construction Funding by Source
Fiscal 2024-2027
(\$ in Millions)



GF: general funds
 GO: general obligation
 PAYGO: pay-as-you-go
 SF: special funds

Source: Department of Legislative Services

School construction funding from fiscal 2024 to 2027 includes approximately \$444 million in Built to Learn revenue bonds issued in October 2024, as authorized by the Built to Learn Act (Chapter 20 of 2020). A further \$699 million had been issued in the previous term, and one more bond sale is anticipated in fiscal 2028. Chapter 20 authorizes the Maryland Stadium Authority to issue up to \$2.2 billion in revenue bonds for the program; however, current planning estimates are based on approximately \$1.7 billion in available proceeds estimated for fiscal 2022 through 2028. Chapter 20 also authorizes State funding for a public-private partnership (P3) agreement for Prince George's County. **Exhibit A-2.6** shows the mandated distribution of Built to Learn funds based on the estimated total proceeds of \$1.7 billion.

Exhibit A-2.6
Built to Learn Act
Allocation of Bond Sale Proceeds
(\$ in Millions)

<u>Local Education Agency</u>	<u>Statutory Percentage</u>	<u>Projected Allowance</u>
Allegany	0.4%	\$6.9
Anne Arundel	12.5%	212.5
Baltimore City	21.0%	357.0
Baltimore County	21.0%	357.0
Calvert	0.8%	13.6
Caroline	0.3%	4.8
Carroll	1.4%	23.8
Cecil	0.7%	12.7
Charles	1.4%	23.2
Dorchester	0.2%	3.9
Frederick	5.1%	86.7
Garrett	0.2%	3.2
Harford	2.1%	35.7
Howard	6.6%	112.2
Kent	0.1%	1.6
Montgomery	21.0%	357.0
Queen Anne's	0.4%	6.5
St. Mary's	0.9%	14.9
Somerset	0.1%	2.3
Talbot	0.2%	3.9
Washington	1.1%	19.0
Wicomico	0.8%	13.8
Worcester	0.3%	5.6
Unallocated	1.3%	22.1
Total	100%	\$1,700.0

Note: Prince George's County receives a separate allocation for the public-private partnership. Projected allowance is based on \$1.7 billion in projected bond issuances and is subject to change. Percentage allocations for the six largest counties are set in statute; the Interagency Commission on School Construction allocated the 11.5% statutory percentage for other counties based on each school system's September 2019 enrollment.

Source: Interagency Commission on School Construction

Other programs managed and administered by the Interagency Commission on School Construction that had significant changes during the 2023-2026 term are as follows:

- ***School Facility Health Programs:*** The Healthy Schools Facility Fund and the Aging Schools Program, which provided grants to improve the health of public school facilities, no longer receive appropriations after their mandated funding periods ended in fiscal 2026. Beginning in fiscal 2027, the Nancy K. Kopp School Facilities Priority Fund will receive a mandated \$70.0 million annually to address the facility needs of schools; and
- ***Enrollment Growth and Relocatable Classrooms Supplemental Grant Program:*** Established by Chapter 355 of 2015, this program provides funding to local school systems experiencing enrollment growth that exceeds 150% of the statewide average or with an average of more than 250 relocatable classrooms over a five-year period. Initially funded at \$20.0 million annually, Chapter 665 of 2016 increased the program's mandated annual funding to \$40.0 million beginning in fiscal 2017. The Built to Learn Act subsequently mandated an increase to \$80.0 million for the program beginning in fiscal 2027.

Higher Education

The General Assembly authorized \$1.8 billion for higher education projects during the 2023-2026 term. These funds provided for the construction of science, engineering, computer science, and interdisciplinary life science facilities; research centers; and infrastructure projects at the State's public and independent four-year institutions and at community colleges throughout the State. **Exhibit A-2.7** shows funding for each public four-year institution and total funding for community colleges and four-year independent institutions. Overall, the share of higher education funding for University System of Maryland institutions remained steady compared to the prior term at approximately 60%. Morgan State University received \$376.9 million in the 2023-2026 term (21% of the higher education total) compared to \$221.1 million in the previous term (11%). Community colleges saw a decreased share of the total higher education funding, accounting for 13% in the 2023 to 2026 term (\$236.3 million) compared to 18% in the prior term (\$365.3 million).

Exhibit A-2.7
Higher Education Capital Funding by Institution
Fiscal 2024-2027
(\$ in Thousands)

<u>Institution</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>Four-year Total</u>
University of Maryland, Baltimore Campus	\$9,126	\$31,368	\$42,924	\$48,324	\$131,742
University of Maryland, College Park Campus	68,140	89,920	78,700	72,425	309,185
Bowie State University	68,234	9,983	2,230	8,302	88,749
Towson University	67,338	32,474	71,402	59,393	230,607
University of Maryland Eastern Shore	13,228	8,550	1,000	1,000	23,778
Frostburg State University	500	0	1,000	100	1,600
Coppin State University	1,000	12,136	0	2,000	15,136
University of Baltimore	0	0	0	500	500
Salisbury University	2,223	27,629	35,011	1,124	65,987
University of Maryland Global Campus	650	1,249	0	1,000	2,899
University of Maryland Baltimore County	23,839	18,265	26,741	9,087	77,932
University of Maryland Center for Environmental Science	11,033	0	0	0	11,033
USM Office ¹	29,934	36,634	32,100	27,906	126,574
<i>Subtotal – USM Institutions</i>	<i>\$295,245</i>	<i>\$268,208</i>	<i>\$291,108</i>	<i>\$231,161</i>	<i>\$1,085,722</i>
Morgan State University	\$85,874	\$39,240	\$104,236	\$147,577	\$376,927
St. Mary's College of Maryland	4,694	2,350	0	3,230	10,274
Independent Institutions	14,250	8,000	8,000	9,200	39,450
Baltimore City Community College	9,384	5,289	18,000	10,790	43,463
Community Colleges	72,116	41,657	63,240	59,303	236,316
Total	\$481,563	\$364,744	\$484,584	\$461,261	\$1,792,152

USM: University System of Maryland

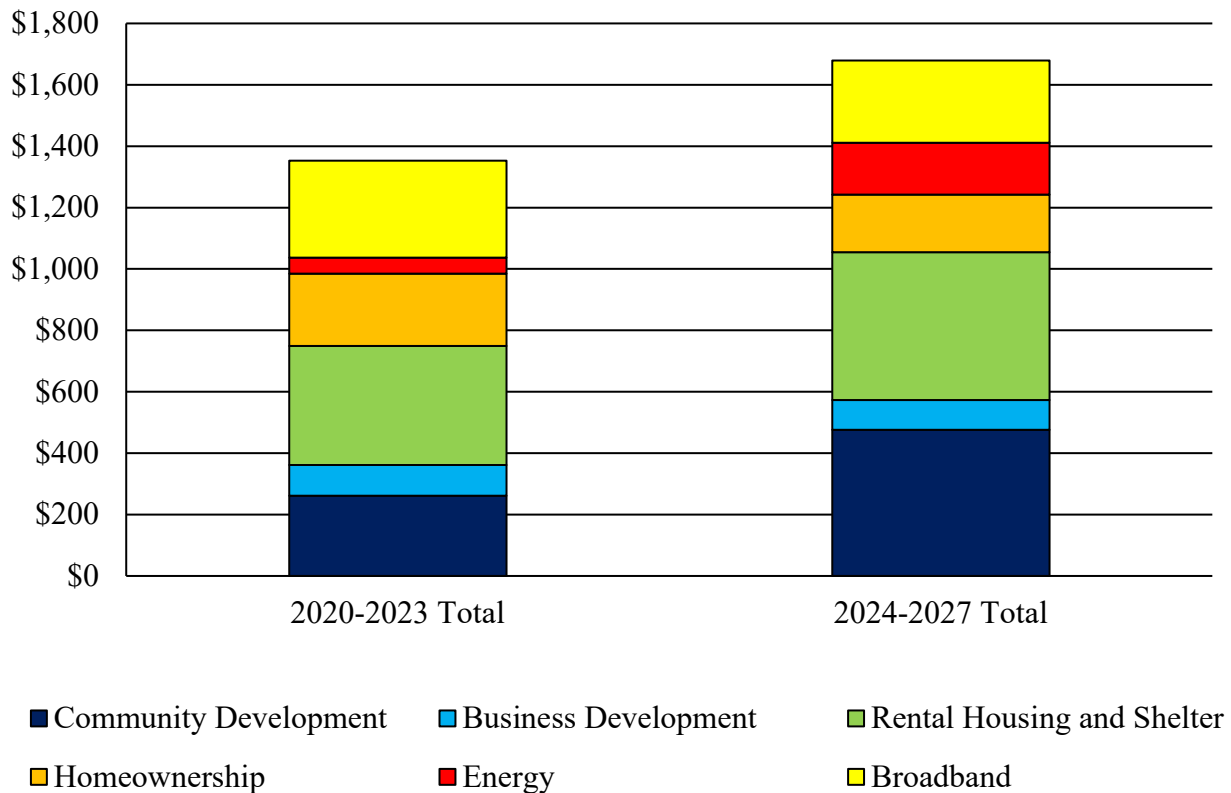
¹ Includes Rita Colwell Center deferred maintenance.

Source: Department of Legislative Services

Housing and Community Development

Capital investment in programs administered by the Department of Housing and Community Development (DHCD) totaled \$1.7 billion over the four-year term compared to \$1.4 billion in the previous four-year term, as shown in **Exhibit A-2.8**.

Exhibit A-2.8
Department of Housing and Community Development Capital Funding
Fiscal 2020-2027
(\$ in Millions)



Source: Department of Legislative Services

The increase was driven primarily by the following factors:

- Energy Programs:** funding for energy programs totaled \$169 million in the 2023-2026 term, 224% more than in the prior term. This is due to the significant expansion of EmPOWER Maryland with the program's 2024-2026 program cycle in order to meet the energy savings goals established by *Chapter 572 of 2023*;

- ***Vacant Properties in Baltimore City:*** the Baltimore Vacants Reinvestment Initiative, formerly known as Project C.O.R.E., provides grant funding through public and nonprofit organizations to address vacant properties in Baltimore City and receives mandated funding of \$50 million annually, per ***Chapter 335 of 2024***. Prior to fiscal 2025, annual funding levels averaged approximately \$20 million for the previous four years;
- ***Baltimore Regional Neighborhood Initiative and National Capital Strategic Economic Development Fund:*** combined funding for these two programs totaled \$134.7 million in the 2023 to 2026 term compared to \$68.6 million in the previous term. Since fiscal 2025, both programs have consistently received significantly more funding annually than the mandated \$12.0 million for each program; and
- ***New Programs:*** the Business Façade Improvement Program was created by ***Chapter 437 of 2023*** and receives mandated funding of \$5.0 million annually; the Housing Innovation Fund was created by ***Chapter 212 of 2024*** and has received a total of \$20.0 million since fiscal 2025. While the Appraisal Gap program was piloted in the previous term using a total of \$10.2 million in federal funds, the program has received \$10 million annually since fiscal 2024. The program, which aims to increase homeownership in disinvested neighborhoods, was established by Chapters 702 and 703 of 2021 and modified by ***Chapters 134 and 135 of 2023***.

The 2023-2026 term also saw continued investment in broadband infrastructure. During the prior term, \$307 million in federal funds from the American Rescue Plan Act was allocated for broadband capital projects. Funding for broadband in the 2023 to 2026 term consists of \$268 million in federal funds from the IIJA appropriated across fiscal 2024 and 2025. In February 2026, DHCD's proposal to award \$79 million (out of the total allocated \$268 million) to provide service to all unserved locations in the State was approved by the federal government. The availability of remaining funds is uncertain at this time due to lack of federal guidance.

Transportation

Transportation Trust Fund

The Transportation Trust Fund (TTF) is a nonlapsing special fund that provides funding for the MDOT operating and capital budgets as well as payment of debt service on MDOT bonds and transportation aid to Maryland counties and municipalities provided through mandated capital grants.

During the 2024 and 2025 sessions, legislation was enacted creating new revenues and increasing existing revenues for the TTF. This legislation included the BRFA of 2024, ***Chapter 17 of 2024*** (Maryland Road Worker Protection Act), and the BRFA of 2025. The TTF revenue increases enacted through this legislation resulted in a net increase of approximately \$200 million to the TTF in fiscal 2025 and future projected additional revenue attainment of approximately \$800 million annually between fiscal 2026 and 2031.

MDOT Debt

MDOT issues 15-year Consolidated Transportation Bonds (CTB), which are tax-supported debt issued to support the MDOT capital program. Due to the availability of additional TTF revenues, which include those used to pay debt service on CTB, MDOT's debt capacity is projected to increase. Recognizing MDOT's increased debt capacity, the BRFA of 2025 increased the statutory cap on annual CTB debt outstanding from \$4.5 billion to \$5.0 billion.

Legislation was also enacted during the term governing the usage of Grant Anticipation Revenue Vehicle (GARVEE) bonds by MDOT to support certain capital projects. GARVEE bonds are transportation bonds that are issued by states and public authorities and are backed by future federal aid appropriations. **Chapter 455 of 2023** altered criteria limiting the usage of GARVEE bonds by increasing the maturity limit from 12 to 15 years, increasing the aggregate outstanding and unpaid principal amount of debt issued from \$750 million to \$1.0 billion at the end of any fiscal year, and specifying that GARVEE bonds may be issued only to support specified capital projects. The BRFA of 2025 amended the list of allowable uses for GARVEE bonds.

MDOT plans to issue approximately \$275 million in GARVEE bonds in fiscal 2027 to support the Maryland Transit Administration (MTA) Light Rail Modernization Program, which has a total estimated project cost of \$1.4 billion and received initial construction funding in fiscal 2026. A second issuance of GARVEE bonds in fiscal 2031 of approximately \$368 million is projected. The remainder of the project costs will be split between the TTF and federal funds.

Major Transportation Capital Projects

Purple Line: In April 2016, MDOT and MTA entered into a 36-year P3 agreement with Purple Line Transit Partners for the finance, design, construction, and operation of the Purple Line Light Rail Project. Litigation, delays, and cost increases resulted in MDOT – MTA assuming direct oversight of the project in December 2020 and the selection of a new design-build contractor in January 2022. Two additional major modifications to the P3 contract were subsequently approved by the Board of Public Works in July 2023 and March 2024, increasing the revised contract agreement to \$9.8 billion and extending the revenue service date to late calendar 2027. As of March 31, 2026, the project design and construction were approximately 90% complete, and the revenue service date was projected to be in March 2028.

Red Line: In June 2023, Governor Wes Moore announced his intention to restart the Red Line project in Baltimore City, which was previously canceled in 2015. MTA has continued preliminary design and engineering activities through funding programmed for the project through fiscal 2027; however, the current project timeline and future availability of federal funding is uncertain.

American Legion Bridge + I-270 Corridor Program (Formerly the I-495/I-270 Managed Lanes P3 Program): In September 2017, Governor Lawrence J. Hogan, Jr. announced the I-495 and I-270 P3 Program. As initially envisioned by MDOT, the project would have reduced traffic congestion by adding two dynamic tolling lanes in each direction to the Maryland portion

of the Capital Beltway (I-495) and to I-270 from the Capital Beltway to Frederick. The project was proposed to be constructed in phases, starting with Phase 1 South comprising of I-495 from the vicinity of the George Washington Memorial Parkway in Virginia north to I-270 (including reconstruction of the American Legion Bridge) and the section of I-270 extending from the west spur of I-270 connecting to I-495 north to the interchange with I-370.

MDOT and the Maryland Transportation Authority (MDTA) entered into a Phase 1 Developer P3 agreement with Accelerate Maryland Partners, LLC (AMP) in August 2021. However, in March 2023, AMP exercised its right to terminate the P3 agreement with the State. The dissolution of the P3 agreement removed the private-sector financing that was to be used to construct the project. MDOT subsequently submitted unsuccessful federal grant applications for the project in 2023 through the federal Multimodal Project Discretionary Grant program and Bridge Investment Program. An additional federal grant application through the Bridge Investment Program Large Bridge Program is currently pending. Until construction funding is identified, MDOT will continue preliminary engineering activities, but the future project schedule is yet to be determined.

Howard Street Tunnel: Construction on the Howard Street Tunnel project began in calendar 2022 and has spanned across portions of Delaware, Maryland, and Pennsylvania. The primary goal of the project is to achieve double-stack freight rail clearance through the Howard Street Tunnel in Baltimore City and other locations along the freight rail line leading to the Helen Delich Bentley Port of Baltimore (Port) to increase freight rail shipping capacity to and from the Port. CSX, which is managing the project, achieved double-stack clearance at all project locations in Pennsylvania and Delaware in October 2024 and is scheduled to complete the remaining components of the project located in Maryland by early calendar 2027.

Chesapeake Bay Bridge: In calendar 2017, MDTA initiated a formal process to consider corridor alternatives for a potential new Chesapeake Bay crossing to improve congestion, mobility, travel reliability, and safety at the Chesapeake Bay Bridge. In December 2025, the MDTA board approved an MDTA-recommended preferred alternative that includes the construction of two new bridge spans, with four 12-foot travel lanes in each direction and a heightened navigational clearance of 230 feet. Anticipated next steps following the conclusion of the Tier 2 environmental study include the procurement for final design, which will allow the final design phase to begin as early as spring 2028.

Francis Scott Key Bridge (Key Bridge): Planning for the reconstruction of the Key Bridge began shortly after its collapse in March 2024. In August 2024, MDTA awarded a \$73 million phase 1 design-build contract to Kiewit Infrastructure Corporation (Kiewit), which included preconstruction activities, partial design development, and development of a project schedule and cost estimate. Design and engineering began in September 2024, and a preliminary design concept was announced in February 2025. MDTA projects that design will be 100% complete by June 2026. Preconstruction activities began in January 2025, and preliminary construction work is ongoing, including demolition of the remaining bridge structures.

In November 2025, MDTA announced updated cost estimates for the Key Bridge reconstruction, increasing the total project cost from \$1.7 billion to between \$4.3 billion and \$5.2 billion. The projected opening date was also delayed from calendar 2028 to late 2030. In April 2026, MDTA informed Kiewit that they would not be retained for Phase II of the project due to an unacceptable price proposal for the construction contract and the inability to come to an agreement on a final price for the project. MDTA must now begin a new procurement for Phase II of the project. At this time, it is unknown what the impact of the new procurement will be on the overall project timeline.

Non-TTF Funding for Transportation Projects

Non-TTF funding provided for transportation increased significantly during the 2023-2026 term. In addition to \$167 million provided annually in the non-MDOT capital program for the Washington Metropolitan Area Transit Authority (WMATA) capital grant, major transportation initiatives in the non-MDOT capital program during the term included:

- ***Federal Bureau of Investigation (FBI) Headquarters Relocation:*** A total of \$200 million in GO bond funding was authorized across fiscal 2024 and 2025. This funding was intended to support the construction of an interchange along I-95/I-495 at the WMATA Greenbelt Metro Station as well as other infrastructure improvements necessary as part of the relocation of the FBI headquarters;
- ***State Match Requirements and Environmental Studies:*** \$200 million in general funds was provided in fiscal 2024 through the State Reserve Fund to support the State match requirement for future federal grant awards and to fund environmental studies for the Red Line and Southern Maryland Rapid Transit projects. Of the \$100 million provided for matching requirements, \$50 million was transferred to the Maryland Port Administration for the Mid-Chesapeake Bay Island Ecosystem Restoration project and \$50 million was transferred to MTA for the Frederick Douglass Tunnel project; the \$100 million in funding for environmental studies was transferred to MTA in fiscal 2025; and
- ***Howard Street Tunnel:*** approximately \$124.5 million in GO bonds were authorized between fiscal 2022 and 2026 as part of the State's contribution to the project.

State Aid to Local Governments

Recent Trends

State aid to local governments will total \$11.9 billion in fiscal 2027, the highest level to date, reflecting the phase-in of the State’s education reforms and sustained investment in local public services. During the 2023-2026 term (fiscal 2024 to 2027), State aid to local governments will increase by \$2.5 billion. This represents a 26.5% increase over the four-year period, or 6.1% on an average annual basis. The vast majority of this funding increase went to public schools with direct aid for public schools increasing by \$1.9 billion. This represents a 26.5% increase over the four-year period, or 6.1% on an average annual basis. Other units of local governments also receive a notable increase in State aid during this four-year period. State aid to county and municipal governments increases by 22.2% over the four-year period, which represents a \$193.4 million increase; while State aid for local community colleges increases by 17.5%, representing a \$68.3 million funding increase. State aid to local libraries will increase by \$6.9 million over the four-year period, which reflects a 10.1% increase. State aid for local health departments will increase by 8.5% over the four-year period, amounting to \$9.0 million in additional funding. **Exhibits A-3.1** and **A-3.2** show the change in State aid by governmental entity over the four-year period.

Exhibit A-3.1
State Aid to Local Governments
Fiscal 2023 and 2027
(\$ in Millions)

	<u>2023</u>	<u>2027</u>	<u>\$ Difference</u>	<u>% Difference</u>
Public Schools	\$7,207.0	\$9,115.9	\$1,908.9	26.5%
Libraries	68.7	75.6	6.9	10.1%
Community Colleges	389.8	458.1	68.3	17.5%
Local Health	106.1	115.2	9.0	8.5%
County/Municipal	872.4	1,065.8	193.4	22.2%
<i>Subtotal – Direct Aid</i>	<i>\$8,644.0</i>	<i>\$10,830.6</i>	<i>\$2,186.6</i>	<i>25.3%</i>
Retirement Payments	\$789.6	\$1,106.3	\$316.6	40.1%
Total	\$9,433.6	\$11,936.9	\$2,503.2	26.5%

Source: Department of Legislative Services

Exhibit A-3.2
Annual Change in State Aid
Fiscal 2024-2027
(\$ in Millions)

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>Total</u>
Public Schools	\$669.9	\$289.7	\$611.5	\$337.8	\$1,908.9
Libraries	1.5	1.7	1.3	2.5	6.9
Community Colleges	41.0	-7.2	23.4	11.1	68.3
Local Health	28.9	-24.2	4.4	0.0	9.0
County/Municipal	101.6	50.1	22.5	19.2	193.4
<i>Subtotal – Direct Aid</i>	<i>\$842.9</i>	<i>\$310.0</i>	<i>\$663.1</i>	<i>\$370.6</i>	<i>\$2,186.6</i>
Retirement Payments	\$21.1	\$184.9	\$71.8	\$38.8	\$316.6
Total	\$864.1	\$494.9	\$734.9	\$409.4	\$2,503.2

Source: Department of Legislative Services

Major Legislative and Budgetary Actions

The General Assembly took several actions during the 2023-2026 term that altered State aid to local governments. These actions included both legislative and budgetary measures, including efforts to prevent substantial year-to-year decreases in direct State education aid for local school systems. Major areas of change during this time include both cost containment measures and enhancements to direct aid for public schools, as well as actions to shift substantial amounts of retirement costs from the State to county governments. The General Assembly further increased support to low-wealth jurisdictions through the disparity grant program, reestablished the behavioral health crisis response grant, enhanced funding for libraries, appropriated funding to support bus rapid transit systems, and increased funding for local and volunteer fire, rescue, and ambulance services. Conversely, the General Assembly approved measures that phased out teacher retirement supplemental grants, slowed the growth of funding for community colleges, conditioned certain police aid funding on compliance with State law related to immigration, and required local governments to assume certain costs previously borne by the State. The following provides a summary of the legislative and budgetary actions that the General Assembly took over the current legislative term.

Public Schools

State aid to public schools will total \$10.1 billion in fiscal 2027, which includes \$9.1 billion in direct aid and \$1.0 billion in retirement payments. Public schools account for the vast majority of State funding to local governments, representing approximately 85% of total State aid. In recent years, the General Assembly adopted several measures that altered both the State and local funding requirements for public schools.

Chapter 628 of 2023 increased mandated annual funding by \$4.5 million, from \$7.6 million to \$12.1 million, for the Maryland Meals for Achievement In-Classroom Breakfast Program beginning in fiscal 2025. The fiscal 2024 budget similarly included an additional \$4.5 million for this purpose. **Chapter 648 of 2023** required a nonpublic school in which a child receiving special education services is placed to pay its teachers a salary that is equivalent to the local school salaries, phased in as specified over three years, beginning in fiscal 2024. The additional funding is paid for by the State and county governments in the same proportion as other costs paid for nonpublic placements.

Under the full-day prekindergarten funding formula, the Budget Reconciliation and Financing Act (BRFA) of 2024 (**Ch. 717**) (1) delayed the initiation of funding of Tier II students from fiscal 2025 to fiscal 2026 and limited fiscal 2026 Tier II funding to families with incomes of more than 300%, but not more than 360%, of the federal poverty level (FPL) and (2) substantially increased the annual per pupil funding amount for each year beginning with fiscal 2027 so that annual per pupil funding is \$19,950 in fiscal 2027 and 2028 and increases with inflation beginning in fiscal 2029. The BRFA of 2026 (**Ch. 6**) limited Tier II funding to 450% of FPL. **Chapters 227 and 228 of 2024** established the Grow Your Own Educators Grant Program to provide support to eligible provisional teachers and noncertified education support professionals interested in teaching who pledge to fulfill a service obligation.

Chapter 237 of 2025 established various teacher development and recruitment grant programs and a related fund and altered the Grow Your Own Educators Grant Program. The Act also reduced per pupil foundation program funding beginning in fiscal 2027. However, the Act held per pupil funding under the compensatory education, English learner, and special education formula grants constant with then current law, by specifying per pupil amounts for these programs in statute through fiscal 2033 and increasing the respective per pupil amounts by inflation beginning in fiscal 2034. Thus, funding for these programs is no longer expressed as a percentage weight of the foundation per pupil funding base.

Chapter 602 of 2026 extended for two additional years, through fiscal 2028, the low-income student count, or “compensatory education enrollment,” methodology for the compensatory education aid program and Concentration of Poverty Grant program. Though compensatory education aid decreases by 2.3% from fiscal 2026 to 2027, the Act enhanced fiscal 2027 education aid by \$228.4 million over otherwise mandated funding levels.

Also, the General Assembly approved multiple measures to prevent substantial year-to-year decreases in direct State education aid for local school systems. The fiscal 2024 budget included \$34.5 million in foundation special hold harmless grants, preventing decreases of \$30.4 million for Baltimore City Public Schools and \$4.1 million for Allegany County Public Schools. The fiscal 2025 budget included a foundation special hold harmless grant of \$854,945 for Garrett County Public Schools. The fiscal 2026 budget included foundation special hold harmless grants of approximately \$139,400 for Dorchester County Public Schools and \$1.8 million for Garrett County Public Schools.

Local Libraries

State aid to local libraries will total \$103.6 million in fiscal 2027, which includes \$75.6 million in direct aid and \$28.0 million in retirement payments. Local libraries account for approximately 1% of total State aid to local governments, with funding targeted to local library systems, regional resource centers, and the State Library Resource Center (SLRC) in Baltimore City.

The State provides funding to local library systems through a formula that determines the State and local shares of a minimum per capita library program. Per capita funding has increased from \$17.50 in fiscal 2023 to \$19.10 in fiscal 2027. Fiscal 2027 funding totals \$52.0 million, an increase of \$4.3 million over fiscal 2023. Baltimore City continues to receive \$3.0 million annually to support expanded operations as it has since fiscal 2018. **Chapter 625 of 2026** increased per capita funding over a five-year period, from \$19.50 in fiscal 2028 to \$21.15 by fiscal 2032 and each year thereafter.

The State also provides funding for SLRC and to regional resource centers. Per capita funding for the State and regional resource centers has increased from \$1.93 and \$9.19 in fiscal 2023 to \$2.07 and \$9.99 in fiscal 2027, respectively, with the SLRC level reflecting the increase established by **Chapter 180 of 2024**. **Chapter 180** had increased per capita funding to SLRC from \$1.97 for fiscal 2024 and 2025 and each fiscal year thereafter to \$2.07 for fiscal 2025

and each fiscal year thereafter. Fiscal 2027 State library network funding totals \$23.6 million, an increase of \$2.6 million over fiscal 2023. **Chapter 625** also increased per capita funding for the regional resource centers over five years, from \$10.19 in fiscal 2028 to \$11.02 in fiscal 2032 and each year thereafter. Similarly, **Chapters 702 and 703 of 2026** increased per capita funding for SLRC from \$2.17 in fiscal 2028 to \$2.64 in fiscal 2032 and each year thereafter.

Including retirement payments, State aid for local libraries has increased from \$88.7 million in fiscal 2023 to \$103.6 million in fiscal 2027, or 16.8%. This level of growth reflects statutory changes enacted through Chapters 6 and 27 of 2021 and Chapters 496 and 497 of 2022, which collectively raised per capita funding for local libraries and the State and regional resource centers.

Community Colleges

State aid to local community colleges will total \$518.5 million in fiscal 2027, which includes \$458.1 million in direct aid and \$60.3 million in retirement payments. Community colleges account for 4.3% of total State aid to local governments.

The Cade funding formula is the main source of State funding in support of community colleges. Cade funding generally increased steadily until a slight decline from fiscal 2024 to 2025, caused by the BRFA of 2024. The Act reduced the statutory funding level from 29.0% to 27.2% of State funding per full-time equivalent student at selected public four-year institutions of higher education and modified the enrollment calculation to reflect the greater of enrollment from two years prior or a three-year average. The BRFA of 2026 further curtailed growth by capping each community college's year-over-year increase at 3% under the Cade funding formula for fiscal 2027 through 2029.

Despite these measures, total State aid for community colleges, including retirement payments, grew from \$434.8 million in fiscal 2023 to \$518.5 million in fiscal 2027, an increase of \$83.6 million, or 19.2%. This growth was driven primarily by the Cade funding formula, which rose from \$355.1 million to \$415.3 million, an increase of \$60.3 million.

Local Health

The State provides funds to support the delivery of public health services, including child health, communicable disease prevention, maternal health, family planning, environmental health, and administration of local health departments. The funding formula is adjusted annually for inflation and statewide population growth for the second preceding fiscal year. The annual adjustment is generally allocated to each county based on its percentage share of State funds distributed in the previous fiscal year. The need to address a substantial change in community health needs as determined by the Secretary of Health may also affect allocations of the annual adjustment.

Chapter 805 of 2021 established a new base level of State funding for the local health formula, totaling \$70.0 million in fiscal 2025 and \$80.0 million in fiscal 2026. Beginning in

fiscal 2027, State funding must be the greater of the (1) funding provided by the formula for the immediately preceding fiscal year or (2) actual funds appropriated for the immediately preceding year adjusted for inflation and population growth.

In fiscal 2027, State funding for local health departments will total \$115.2 million, which accounts for 1% of total State aid. This figure reflects funding under the mandated core funding formula and excludes discretionary cost-of-living or salary adjustments historically provided for State employees within local health departments.

State aid to local health departments increased from \$106.1 million in fiscal 2023 to \$115.2 million in fiscal 2027, an increase of \$9.0 million or 8.5%. Funding peaked at \$135.0 million in fiscal 2024 before declining in subsequent years. Notably, local health departments experienced a \$12.0 million statewide reduction in fiscal 2025 as approved by the Board of Public Works in July 2024. Legislative action further reduced funding by \$2.0 million in fiscal 2026 and expressed the intent of the General Assembly to apply formula growth factors only to the core formula, excluding discretionary salary-related adjustments.

Transportation

The Maryland Department of Transportation (MDOT) provides capital transportation grants to local governments based on the amount of revenue allocated to the Gasoline and Motor Vehicle Revenue Account (GMVRA). These grants, which are more commonly known as local Highway User Revenues (HUR), will total \$437.6 million in fiscal 2027. Of this amount, county governments will receive \$105.0 million, municipal governments will receive \$65.6 million, and Baltimore City will receive \$267.0 million. Over the last four years, State funding for local HUR has increased by \$157.4 million, which represents an 11.8% average annual increase since fiscal 2023. Even with this increase, State funding for local HUR remains below the peak level of \$554.9 million provided in fiscal 2007.

In an effort to bring local HUR closer to fiscal 2007 levels, Chapter 240 of 2022 was enacted to enhance State funding for local transportation projects. Specifically, as shown in **Exhibit A-3.3**, the Act increased the share of GMVRA funds used to calculate the capital transportation grants beginning in fiscal 2024. Under the distribution schedule established by the Act, allocations revert to the fiscal 2024 levels in fiscal 2028. Based on current projections, this reversion is expected to reduce State funding for local HUR by approximately \$96 million in fiscal 2028.

Exhibit A-3.3
Local Share of Highway User Revenues
Fiscal 2023–2028

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
MDOT	86.5%	84.4%	82.0%	80.0%	80.0%	84.4%
Baltimore City	8.3%	9.5%	11.0%	12.2%	12.2%	9.5%
Counties	3.2%	3.7%	4.3%	4.8%	4.8%	3.7%
Municipalities	2.0%	2.4%	2.7%	3.0%	3.0%	2.4%

MDOT: Maryland Department of Transportation

Note: The distribution in fiscal 2028 continues in future fiscal years.

Source: Department of Legislative Services

MDOT also administers the Bus Rapid Transit Fund to provide grants to eligible bus rapid transit system grantees. **Chapter 483 of 2024** required that \$27.0 million in State lottery funds be transferred annually, beginning after June 30, 2024, to support bus rapid transit system grants, replacing a prior provision that limited funding to an amount not exceeding \$27.0 million based on Maryland Stadium Authority debt service deposits. The BRFA of 2025 (**Ch. 604**) revised this funding structure by reducing the statutory lottery distribution to \$17.0 million and requiring an additional \$10.0 million annual appropriation from the Transportation Trust Fund (TTF). **Chapter 376 of 2026** further required a \$2.0 million distribution to Howard County and increased the TTF appropriation to \$12.0 million annually beginning in fiscal 2027. However, the \$2.0 million for Howard County is not currently appropriated in fiscal 2027, and the Governor is not required to fund the annual mandate until fiscal 2028.

Public Safety

State aid for public safety programs will total \$215.2 million in fiscal 2027, which represents a \$19.0 million decrease over the past four years. The decrease reflects the removal of certain grant programs, lower grant awards under statewide initiatives, and reduced 9-1-1 grant funding.

Maryland's counties and municipalities receive grants for police protection through the police aid formula. The police aid formula allocates funds on a per capita basis, and jurisdictions with a higher population density receive greater per capita grants. Municipalities receive additional grants based on the number of sworn officers. State funding for police aid will total \$77.0 million in fiscal 2027, representing a \$0.4 million increase over the past four years. Additionally, for the fifth consecutive year, the State budget included discretionary police aid enhancement funding totaling \$47.1 million to address violent crime, with those funds historically allocated according

to each jurisdiction's share of violent offenses committed in the State. The BRFA of 2026 required law enforcement agencies to attest to compliance with the Maryland Sexual Assault Kit Initiative Victim Notification Protocol before receiving their share of funds and earmarked \$6.0 million for the Governor's Office of Crime Prevention and Policy to provide grants for communications encryption systems. In addition, the BRFA of 2026 further required the Comptroller to suspend, until notification of compliance is received, enhanced or discretionary police protection funding for any county or qualifying municipality that is found to be not in compliance with State law related to immigration enforcement agreements.

Local law enforcement agencies also receive additional State funding through targeted crime grants, which will total \$46.1 million in fiscal 2027. In the past four years, State funding for targeted crime grants has decreased by \$13.1 million, reflecting both reduced award amounts and the discontinuation of multiple programs. Among those programs eliminated since fiscal 2023 are grants supporting police accountability, warrants and absconding, license plate readers, and cross jurisdictional task forces.

The State provides formula grants through the Senator William H. Amoss Fire, Rescue, and Ambulance Fund to the counties, Baltimore City, and qualifying municipalities for local and volunteer fire, rescue, and ambulance services. The program supports the purchase of fire and rescue equipment and capital building improvements. Each county is guaranteed a minimum 2% share of the total funds, in addition to the amounts that are distributed to qualifying municipalities. *Chapters 718 and 719 of 2024* increased the annual appropriation for fire and rescue aid from \$15.0 million to \$16.5 million beginning in fiscal 2026.

Disparity Grants

The disparity grant program provides funding to low-wealth jurisdictions where per capita local income tax revenue is below 75% of the statewide average. To help alleviate potential disparities in local income tax collections, the program provides a grant to enable local income tax revenues to reach at least 75% of the statewide average.

Based on the current statutory formula, Baltimore City and eight counties qualify for disparity grants. In fiscal 2026, the budget included a one-time enhancement that increased the maximum grant level from 75% to 90% for five jurisdictions that imposed the maximum 3.2% local income tax rate. This enhancement increased total disparity grant funding by \$17.1 million above the otherwise required amount.

During the 2023-2026 term, program funding increased from \$161.2 million in fiscal 2023 to \$203.6 million in fiscal 2027, representing a \$42.4 million or 26.3% increase. During this period, funding reached a record high of \$220.2 million in fiscal 2024, driven by above-average income growth in more affluent counties. Overall, program funding has fluctuated, increasing as income disparities between high- and low-wealth counties widen and decreasing as those disparities narrow.

Changes in local income tax rates have also affected county eligibility and funding levels. Cecil County reduced its local income tax rate and has been ineligible for funding since fiscal 2025. Washington County lowered its tax rate multiple times, resulting in the county receiving only 20% of its calculated grant, rather than 75%. In contrast, Allegany County increased its local income tax rate for calendar 2026 to take advantage of the program's higher minimum funding level.

Teacher Retirement Supplemental Grants

The BRFA of 2025 phased out, over two years, the annual mandated appropriation of \$27.7 million distributed annually to nine jurisdictions to help offset the impact of sharing teacher retirement costs with the counties. The grants were reduced by half in fiscal 2026 and fully eliminated in fiscal 2027.

Behavioral Health Crisis Response

The Behavioral Health Crisis Response Grant Program provides funds to local jurisdictions to establish and expand community behavioral health crisis response systems, including programs and services such as mobile crisis teams, on-demand walk-in services, and crisis residential beds. Mandated appropriations for the program were established in statute through 2025. The fiscal 2026 budget included \$5.0 million for the program and *Chapter 666 of 2025* reestablished the \$5.0 million annual mandated appropriation for the program through fiscal 2029.

Retirement Aid

The BRFA of 2025 (1) reduced the State share while increasing the county share of employer pension contributions for Teachers' Retirement System/Teachers' Pension System (TRS/TPS) members employed by local school systems and community colleges annually beginning in fiscal 2026 and (2) repealed, beginning in fiscal 2026, the \$50.0 million annual supplemental contribution to the State Retirement and Pension System that was required to be paid until the system's funding ratio reaches 85%. Similarly, the BRFA of 2026 reduced the State share, and increased the county share, of employer pension contributions for TRS/TPS members employed by local school systems, community colleges, and libraries annually beginning in fiscal 2027.

Changes by Program

The State distributes aid or shares revenue with the local governments through over 80 different programs. To promote fiscal equity among jurisdictions, about 70% of State aid is distributed inversely to local wealth. **Exhibit A-3.4** summarizes the distribution of direct aid by governmental unit and shows the estimated State retirement payments for local government employees in fiscal 2023 and 2027. **Exhibit A-3.5** compares total State aid in fiscal 2023 and 2027 by program.

Exhibit A-3.4
State Aid to Local Governments
Fiscal 2027 Legislative Appropriation
(\$ in Thousands)

County	County -		Direct State Aid				Retirement	Change		Percent Change
	Municipal	Community Colleges	Public Schools	Libraries	Health	Subtotal		Total	FY 2023	
Allegany	\$24,360	\$11,778	\$121,520	\$917	\$4,659	\$163,235	\$10,882	\$174,117	\$36,885	26.9%
Anne Arundel	57,117	47,114	615,036	3,359	9,614	732,240	100,461	832,701	183,542	28.3%
Baltimore City	422,058	0	1,353,600	9,962	13,071	1,798,691	90,978	1,889,669	355,214	23.1%
Baltimore	36,596	74,693	1,060,534	8,062	8,627	1,188,512	135,440	1,323,953	267,509	25.3%
Calvert	7,890	4,997	117,649	661	2,799	133,995	17,933	151,928	18,500	13.9%
Caroline	8,265	3,070	89,991	397	2,043	103,766	6,299	110,064	24,853	29.2%
Carroll	11,057	15,498	203,152	1,353	4,453	235,513	29,209	264,723	58,891	28.6%
Cecil	11,235	9,953	152,133	1,030	3,174	177,524	18,182	195,707	37,815	23.9%
Charles	7,892	10,251	289,442	1,489	4,722	313,796	31,363	345,159	77,287	28.9%
Dorchester	9,804	2,269	64,752	369	2,525	79,719	5,656	85,375	13,272	18.4%
Frederick	17,721	24,602	414,069	2,092	5,060	463,544	54,500	518,045	112,066	27.6%
Garrett	7,644	6,272	25,840	116	2,503	42,376	4,574	46,950	2,732	6.2%
Harford	13,025	20,118	347,345	2,277	5,847	388,613	45,688	434,300	103,671	31.4%
Howard	13,449	36,928	415,185	1,364	5,607	472,532	81,103	553,635	110,182	24.8%
Kent	2,153	949	13,761	139	2,204	19,207	2,591	21,798	4,148	23.5%
Montgomery	73,378	79,796	1,054,791	4,134	6,304	1,218,404	221,748	1,440,152	269,826	23.1%
Prince George's	167,451	55,068	1,808,015	9,297	10,039	2,049,870	160,811	2,210,681	544,215	32.7%
Queen Anne's	3,578	3,728	47,242	228	2,004	56,780	7,975	64,755	7,309	12.7%
St. Mary's	5,342	6,130	155,059	1,003	3,560	171,094	18,162	189,257	30,888	19.5%
Somerset	11,227	1,501	48,625	352	1,876	63,581	3,624	67,205	9,960	17.4%
Talbot	4,403	2,748	25,239	146	1,862	34,398	5,625	40,022	9,590	31.5%
Washington	13,091	20,543	277,502	1,684	4,402	317,222	24,551	341,773	77,788	29.5%
Wicomico	22,588	10,080	232,787	1,333	4,692	271,480	18,887	290,368	62,459	27.4%
Worcester	11,148	3,468	34,095	208	3,510	52,428	10,039	62,467	11,199	21.8%
Unallocated	103,344	6,588	148,543	23,603	0	282,077	0	282,077	73,432	35.2%
Total	\$1,065,815	\$458,140	\$9,115,907	\$75,576	\$115,158	\$10,830,596	\$1,106,283	\$11,936,880	\$2,503,235	26.5%

Note: County/Municipal includes the municipal share of police aid, highway user revenue, and fire aid.

State Aid to Local Governments
Fiscal 2023 Actual
(\$ in Thousands)

Direct State Aid								
County	County -		Public			Subtotal	Retirement	Total
	Municipal	Community Colleges	Schools	Libraries	Health			
Allegany	\$17,688	\$9,132	\$96,991	\$870	\$4,494	\$129,175	\$8,057	\$137,232
Anne Arundel	53,118	42,972	472,110	2,730	8,612	579,543	69,616	649,159
Baltimore City	325,351	0	1,127,229	9,652	10,690	1,472,922	61,532	1,534,454
Baltimore	37,139	64,823	843,809	7,357	6,983	960,111	96,333	1,056,444
Calvert	6,849	5,068	104,195	578	2,969	119,658	13,770	133,428
Caroline	7,249	2,143	68,752	361	1,994	80,499	4,712	85,211
Carroll	8,187	12,832	158,755	1,222	4,172	185,168	20,664	205,831
Cecil	11,132	8,827	120,501	925	3,042	144,427	13,465	157,892
Charles	6,556	9,331	224,254	1,328	4,723	246,192	21,680	267,872
Dorchester	7,984	1,626	55,679	344	2,595	68,228	3,875	72,103
Frederick	13,780	17,355	333,274	1,820	4,629	370,858	35,121	405,979
Garrett	6,958	5,398	25,854	182	2,498	40,890	3,328	44,218
Harford	10,123	17,677	264,863	2,030	5,467	300,159	30,470	330,629
Howard	12,385	31,306	334,241	1,163	5,379	384,474	58,978	443,452
Kent	1,594	645	11,290	119	2,330	15,978	1,672	17,650
Montgomery	53,435	70,520	872,003	3,717	5,201	1,004,877	165,449	1,170,326
Prince George's	138,021	45,390	1,348,894	8,729	8,445	1,549,479	116,986	1,666,465
Queen Anne's	3,094	2,809	43,339	201	2,029	51,472	5,974	57,446
St. Mary's	3,964	6,243	130,076	881	3,577	144,741	13,627	158,368
Somerset	9,505	1,431	41,292	324	1,895	54,448	2,797	57,245
Talbot	2,972	2,413	19,177	131	1,917	26,610	3,822	30,433
Washington	11,709	14,535	214,568	1,604	4,068	246,483	17,502	263,985
Wicomico	20,146	7,756	181,002	1,232	4,756	214,893	13,015	227,908
Worcester	10,039	3,250	26,957	184	3,647	44,078	7,190	51,268
Unallocated	93,447	6,366	87,858	20,973	0	208,644	0	208,644
Total	\$872,426	\$389,847	\$7,206,962	\$68,656	\$106,115	\$8,644,007	\$789,638	\$9,433,644

Note: County/Municipal includes the municipal share of police aid, highway user revenue, and fire aid.

State Aid to Local Governments
Dollar Difference Between Fiscal 2027 Legislative Appropriation and Fiscal 2023 Actual
 (\$ in Thousands)

County	County - Municipal	Community Colleges	<i>Direct State Aid</i>				Subtotal	Retirement	Total
			Public Schools	Libraries	Health				
Allegany	\$6,672	\$2,646	\$24,529	\$47	\$165		\$34,060	\$2,825	\$36,885
Anne Arundel	3,998	4,142	142,926	629	1,001		152,697	30,845	183,542
Baltimore City	96,706	0	226,372	310	2,381		325,768	29,446	355,214
Baltimore	-544	9,870	216,725	706	1,644		228,402	39,107	267,509
Calvert	1,041	-71	13,454	83	-170		14,337	4,163	18,500
Caroline	1,016	927	21,239	36	49		23,267	1,586	24,853
Carroll	2,870	2,667	44,396	132	281		50,346	8,546	58,891
Cecil	103	1,126	31,632	105	131		33,098	4,717	37,815
Charles	1,336	920	65,188	161	-1		67,604	9,683	77,287
Dorchester	1,821	643	9,073	25	-70		11,491	1,781	13,272
Frederick	3,942	7,246	80,795	272	431		92,687	19,379	112,066
Garrett	686	874	-14	-65	5		1,486	1,247	2,732
Harford	2,902	2,441	82,482	248	381		88,453	15,218	103,671
Howard	1,064	5,622	80,944	201	227		88,058	22,124	110,182
Kent	560	304	2,471	20	-125		3,229	920	4,148
Montgomery	19,943	9,276	182,787	417	1,103		213,527	56,299	269,826
Prince George's	29,430	9,679	459,120	568	1,593		500,390	43,825	544,215
Queen Anne's	484	918	3,903	28	-25		5,308	2,001	7,309
St. Mary's	1,378	-112	24,983	122	-17		26,354	4,535	30,888
Somerset	1,721	69	7,333	28	-19		9,133	827	9,960
Talbot	1,431	334	6,062	15	-55		7,787	1,803	9,590
Washington	1,382	6,009	62,934	80	334		70,739	7,049	77,788
Wicomico	2,442	2,324	51,785	101	-64		56,587	5,872	62,459
Worcester	1,108	218	7,138	24	-137		8,350	2,849	11,199
Unallocated	9,896	221	60,685	2,630	0		73,432	0	73,432
Total	\$193,388	\$68,293	\$1,908,945	\$6,920	\$9,044		\$2,186,590	\$316,645	\$2,503,235

Note: County/Municipal includes the municipal share of police aid, highway user revenue, and fire aid.

State Aid to Local Governments
Percent Change: Fiscal 2027 Legislative Appropriation over Fiscal 2023 Actual

County	County - Municipal	Direct State Aid					Retirement	Total
		Community Colleges	Public Schools	Libraries	Health	Subtotal		
Allegany	37.7%	29.0%	25.3%	5.4%	3.7%	26.4%	35.1%	26.9%
Anne Arundel	7.5%	9.6%	30.3%	23.0%	11.6%	26.3%	44.3%	28.3%
Baltimore City	29.7%	n/a	20.1%	3.2%	22.3%	22.1%	47.9%	23.1%
Baltimore	-1.5%	15.2%	25.7%	9.6%	23.5%	23.8%	40.6%	25.3%
Calvert	15.2%	-1.4%	12.9%	14.3%	-5.7%	12.0%	30.2%	13.9%
Caroline	14.0%	43.3%	30.9%	10.0%	2.5%	28.9%	33.7%	29.2%
Carroll	35.1%	20.8%	28.0%	10.8%	6.7%	27.2%	41.4%	28.6%
Cecil	0.9%	12.8%	26.3%	11.3%	4.3%	22.9%	35.0%	23.9%
Charles	20.4%	9.9%	29.1%	12.2%	0.0%	27.5%	44.7%	28.9%
Dorchester	22.8%	39.5%	16.3%	7.2%	-2.7%	16.8%	46.0%	18.4%
Frederick	28.6%	41.8%	24.2%	15.0%	9.3%	25.0%	55.2%	27.6%
Garrett	9.9%	16.2%	-0.1%	-36.0%	0.2%	3.6%	37.5%	6.2%
Harford	28.7%	13.8%	31.1%	12.2%	7.0%	29.5%	49.9%	31.4%
Howard	8.6%	18.0%	24.2%	17.2%	4.2%	22.9%	37.5%	24.8%
Kent	35.1%	47.0%	21.9%	16.8%	-5.4%	20.2%	55.0%	23.5%
Montgomery	37.3%	13.2%	21.0%	11.2%	21.2%	21.2%	34.0%	23.1%
Prince George's	21.3%	21.3%	34.0%	6.5%	18.9%	32.3%	37.5%	32.7%
Queen Anne's	15.6%	32.7%	9.0%	13.8%	-1.2%	10.3%	33.5%	12.7%
St. Mary's	34.8%	-1.8%	19.2%	13.8%	-0.5%	18.2%	33.3%	19.5%
Somerset	18.1%	4.8%	17.8%	8.8%	-1.0%	16.8%	29.6%	17.4%
Talbot	48.2%	13.8%	31.6%	11.2%	-2.8%	29.3%	47.2%	31.5%
Washington	11.8%	41.3%	29.3%	5.0%	8.2%	28.7%	40.3%	29.5%
Wicomico	12.1%	30.0%	28.6%	8.2%	-1.3%	26.3%	45.1%	27.4%
Worcester	11.0%	6.7%	26.5%	13.0%	-3.8%	18.9%	39.6%	21.8%
Unallocated	10.6%	3.5%	69.1%	12.5%	n/a	35.2%	-100.0%	35.2%
Total	22.2%	17.5%	26.5%	10.1%	8.5%	25.3%	40.1%	26.5%

Note: County/Municipal includes the municipal share of police aid, highway user revenue, and fire aid.

Exhibit A-3.5
Total State Aid to Local Governments
Fiscal 2023 and 2027

<u>Program</u>	<u>2023</u>	<u>2027</u>	<u>Difference</u>
Foundation Aid	\$3,659,452,582	\$4,117,128,064	\$457,675,482
Comparable Wage Index	157,909,651	159,907,056	1,997,405
Compensatory Education	1,295,201,860	1,738,239,134	443,037,274
Student Transportation – Regular	308,751,983	355,619,903	46,867,920
Student Transportation – Special Education	27,213,000	31,377,000	4,164,000
Special Education – Formula	401,310,445	691,424,378	290,113,933
Special Education – Nonpublic Placements	141,393,668	125,534,440	-15,859,228
Special Education – Infants and Toddlers	14,673,430	19,242,082	4,568,652
Special Education – High Acuity Students	0	1,000,000	1,000,000
English Learners Grant	422,465,014	542,029,056	119,564,042
Guaranteed Tax Base	45,783,860	68,983,149	23,199,289
Prekindergarten Expansion Program	25,467,200	36,644,000	11,176,800
School Safety Grants	14,054,372	20,600,000	6,545,628
Blueprint – Concentration of Poverty	190,286,426	572,672,740	382,386,314
Blueprint – Transitional Instruction	49,951,813	0	-49,951,813
Blueprint – Transition Grants	57,688,465	28,844,235	-28,844,230
Blueprint – Full Day PreKindergarten	143,667,389	254,729,651	111,062,262
Blueprint – College and Career Readiness	18,669,966	30,866,029	12,196,063
Blueprint – Education Effort Index	125,673,114	166,051,382	40,378,268
Blueprint – Career Ladder	7,836,560	29,074,593	21,238,033
Blueprint – Coordinators	0	1,823,725	1,823,725
Food Service	14,382,924	18,296,664	3,913,740
SEED School	12,291,760	14,177,600	1,885,840
Judy Hoyer Centers	25,146,628	42,756,380	17,609,752
Teacher Development	23,322,000	20,430,000	-2,892,000
Public School Opportunities	2,999,000	3,000,000	1,000
Out-of-county Foster Placements	1,956,748	1,750,000	-206,748
Head Start	2,578,978	3,000,000	421,022
Other Education Aid	16,833,406	20,705,970	3,872,564
Total Primary and Secondary Education	\$7,206,962,242	\$9,115,907,231	\$1,908,944,989

<u>Program</u>	<u>2023</u>	<u>2027</u>	<u>Difference</u>
Library Formula	\$47,683,020	\$51,973,522	\$4,290,502
Library Network	20,972,879	23,602,516	2,629,637
Total Libraries	\$68,655,899	\$75,576,038	\$6,920,139
Community College Formula	\$355,055,615	\$415,311,261	\$60,255,646
Optional Retirement	16,699,999	18,906,049	2,206,050
Grants for ESOL Programs	2,603,605	4,893,863	2,290,258
Small College Grants	9,121,805	12,191,678	3,069,873
Other Community College Aid	6,366,451	6,837,573	471,122
Total Community Colleges	\$389,847,475	\$458,140,424	\$68,292,949
Highway User Revenue	\$280,259,873	\$437,633,666	\$157,373,793
Elderly and Disabled Transportation Aid	3,000,759	4,743,944	1,743,185
Paratransit Grants	1,324,102	1,408,450	84,348
Bus Rapid Transit Systems	14,637,225	27,000,000	12,362,775
Total Transportation	\$299,221,959	\$470,786,060	\$171,564,101
Police Aid	\$76,633,868	\$77,010,378	\$376,510
Police Aid Enhancement	45,878,144	41,132,583	-4,745,561
Fire and Rescue Aid	15,000,000	16,500,000	1,500,000
9-1-1 Grants	37,383,693	28,421,995	-8,961,698
Baltimore City Direct Police Grant	9,131,940	9,180,113	48,173
Safe Streets Program	3,686,492	5,450,000	1,763,508
State's Attorney Grants	2,584,007	2,905,955	321,948
Violent Crime Grants	2,286,182	2,292,489	6,307
Vehicle Theft Prevention	1,501,697	2,400,000	898,303
Drug Enforcement Grants	1,224,043	1,214,610	-9,433
Maryland Criminal Intelligence Network	6,447,242	6,723,865	276,623
Police Recruitment and Retention	3,575,631	1,300,000	-2,275,631
Rape Kit Testing Grant Fund	4,522,104	3,500,000	-1,022,104
Police Accountability	6,454,596	0	-6,454,596
Warrant Apprehension Grant	2,878,600	3,250,000	371,400
License Plate Reader Grant	4,999,981	0	-4,999,981
Group Violence Reduction Strategy	0	2,500,000	2,500,000
Encrypted Communications Systems	0	6,000,000	6,000,000
Other Public Safety Aid	9,974,269	5,426,509	-4,547,760
Total Public Safety	\$234,162,489	\$215,208,497	-\$18,953,992

<u>Program</u>	<u>2023</u>	<u>2027</u>	<u>Difference</u>
Wastewater Treatment – Nutrient Removal	\$11,000,000	\$11,000,000	0
Critical Area Grants	137,200	159,356	22,156
Total Recreation/Environment	\$11,137,200	\$11,159,356	\$22,156
Local Health Formula	\$106,114,571	\$115,158,148	\$9,043,577
Disparity Grant	\$161,217,796	\$203,599,585	\$42,381,789
Gaming Impact Grants	\$107,111,616	\$102,670,371	-\$4,441,245
Teachers Retirement Supplemental Grants	27,658,661	0	-27,658,661
Adult Education	7,984,589	7,611,986	-372,603
Statewide Voting Systems	6,354,276	21,635,235	15,280,959
Revenue Equity Program	3,928,657	4,334,673	406,016
Payments in Lieu of Taxes (PILOT)	1,668,392	1,774,074	105,682
PILOT – Park Service	2,575,367	2,630,000	54,633
PILOT – Forest Service	203,563	199,604	-3,959
Instant Bingo	2,926,238	3,150,000	223,762
Cannabis Sales Tax	0	3,044,887	3,044,887
Behavioral Health Crisis Response	5,010,404	5,000,000	-10,404
Senior Citizens Activities Center	765,117	765,241	124
Local Impact Grants	0	3,250,000	3,250,000
Prince George’s County Reentry Program	0	350,000	350,000
Miscellaneous Grants	500,000	8,645,000	8,145,000
Total Other Direct Aid	\$166,686,880	\$165,061,071	-\$1,625,809
Total Direct Aid	\$8,644,006,511	\$10,830,596,410	\$2,186,589,899
Retirement – Teachers	\$724,643,897	\$1,017,978,410	\$293,334,513
Retirement – Libraries	20,019,570	27,990,432	7,970,862
Retirement – Community Colleges	44,974,265	60,314,354	15,340,089
Total Payments-in-behalf	\$789,637,732	\$1,106,283,196	\$316,645,464
Total State Aid	\$9,433,644,243	\$11,936,879,606	\$2,503,235,363

County Level Detail

This section includes information for each county on State aid, State funding of selected services, and capital projects in the county. The three parts included under each county are described in the following section.

Direct Aid and Retirement Payments

Direct Aid: The State distributes aid or shares revenue with the counties, municipalities, and Baltimore City through over 80 different programs. Part A, section 1 of each county's statistical tables compares aid distributed to the county in fiscal 2024 and 2027.

Retirement Payments: County teachers, librarians, and community college faculty are members of either the teachers' retirement or pension systems maintained and operated by the State. The State pays a portion of the employer share of the retirement costs on behalf of the counties for these local employees. Although these funds are not paid to the local governments, each county's allocation is estimated from salary information collected by the State retirement systems. The figure shown in this report for each county is the four-year cumulative total retirement costs (fiscal 2024 through 2027). These estimates are presented in Part A, section 2 of each county.

Estimated State Spending on Health and Social Services

The State funds the provision of health and social services in the counties either through local governments, private providers, or State agencies in the counties. Part B of each county shows the fiscal 2024 through 2027 estimated allocation of appropriations, excluding federal funds, for health services, social services, and senior citizen services.

Health Services: The Department of Health, through its various administrations, funds in whole or part community health programs that are provided in the local subdivisions. In addition, the Medicaid program provides funding for medical services for low-income persons. This report does not include spending at the State mental health hospitals, developmental disability facilities, or chronic disease centers. The fiscal 2027 funding is allocated among the subdivisions based on each jurisdiction's share of fiscal 2026 funding and may change.

Medicaid: The Medical Assistance Program funds medical services for low-income Marylanders. The program covers physician services, hospital inpatient and outpatient services, and pharmacy services. Medicaid funding for mental health services is included under the Behavioral Health Services category.

Behavioral Health Services: The Behavioral Health Administration was formed from the combination of the Alcohol and Drug Abuse Administration and the Mental Health Administration. Substance abuse programs include primary and emergency care, intermediate care facilities, halfway houses and long-term care programs, outpatient care, and prevention programs. Community mental health services are developed and monitored at the local level by Core Service Agencies. The Core Service Agencies have the clinical, fiscal, and administrative responsibility to

develop a coordinated network of services for all public mental health clients of any age within a given jurisdiction. These services include inpatient hospital and residential treatment facility stays, outpatient treatment, psychiatric rehabilitation services, counseling, and targeted case management services.

Family Health and Chronic Disease Services: The Prevention and Health Promotion Administration funds a variety of community-based programs through the local health departments and private sector agencies in each of the subdivisions. These programs include maternal health (family planning, pregnancy testing, prenatal and perinatal care, etc.) and infant and child health (disease prevention, child health clinics, specialty services, etc.). The Administration is also responsible for chronic and hereditary disease prevention (cancer, heart disease, diabetes, etc.) and the prevention and control of infectious diseases, including HIV/AIDS. This category includes funding for kidney disease treatment services that were formerly included under the Medicaid program.

Developmental Disabilities: The Developmental Disabilities Administration's community-based programs include residential services; day programs; transportation services; summer recreation for children; individual and family support services, including respite care; individual family care; behavioral support services; and community-supported living arrangements.

Social Services: The Department of Human Services, the Governor's Office of Crime Prevention and Policy, and the Department of Housing and Community Development provide funding for various social and community services in the subdivisions. Part B of each county's statistical tables shows fiscal 2024 through 2027 estimates of funding for those programs that are available by subdivision. Note that fiscal 2027 funding for homeless services, women's services, foster care, and Temporary Cash Assistance (TCA) is allocated among the subdivisions based on each jurisdiction's share of fiscal 2026 funding and may change.

Homeless Services: The State funds programs that provide emergency and transitional housing, food, and transportation for homeless families and individuals.

Women's Services: The State provides funding for a variety of community-based programs for women. These include the domestic violence program, rape crisis centers, and crime victim's services.

Adult Services: The State social services departments in each of the subdivisions provide a variety of services to disabled, elderly, neglected, and exploited adults. Services include information and referral, crisis intervention, case management, protective services, in-home aid, and respite care for families.

Child Welfare Services: The State social services departments in each of the subdivisions offer programs to support the healthy development of families, assist families and children in need, and protect abused and neglected children. Services include adoptive services, foster care programs, family preservation programs, and child protective services.

Foster Care: The foster care program places children who cannot remain in the care of their parents or legal guardian in alternate settings. The program includes payments to foster family homes, group homes, and residential facilities for neglected children.

TCA: The TCA program provides financial assistance to dependent children and other family members deprived of support due to the death, incapacitation, underemployment, or unemployment of one or both parents.

Senior Citizen Services: The Department of Aging funds a variety of services for senior citizens mostly through local area agencies on aging. In Part B of each county, these programs have been combined into two broad categories: long-term care and community services. In this report, the fiscal 2027 general funds are allocated among the subdivisions based on each jurisdiction's share of fiscal 2026 funding and may change.

Long-term Care: This category includes the following programs: vulnerable elderly; senior care; senior guardianship; the ombudsman program; and the long-term care and dementia care navigation program.

Community Services: Included in this category are the senior information and assistance program, the senior nutrition program, the naturally occurring retirement communities program, and the hold harmless grant.

Capital Grants and Capital Projects for State Facilities

This section shows capital grants for local projects as well as capital spending at State owned facilities authorized by the fiscal 2024 through 2027 operating and capital budgets. In addition, it reflects subsequent actions taken by the legislature to amend or deauthorize funding in either the annual capital budget or separate legislation. For each capital project, the total authorized amount is given regardless of the funding source, although federally funded projects are shown separately.

Selected State Grants for Capital Projects: The State provides capital grants for public schools; community colleges; local jails; parks and playgrounds; community health facilities; water quality projects; waterway improvements; homeless shelters; and other cultural, historical, and economic development projects. These projects are listed in Part C for each county. Projects at regional community colleges are shown for each county that the college serves. Similarly, projects at wastewater treatment plants that serve more than one county are shown for each county served.

The projects included for loan programs are those anticipated at the time that the operating and capital budgets were adopted for each of the four fiscal years covered in this report. In addition, for some loan programs, total allocations may reflect available funds from prior years resulting in project lists that add to more than the budget approved in a specific fiscal year. The actual projects funded and/or the amount of funding for specific projects could be significantly different from what is reported here depending on which projects were ready to move forward and final costs.

The school construction projects for fiscal 2024 through 2026 reflect the Interagency Commission on School Construction's (IAC) final allocation based on the adopted operating and capital budgets for each year and available prior year funds. The fiscal 2027 budget includes \$300.0 million in funding for local school construction program of which \$237.8 million has been allocated to specific projects as of the publication of this report. **The projects funded and/or the amount of the funding for specific projects could change pending the final IAC allocation for fiscal 2027.**

The fiscal 2027 capital budget also includes \$70.0 million for the Nancy K. Kopp Public School Facilities Priority Fund. The funding was allocated by the legislature to specific counties, and those amounts are shown in Part C. The fiscal 2027 operating budget includes \$27 million for Prince George's County Public-Private Partnership projects and \$18.9 million for HVAC upgrades in Baltimore City.

The fiscal 2027 capital budget includes \$80.0 million for the Supplemental Capital Grant Program for Local School Systems, available to school systems with significant enrollment growth or relocatable classrooms. The funding has not been allocated to specific projects, but this report shows the total grants for each of the 13 qualifying school systems. Similarly, funding for the Aging Schools Program for fiscal 2024 through 2026 is allocated by county but not to specific projects. The Nancy K. Kopp Public Schools Facilities Priority Fund replaces the Aging Schools Program beginning in fiscal 2027.

Capital Projects for State Facilities Located in the County: Part D for each jurisdiction shows capital projects at State facilities and public colleges and universities by the jurisdiction in which the facility is located. If a facility is located in more than one county, such as a State park, the total amount of the capital project is shown for all relevant counties. For each capital project, the total authorized amount is given regardless of funding source, although federally funded projects are shown separately. For the universities, projects funded from auxiliary revenue bonds are excluded. This report generally excludes transportation projects but does include such projects funded by general funds or general obligation bonds in the operating and capital budgets.

Allegany County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
Foundation Aid	\$45,636	\$48,971	\$50,698	\$52,318
Foundation Aid - Special Grants	4,105	0	0	0
Compensatory Education	24,249	28,888	28,670	27,934
Student Transportation	5,989	6,060	6,250	6,328
Special Education	8,498	11,319	12,746	14,535
English Language Learners Grant	209	293	345	362
Guaranteed Tax Base	2,462	6,985	5,527	5,282
Blueprint Funding	4,850	8,543	11,496	13,681
Other Education Aid	1,614	1,290	962	1,080
<i>Primary and Secondary Education</i>	\$97,612	\$112,348	\$116,694	\$121,520
Libraries	\$886	\$894	\$913	\$917
Community Colleges	9,912	10,320	11,477	11,778
Health Formula Grant	6,667	4,994	5,258	4,659
Transportation ¹	3,900	4,443	5,135	5,141
Police and Public Safety ¹	1,249	5,168	1,110	1,074
Fire and Rescue Aid ¹	397	391	417	417
Disparity Grant	5,505	7,299	7,299	13,612
Teachers Retirement Supplemental Grant	1,632	1,632	816	0
Gaming Impact Aid	3,273	3,052	3,114	3,114
Other Direct Aid	1,174	1,174	993	1,002
Total Direct Aid	\$132,206	\$151,714	\$153,225	\$163,235
 Aid Per Capita (\$)	 \$1,974	 \$2,270	 \$2,292	 \$2,442
Property Tax Equivalent (\$)	3.02	3.24	3.07	3.10

¹ Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays a portion of the employer share on behalf of the subdivisions for these local employees. Fiscal 2024 to 2027 State payments for Allegany County for teachers, librarians, and community college faculty are estimated to be \$39,719,000.

B. Estimated State Spending on Selected Health and Social Services

The Maryland Department of Aging, the Maryland Department of Health, the Department of Human Services, the Department of Housing and Community Development, and the Governor's Office of Crime Prevention and Policy fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. For many programs, the amounts shown for fiscal 2027 are based on the county's share of prior year funding (fiscal 2026) and may change. See the discussion at the beginning of this section for more detail on the types of services funded.

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
<u>Health Services</u>				
Medicaid	\$82,100	\$90,336	\$90,497	\$91,473
Family Health and Chronic Disease	843	407	721	837
Developmental Disabilities	19,921	33,863	41,043	35,607
Behavioral Health Services	22,371	21,511	22,157	24,839
Total	\$125,235	\$146,117	\$154,418	\$152,756
<u>Social Services</u>				
Homeless Services	\$277	\$277	\$278	\$257
Women's Services	336	294	239	297
Adult Services	299	704	358	413
Child Welfare Services	3,837	6,493	4,229	4,906
Foster Care	4,371	5,132	6,369	6,553
Temporary Cash Assistance	827	1,444	1,202	1,237
Total	\$9,947	\$14,344	\$12,675	\$13,663
<u>Senior Citizen Services</u>				
Long-term Care	\$192	\$236	\$225	\$268
Community Services	149	142	139	143
Total	\$341	\$378	\$364	\$411

C. Selected State Grants for Capital Projects**Public Schools**

Beall Elementary School – renovations (windows/doors/chillers)	\$467,610
Braddock Middle School – renovations (water piping/ceiling/lighting)	3,948,000
Flintstone Elementary School – renovations (underground storage tanks)	765,000
Washington Middle School – construction	9,601,483
Washington Middle School – renovations (water piping/ceiling/lights)	3,800,000
Washington Middle School – renovations (HVAC)	1,569,756
Aging Schools Program	293,373
	\$20,445,222

Allegany College of Maryland

Campuswide – facilities renewal	\$699,750
Workforce Development and Training Center – renovation	2,945,000
	\$3,644,750

Community Health Facilities Grant Program

Friends Aware, Inc.	\$323,000

Federally Qualified Health Centers Grant Program

Western Maryland Healthcare Corporation	\$867,000

Business Facade Improvement Program

Lonaconing	\$25,000
Westernport	25,000
	\$50,000

Program Open Space

Park acquisition and development	\$2,204,160

Community Parks and Playgrounds

Cumberland – Fairmont Avenue Park	\$225,000
Frostburg – Glendening Recreation Complex	23,970
Frostburg – Mt. Pleasant Park	28,800
Lonaconing – Little League Ballfield Pickleball Courts	32,091
Midland – Baker Park Soccer Field	75,000

Midland – Main Street Pickleball Court	50,000
Westernport – Bruce Park	200,000
	\$634,861

Chesapeake Bay Water Quality Projects

Frostburg Combined Sewer – overflow elimination	\$558,660
Luke – sewer collection system	1,312,500
Westernport – sanitary sewer replacement	1,500,000
	\$3,371,160

Water Supply Financial Assistance Program

Lavale – Winchester Road water line replacement	\$1,000,000

Comprehensive Flood Mitigation Program

Cumberland Dry Run Dam – overtopping protection system	\$57,000

Hazardous Substance Cleanup Program

Former Artmor Plastics	\$200,000

Other Projects

Allegany College – Bazarnic Field	\$61,000
Allegany College – tennis courts	150,000
Allegany County – Casper A. Taylor Amphitheater	50,000
Allegany County – Greater Cumberland Regional Airport	100,000
Allegany County Historical Society	355,000
Allegany Museum	100,000
Barton Hose Company No. 1	50,000
Bishop Walsh School, Inc.	64,000
Camp Potomac	85,000
Canal Place – River Park	1,500,000
Cumberland – Evitts Creek sewer main replacement	500,000
Cumberland – Mechanic and Harrison Street improvements	100,000
Cumberland Economic Development Corp. – Messick Road Industrial Park	100,000
Cumberland Historic Cemetery Organization, Inc. – historical markers	100,000
Ellerslie Volunteer Fire Company	60,000
Flintstone Volunteer Fire Company	50,000
Friends Aware, Inc.	475,000

Frostburg – water sustainability improvements	400,000
Frostburg Fire Department	250,000
Goodwill Fire Company	100,000
Greenway Avenue Stadium	450,000
Midland – town hall	75,000
Mt. Savage Volunteer Fire Company	150,000
Orleans Volunteer Fire Company, Inc.	50,000
Potomac Fire Company No. 2	50,000
Spectrum Support, Inc. – Allegany County Support Home	300,000
UPMC Western Maryland – Cancer Center	1,750,000
UPMC Western Maryland – radiation therapy linear accelerator	600,000
Western Maryland Scenic Railroad	1,700,000
Westernport – redevelopment	150,000
YMCA Gilchrist Campus	40,000
	\$9,965,000

D. Capital Projects for State Facilities in the County

Department of Natural Resources

Dans Mountain Wildlife Management Area – ADA observation platform	\$100,000
Dans Mountain Wildlife Management Area – Flats Road access improvements	300,000
Rocky Gap State Park – boat ramp and bulkhead replacement	300,000
Rocky Gap State Park – campground improvements	2,845,000
Sideling Hill Creek State Park – road and parking improvements	400,000
Wills Mountain State Park – entrance, road, and parking improvements	3,000,000
	\$6,945,000

University System of Maryland

Frostburg State – baseball complex	\$1,100,000
Frostburg State – technology infrastructure upgrades	500,000
	\$1,600,000

Anne Arundel County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
Foundation Aid	\$285,530	\$292,094	\$313,249	\$325,774
Compensatory Education	103,236	101,191	107,492	103,940
Student Transportation	32,209	32,692	33,674	33,995
Special Education	47,777	52,524	53,635	59,222
English Language Learners Grant	27,630	30,596	33,277	32,856
Comparable Wage Index	15,250	15,601	16,048	16,334
Blueprint Funding	20,414	26,394	36,304	39,772
Other Education Aid	4,670	4,560	3,240	3,142
<i>Primary and Secondary Education</i>	<i>\$536,716</i>	<i>\$555,650</i>	<i>\$596,918</i>	<i>\$615,036</i>
Libraries	\$2,907	\$3,117	\$3,234	\$3,359
Community Colleges	45,991	45,279	45,798	47,114
Health Formula Grant	11,102	9,155	9,455	9,614
Transportation ¹	11,510	13,334	14,990	15,004
Police and Public Safety ¹	12,067	15,882	12,320	12,018
Fire and Rescue Aid ¹	1,248	1,250	1,366	1,366
Gaming Impact Aid	29,101	28,869	28,605	28,654
Other Direct Aid	508	509	125	75
Total Direct Aid	\$651,151	\$673,045	\$712,811	\$732,240
Aid Per Capita (\$)	\$1,083	\$1,115	\$1,181	\$1,214
Property Tax Equivalent (\$)	0.62	0.61	0.61	0.59

¹ Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays a portion of the employer share on behalf of the subdivisions for these local employees. Fiscal 2024 to 2027 State payments for Anne Arundel County for teachers, librarians, and community college faculty are estimated to be \$354,851,000.

B. Estimated State Spending on Selected Health and Social Services

The Maryland Department of Aging, the Maryland Department of Health, the Department of Human Services, the Department of Housing and Community Development, and the Governor's Office of Crime Prevention and Policy fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. For many programs, the amounts shown for fiscal 2027 are based on the county's share of prior year funding (fiscal 2026) and may change. See the discussion at the beginning of this section for more detail on the types of services funded.

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
<u>Health Services</u>				
Medicaid	\$331,677	\$364,661	\$365,533	\$369,476
Family Health and Chronic Disease	1,856	1,165	1,596	1,871
Developmental Disabilities	63,814	108,439	131,429	114,026
Behavioral Health Services	107,467	124,124	124,445	133,783
Total	\$504,814	\$598,389	\$623,003	\$619,156
<u>Social Services</u>				
Homeless Services	\$642	\$834	\$835	\$770
Women's Services	521	471	417	478
Adult Services	325	300	362	366
Child Welfare Services	9,424	11,402	9,750	10,124
Foster Care	9,625	9,942	13,047	13,424
Temporary Cash Assistance	1,952	3,552	3,881	3,997
Total	\$22,489	\$26,501	\$28,292	\$29,159
<u>Senior Citizen Services</u>				
Long-term Care	\$836	\$1,079	\$1,035	\$1,193
Community Services	455	432	421	434
Total	\$1,291	\$1,511	\$1,456	\$1,627

C. Selected State Grants for Capital Projects**Public Schools**

Annapolis High School – renovations (chiller)	\$809,524
Annapolis High School – renovations (electrical upgrade)	797,500
Annapolis Middle School – renovations (roof)	3,921,600
Arundel High School – renovations (windows)	757,000
Arundel Middle School – renovations (ceiling/lighting)	1,151,150
Broadneck Elementary School – renovations (electrical upgrade)	404,250
Broadneck High School – renovations (roof)	4,329,006
Brooklyn Park Elementary School – renovations (electrical)	363,636
Cape St. Claire Elementary School – renovations (public address intercom)	195,000
Center of Applied Technology – North – construction	40,953,285
Central Elementary School – renovations (electrical)	287,000
Chesapeake High School – renovations (communications/electrical/chiller)	3,666,667
Chesapeake High School – renovations (wastewater treatment plant)	1,833,700
Crofton Middle School – renovations (public address intercom)	282,700
Deale Elementary School – renovations (boiler)	523,809
Four Seasons Elementary School – renovations (roof)	1,443,200
Georgetown East Elementary School – renovations (HVAC)	1,558,441
Glen Burnie High School – renovations (boilers/roof/windows/fire safety)	6,335,000
Glen Burnie High School – renovations (roof/windows/facade)	4,389,193
Hilltop Elementary School – renovations (ceiling/lights)	392,700
Hilltop Elementary School – renovations (roof/HVAC)	3,636,363
Jacobsville Elementary School – renovations (roof)	1,333,200
Jones Elementary School – renovations (boilers)	346,500
Jones Elementary School – renovations (public address intercom)	381,000
Lindale Middle School – renovations (HVAC/roof top units)	17,529,214
Lindale Middle School – renovations (roof/windows/facade)	7,630,700
Linthicum Elementary School – renovations (roof/chiller)	1,255,411
North Glen Elementary School – renovations (roof)	1,028,400
Northeast Middle School – renovations (HVAC/doors)	949,025
Oak Hill Elementary School – renovations (electrical)	287,000
Old Mill High School – construction	13,825,208
Park Elementary School – construction	2,821,000
Park Elementary School – renovations (public address intercom)	253,500
Piney Orchard Elementary School – renovations (fire safety/public intercom)	737,000
Riviera Beach Elementary School – renovations (doors)	59,000
Severn Elementary School – renovations (boilers)	598,400
Solley Elementary School – renovations (boiler)	476,191
South Shore Elementary School – renovations (communications)	303,031

Van Bokkelen Elementary School – renovations (air handling units)	2,886,000
Van Bokkelen Elementary School – renovations (roof)	715,040
Van Bokkelen Elementary School – renovations (windows/doors)	385,450
Aging Schools Program	1,518,117
Public Schools Facilities Priority Fund	3,000,000
Supplemental Capital Grant Program for Local School Systems	7,640,016
	\$143,989,127

Public Libraries

Glen Burnie Library – construction	\$1,598,000

Anne Arundel Community College

Campuswide – facilities renewal	\$699,750
Dragun Building – renovation	20,630,000
Florestano Building – renovation	9,790,000
	\$31,119,750

Community Health Facilities Grant Program

Gaudenzia, Inc.	\$483,000
Opportunity Ministries, Inc	709,267
The Samaritan House, Inc.	768,000
	\$1,960,267

Business Facade Improvement Program

Anne Arundel Economic Development Corporation	\$150,000

Program Open Space

Park acquisition and development	\$23,950,387

Chesapeake Bay Restoration Fund

Piney Orchard Water Reclamation Facility – enhanced nutrient removal	\$19,036,197

Comprehensive Flood Mitigation Program

Annapolis – city dock stormwater and flood mitigation	\$3,000,000

Waterway Improvement

Acton Cove Waterfront Park – boating infrastructure improvements	\$350,000
Annapolis – Fourth Street public boating access improvements	175,000
Annapolis – Hawkins Cove dredging	75,000
Annapolis – public boating facilities improvements	150,000
Annapolis – Shipwright Street public boating access improvements	175,000
Annapolis – Spa Creek mooring field reconfiguration	250,000
Annapolis City Dock – power pedestal upgrades	250,000
Annapolis Fire Department – fire/rescue vessel equipment	32,250
Asquith Creek – dredging	895,450
Broadwater Creek – dredging and material placement site	907,000
Carrs Creek – dredging	200,000
Church Creek – dredging	230,000
Duvall Creek – dredging	367,500
Lake Placid – dredging	244,000
Little Magothy – dredging	417,500
Marley Creek – dredging	1,400,000
Parker Creek – dredging	277,500
Upper West River and Johns Creek – dredging	530,000
	\$6,926,200

Hazardous Substance Cleanup Program

Gladnor Road – plume remediation	\$150,000

Other Projects

4MyCiTy, Inc. – Zero Waste to Zero Hunger facility	\$357,500
American Legion Guy C. Parlett Post No. 7	50,000
American Legion Post No. 141	250,000
American Legion Post No. 40	100,000
Annapolis – Bates Lower Field improvements	500,000
Annapolis – bomb squad explosive storage vessel	100,000
Annapolis – choice neighborhood initiative	1,000,000
Annapolis – City Dock	7,800,000
Annapolis – Eastport Terrace and Harbor House	500,000
Annapolis – emergency medical unit systems	950,000
Annapolis – Housing Authority	1,000,000
Annapolis – police department	550,000
Annapolis – skatepark at Truxtun Park	50,000
Annapolis – Stanton Community Center	100,000
Annapolis Dragon Boat Foundation, Inc.	55,000

Annapolis Maritime Museum	392,500
Annapolis Middle School – field lights	1,000,000
Anne Arundel County – Bacontown Park	60,000
Anne Arundel County – Brooklyn Park Community Center	500,000
Anne Arundel County – Colonial Drive sidewalks	100,000
Anne Arundel County – Crownsville Hospital Memorial Park	9,000,000
Anne Arundel County – Edgewater Community Center	2,250,000
Anne Arundel County – Glen Burnie Rotary Park	50,000
Anne Arundel County – grain elevator	1,500,000
Anne Arundel County – Historic London Town and Gardens	100,000
Anne Arundel County – Joint 911 Public Safety Center	10,000,000
Anne Arundel County – Lake Waterford Park pickleball court	250,000
Anne Arundel County – MD 295 sound barrier wall	500,000
Anne Arundel County – multicultural center	5,000,000
Anne Arundel County – Overlook Park	100,000
Anne Arundel County – Parole Transportation Center	1,150,000
Anne Arundel County – South Shore Park	1,000,000
Anne Arundel County – Tanyard Springs park improvements	250,000
Anne Arundel County – trail network	1,000,000
Anne Arundel County and Severn Improvement Association – Sunnyside School	25,000
Anne Arundel County Community Action Agency	100,000
Anne Arundel County Fairgrounds	802,000
Anne Arundel County Food Bank, Inc.	760,000
Anne Arundel County Professional Fire Fighters – Firemark Building	1,000,000
Anne Arundel County Public Schools – Arlington Echo Marsh Walk	450,000
Archbishop Spalding High School, Inc.	100,000
Arundel High School – field house and marquee	289,500
Arundel Middle School – marquee	39,500
Arundel Rivers Federation, Inc. – Harness Creek Overlook pond retrofit	175,000
Banneker-Douglass-Tubman Museum	1,000,000
Bowie Elks Lodge No. 2309	100,000
Brandywine Foundation, Inc. – Whitehall	150,000
Brock Bridge Homeowner’s Association, Inc.	45,000
Brooklyn Park Elementary School – marquee	50,000
Cedar and Morris Hill Improvement Association, Inc. – Community Center	300,000
Celebrate Annapolis Juneteenth Corporation – museum and cafe	200,000
Chaney Cares, Inc – Community Center	1,250,000
Charles “Hoppy” Adams Jr. Foundation, Inc.	145,000
Chase Brexton Health Services, Inc. – Glen Burnie Center	650,000
Chesapeake Bay Foundation – Center for Oyster Restoration and Innovation	500,000
Chesapeake Bay Trust	250,000

Chesapeake Children's Museum	20,000
Chesapeake Conservancy, Inc. – Earl Conservation Center	100,000
Chesapeake High School – field house	950,000
Children's Theater of Annapolis	100,000
Chrysalis House Therapeutic Nature Trail	75,000
Corwell's Store	150,000
Crofton Civic Association, Inc. – Swann Park and Willows Park playgrounds	350,000
Deale Elks Lodge No. 2528	122,250
Earleigh Heights Volunteer Fire Company	570,000
Eastport Veteran's Park	30,000
Eastport Volunteer Fire Company – Heroes Park	70,000
Elks Camp Barrett	201,500
Ferndale Community Club, Inc.	225,000
Freetown Community Improvement Association – Rosenwald School	250,000
Galesville Heritage Museum	40,000
Gambrills Athletic Club, Inc.	67,013
Gambrills Odenton Recreation Council – park scoreboard	50,000
Gaudenzia Foundation, Inc. – Crownsville campus	400,000
George Phillips Jr Recovery Community Center	175,000
GFWC Woman's Club of Linthicum, Inc.	50,000
Glen Burnie Elks Lodge No. 2266	100,000
Glen Burnie High School – electronic sign	50,000
Glen Burnie High School – infrastructure improvements	250,000
Glen Burnie Improvement Association – Barbara Moeller Park	200,000
Glen Burnie Improvement Association – playground equipment	100,000
Gloria Dei! Lutheran Church	90,000
Goshen Farm Preservation Society, Inc.	80,000
Harundale Civic Association, Inc.	100,000
Herald Harbor Citizens Association – community center	8,000
Hicks Hope House, Inc.	50,000
Historic Annapolis, Inc.	13,175,000
Hoop Bus, Inc.	25,000
Hospice of the Chesapeake, Inc.	500,000
Human Development Corporation – The Summit School	600,000
Kiwanis Club of Commodore Mayo, Inc.	50,000
Linthicum Ferndale Youth Athletic Association, Inc.	250,000
Lloyd Keaser Community Center	75,000
Love Wins Movement, Inc.	200,000
Luminis Health Anne Arundel Medical Center	2,263,000
Maryland City Neighbors Corporation – tot lot	200,000
Maryland City Volunteer Fire Department	6,000

Maryland Hall for the Creative Arts	1,100,000
Maryland Society of the Sons of the American Revolution War Memorial	500,000
Maryland Therapeutic Riding, Inc.	465,000
MM&P Maritime Advancement, Training and Education Safety Program	850,000
Naval Academy Primary School	75,000
New Village Academy Public Charter School, Inc.	100,000
North Linthicum Improvement and Protective Association, Inc.	150,000
Odenton Heritage Society, Inc. – Old Masonic Hall	120,000
Olde Severna Park Improvement Association – Severna Park Train Station	26,500
Opportunity Builders, Inc. – Tranquility Gardens	50,000
Overlook Elementary School – electronic sign	50,000
Pasadena Baseball Club, Inc. – Havenwood Park	25,000
Pascal Crisis Stabilization Center	250,000
Peerless Rens Club, Inc.	415,000
Piney Orchard Nature Preserve	8,772
Ralph J. Bunche Community Center	1,000,000
Rude Ranch Animal Rescue – Crofton Spay-Neuter Clinic	29,000
Senior Dog Sanctuary of Maryland, Inc.	125,000
Seven Oaks Community Association, Inc. – Bluewater Playground	78,000
Severn Cross Roads Foundation – Charles W. Baldwin Hall	25,000
Severna Park BPOE 2482	120,000
Sheppard Pratt – residential rehabilitation facilities	300,000
Shipley Homestead Homeowner's Association, Inc.	100,000
SoCo Arts Lab, Inc. – community wood kiln	15,000
South Shore Recovery Club	56,000
Southern High School – turf field	2,200,000
St. John the Evangelist – school entrance	20,000
St. John's College – Arts and Academic Hall	3,600,000
Stoney Beach Condominium Association – shoreline restoration	120,000
The Arc of the Central Chesapeake Region	2,075,000
The Bernie House, Inc.	200,000
The Children's Guild, Inc., – preschool playground	200,000
The Light House, Inc.	250,000
The Public Library Association of Annapolis and Anne Arundel County, Inc.	425,000
Third Street Colored School – Seafarers Yacht Club	151,000
Thomas Point Shoal Lighthouse	60,000
Ulmstead Club Community Center, Inc.	200,000
University of Maryland Baltimore Washington Medical Center	4,031,000
VFW Post 160	250,000
Village Commons Community Center, Inc.	325,000
Village of Olde Mill Community Association, Inc.	65,000

Visit Annapolis & Anne Arundel County, Inc. – BWI Airport Visitor Center	100,000
West Arundel Swim Club, Inc.	162,500
Wiley H. Bates Legacy Center, Inc.	25,000
Woodland Beach Volunteer Fire Department	1,000,000
Woods Community Center	125,000
YWCA Pamela G. Beidle Community Center	170,000
	\$100,101,535

D. Capital Projects for State Facilities in the County

General Government

Annapolis – electrical infrastructure	\$2,500,000
Courts of Appeal Building	53,862,000
General Assembly – Department of Legislative Services building	57,700,000
Parole Communications Tower	1,000,000
Revenue Administration Center – renovations	350,000
Revolutionary War Memorial for Black Soldiers	1,000,000
State House – exterior and grounds restoration	15,339,000
Supreme Court of Maryland Building	81,905,000
Treasury Building – renovations	3,060,000
Wineland Building – renovation	281,000
	\$216,997,000

Department of Veterans Affairs

Crownsville Veterans Cemetery – expansion	\$1,225,000

Maryland State Police

Barrack J – communications room and garage	\$8,734,000

Department of Public Safety and Correctional Services

Jessup Region – electrical infrastructure upgrade	\$15,409,000

Military Department

Glen Burnie Readiness Center – renovation and expansion	\$574,000
Glen Burnie Readiness Center – renovation and expansion (federal funds)	738,000
	\$1,312,000

Department of Natural Resources

Sandy Point State Park – ADA-accessible trail	\$200,000

Maryland Environmental Service

Dorsey Run Wastewater Treatment Plant – sludge processing facility	\$2,571,000
Sandy Point State Park – water tower and water treatment plant upgrade	4,781,000
	\$7,352,000

Baltimore City

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
Foundation Aid	\$417,020	\$419,487	\$444,500	\$463,106
Foundation Aid – Special Grants	30,403	0	0	0
Compensatory Education	306,866	315,536	337,161	330,128
Student Transportation	24,075	25,051	26,192	26,738
Special Education	73,262	82,648	88,168	101,158
English Language Learners Grant	54,685	63,108	70,788	69,500
Guaranteed Tax Base	22,823	42,074	39,636	41,288
Comparable Wage Index	13,486	13,566	13,788	14,060
Blueprint Funding	175,813	201,627	257,633	300,238
Other Education Aid	4,974	6,873	6,553	7,383
<i>Primary and Secondary Education</i>	<i>\$1,123,408</i>	<i>\$1,169,971</i>	<i>\$1,284,420</i>	<i>\$1,353,600</i>
Libraries	\$9,715	\$9,741	\$9,812	\$9,962
Health Formula Grant	11,515	10,393	10,405	13,071
Transportation	204,027	237,215	267,235	267,374
Police and Public Safety	38,357	39,218	34,829	38,319
Fire and Rescue Aid	1,324	1,324	1,443	1,443
Disparity Grant	79,052	79,052	79,052	79,052
Teachers Retirement Supplemental Grant	10,048	10,048	5,024	0
Gaming Impact Aid	25,672	25,919	25,671	25,925
Local Education Effort	10,000	0	0	0
Other Direct Aid	5,290	2,958	2,066	9,944
Total Direct Aid	\$1,518,406	\$1,585,839	\$1,719,957	\$1,798,691
Aid Per Capita (\$)	\$2,664	\$2,782	\$3,017	\$3,156
Property Tax Equivalent (\$)	3.15	3.10	3.14	3.18

2. Retirement Payments

City teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. The State pays a portion of the employer share on behalf of the subdivisions for these local employees. Fiscal 2024 to 2027 State payments for Baltimore City for teachers and librarians are estimated to be \$317,604,000.

B. Estimated State Spending on Selected Health and Social Services

The Maryland Department of Aging, the Maryland Department of Health, the Department of Human Services, the Department of Housing and Community Development, and the Governor's Office of Crime Prevention and Policy fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. For many programs, the amounts shown for fiscal 2027 are based on the county's share of prior year funding (fiscal 2026) and may change. See the discussion at the beginning of this section for more detail on the types of services funded.

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
<u>Health Services</u>				
Medicaid	\$1,028,266	\$1,131,754	\$1,133,860	\$1,146,087
Family Health and Chronic Disease	6,108	3,717	4,335	4,981
Developmental Disabilities	65,812	112,198	135,985	117,977
Behavioral Health Services	316,994	336,121	349,612	376,770
Total	\$1,417,180	\$1,583,790	\$1,623,792	\$1,645,815
<u>Social Services</u>				
Homeless Services	\$2,433	\$3,271	\$3,493	\$3,219
Women's Services	1,150	916	798	914
Adult Services	3,661	4,877	3,890	4,026
Child Welfare Services	62,872	71,413	67,198	65,557
Foster Care	89,291	92,832	110,389	113,578
Temporary Cash Assistance	9,118	16,641	17,375	17,893
Total	\$168,525	\$189,950	\$203,143	\$205,187
<u>Senior Citizen Services</u>				
Long-term Care	\$2,070	\$2,690	\$2,543	\$2,783
Community Services	1,334	1,173	1,131	1,162
Total	\$3,404	\$3,863	\$3,674	\$3,945

C. Selected State Grants for Capital Projects**Public Schools**

Armistead Gardens Elementary/Middle School #243 – construction	\$25,000,000
Baltimore Polytechnic Institute #403 – construction	6,882,000
Cecil Elementary School #7 – renovations (fire safety)	355,000
Dallas F. Nicholas, Sr. Elementary School #39 – renovations (elevator)	432,000
Francis M. Wood Building #178 – renovations (elevator/roof/fire safety)	2,911,000
Furley Elementary School #206 – construction	18,794,000
Hampden Elementary/Middle School #55 – renovations (elevator)	432,000
James McHenry Elementary/Middle School #10 – renovations (elevator)	450,000
Lakeland Elementary/Middle School #12 – construction	8,550,000
Lakeland Elementary/Middle School #12 – renovations (fire safety)	495,000
Lakewood Early Learning Center #86 – renovations (HVAC/electrical)	3,141,000
Maree Garnett Farring Elementary/Middle School #203 – construction	15,059,000
Mary Ann Winterling Elementary School #150 – renovations (roof/fire safety)	3,050,000
Mergenthaler Vocational Tech. High School #410 – renovations (elevators)	900,000
Moravia Park Middle School #105B – renovations (electrical/fire alarm)	1,020,036
Morrell Park Elementary/Middle School #220 – renovations (elevator)	112,455
Northeast Middle School #49 – construction	14,932,062
Paul Laurence Dunbar High School #414 – renovations (HVAC)	1,500,000
Paul Laurence Dunbar Middle School #133 – renovations (electric/fire alarm)	3,232,000
Paul Laurence Dunbar Middle School #133 – renovations (roof)	1,952,000
Southeast Middle/High School #255 – construction	1,862,000
The Mt. Washington School #221 – construction	5,376,000
Thomas G. Hayes Building #102 – renovations (elevator)	450,000
Western High School #407 – construction	5,078,000
Wolfe Street Academy Elementary School #23 – renovations (elevator)	450,000
Aging Schools Program	4,163,778
Public Schools Facilities Priority Fund	16,000,000
Systemwide HVAC upgrades	18,850,000
	\$161,429,331

Public Libraries

Forest Park Library – renovation and expansion	\$2,218,000
Park Heights Library – construction	249,000
	\$2,467,000

Community Health Facilities Grant Program

Community Builders, Inc.	\$434,000
Family Recovery Program, Inc.	2,500,000
Mosaic Community Services, Inc.	1,127,039
People Encouraging People, Inc.	565,000
Tuerk House, Inc.	1,500,000
	\$6,126,039

Federally Qualified Health Centers Grant Program

Baltimore Medical System, Inc.	\$1,855,000
Park West Health System, Inc.	1,382,697
Total Health Care, Inc.	750,303
	\$3,988,000

Strategic Demolition Fund

Baltimore City Parks and Recreation – Robert L. Dalton Stadium	\$1,400,000
Project C.O.R.E	120,000,000
We Rise	100,000
	\$121,500,000

Baltimore Regional Neighborhood Initiative

4M Swim Club, Inc.	\$230,000
A Strong Foundation, Inc.	1,200,000
Afro Charities – Upton Mansion	1,250,000
AnnMarie Community Partners, Inc. – HELA 221 W. Franklin Street	450,000
Baltimore Arts Realty Corporation – Westside Open Works	500,000
Baltimore City – Edmondson Village Shopping Center	2,000,000
Baltimore City Parks and Recreation – Mount Pleasant Park	50,000
Baltimore Redlining and Blight Elimination CDC	350,000
Baltimore Safe Haven Corporation	250,000
Baltimore Urban Leadership Foundation Community Center	250,000
Central Baltimore Partnership, Inc.	400,000
Comprehensive Housing Assistance, Inc.	400,000
Coppin Heights Community Development Corporation	250,000
Delta Sigma Theta Sorority, Inc. – Delta Community Center	100,000
Drink at the Well, Inc.	200,000
Druid Heights Community Development Corporation	650,000
Eager Park Partners, LLC – Eager Landing	250,000
Empowerment Temple, Inc.	500,000
Friends of Collington Square Park, Inc.	100,000

Part A – Budget and State Aid

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A

Greater Govans Community Development Corporation	500,000
Green Dollar Project, Inc. – Darley Park	100,000
Harbor Bank of Maryland Community Development Corporation – Garden Theatre Place	100,000
Historic East Baltimore Community Action Coalition, Inc.	200,000
Jubilee Baltimore, Inc.	150,000
L.A.M.B., Inc. – Haven project	100,000
Live Life As You Dream	250,000
Mary Harvin Transformation Center	75,000
Mission First Housing Development Corporation – East Baltimore grocery store	150,000
National Great Blacks in Wax Museum	1,000,000
Neighborhood Impact Investment Fund, Inc. – CharmTV	750,000
New Horizons Community Development Corporation	75,000
Players Philanthropy Fund, Inc. – Reed House	500,000
Pleasant Hope Community Development Corporation	200,000
ReBuild Metro, Inc.	9,750,000
Rehoboth Community Development Corporation	250,000
Roberta’s House	100,000
Salvation Army	250,000
Threshold, Inc.	100,000
Vacant No More, Inc.	195,000
WBC Community Development Corporation – Forest Park	400,000
We Rise Nonprofit Corporation	50,000
West Baltimore Renaissance Foundation, Inc.	450,000
Youth Educational Services, Inc.	125,000
	\$25,200,000

Business Facade Improvement Program

Greater Baybrook Alliance	\$125,000
Healthy Neighborhoods, Inc.	200,000
Market Center Community Development Corporation	300,000
The Central Baltimore Partnership, Inc.	200,000
	\$825,000

Maryland Arts Capital Grant Program

Clifton House	\$100,000

Community Legacy Program

Hope Harbor Community Development Corporation	\$100,000

Seed Community Development Anchor Institution Fund

Hope Harbor Community Development Corporation	\$150,000

Program Open Space

Baltimore City Direct Grant	\$40,000,000
Park acquisition and development	15,929,695
Roland Park Community Foundation, Inc. – Hillside Park	500,000
	\$56,429,695

Chesapeake Bay Restoration Fund

Back River WWTP – enhanced nutrient removal	\$4,000,000
Middle Branch – resiliency project	18,000,000
Patapsco WWTP – headworks improvements	5,000,000
	\$27,000,000

Comprehensive Flood Mitigation Program

Middle Branch – flooding and storm surge resiliency	\$13,349,000

Waterway Improvement

Broening Park – boating facility renovations	\$125,000
City Fire Department – shallow water safety vessel	22,500
	\$147,500

Hazardous Substance Cleanup Program

Citywide – parks restoration	\$100,000

Other Projects

1103 N. Washington, LLC – Workforce Development Academy	\$150,000
4M Swim Club, Inc.	220,000
A Strong Foundation, LLC	50,000
Active Achievers, Inc. – Youth Center	250,000
Afro Charities – Upton Mansion	500,000
Afya Baltimore, Inc. – Belair-Edison School	150,000
American Cancer Society, Inc. – Hope Lodge	200,000
American Organization United, Inc. – Little Italy Piazza Statue	40,000
American Visionary Art Museum	500,000
AnnMarie Community Partners, Inc. – Woodberry Station	750,000

Archbishop Curley High School	50,000
Arena Players Theater	750,000
Ashburton Area Development Corporation	200,000
Ashland Community Development Corporation	100,000
Associated Catholic Charities, Inc.	3,000,000
B&O Railroad Museum	10,000,000
B360 Baltimore, Inc.	75,000
Babe Ruth Birthplace and Museum	213,000
Backyard Basecamp, Inc. – BLISS Meadows Farmhouse	25,000
Baltimore Arts Realty Corporation – Westside Open Works	500,000
Baltimore Bikur Cholim, Inc.	125,000
Baltimore City – 2005-2007 Denison Street	100,000
Baltimore City – Art House	350,000
Baltimore City – Canton Helipad	750,000
Baltimore City – city markets	1,500,000
Baltimore City – Collington Square Park	200,000
Baltimore City – Greenway Trail	1,500,000
Baltimore City – Madison Park North Redevelopment	1,000,000
Baltimore City – Madison Square Dome	150,000
Baltimore City – Perkins/Somerset/Old Town redevelopment	10,000,000
Baltimore City – Pier Six Pavilion	500,000
Baltimore City Carpenters Training Center	900,000
Baltimore City Parks and Recreation – city park improvements	500,000
Baltimore City Parks and Recreation – Clifton Park	1,125,000
Baltimore City Parks and Recreation – Cloverdale Park	100,000
Baltimore City Parks and Recreation – Druid Hill Tennis Courts	300,000
Baltimore City Parks and Recreation – Northwest Park	100,000
Baltimore City Parks and Recreation – Patterson Park	21,400
Baltimore City Parks and Recreation – Riverside Park pool and bathhouse	750,000
Baltimore City Parks and Recreation – Solo Gibbs Recreation Center	1,500,000
Baltimore City Parks and Recreation – Wilbur H. Waters Park	50,000
Baltimore City Public Schools – classroom art spaces	7,500,000
Baltimore City Public Schools – infrastructure improvements	520,000
Baltimore Community Lending, Inc. – Business Development and Resource Center	750,000
Baltimore Curriculum Project, Inc. – Hampstead Hill Academy	250,000
Baltimore Electrical JATC, LLC	1,050,000
Baltimore Jewish Council	1,250,000
Baltimore Museum of Art	5,950,000
Baltimore Museum of Industry	425,000
Baltimore Polytechnic High School Foundation, Inc. – athletic fields	240,000
Baltimore Public Markets Corporation – Cross Street Market	500,000

Baltimore Public Markets Corporation – Hollins Market	150,000
Baltimore Public Markets Corporation – parking garage	500,000
Baltimore Public Media Corporation	500,000
Baltimore Rowing Club, Inc. – community boat house	500,000
Baltimore Safe Haven Corp.	200,000
Baltimore Squashwise, Inc.	1,300,000
Baltimore Streetcar Museum	250,000
Baltimore Symphony Orchestra	3,000,000
Baltimore Urban Baseball Association – indoor training facility	400,000
Baltimore Urban League, Inc. – headquarters renovation	1,000,000
Baltimore Zoo – infrastructure improvements	20,685,000
Belair Edison Area Revitalization, Inc.	40,000
Belvedere Improvement Association, Inc.	150,000
Benbow Concessions Services – Entrepreneurs Helping Entrepreneurs	75,000
BIT Community Center, Inc.	250,000
B'More Clubhouse, Inc.	195,000
Bolton Hill Community Association – Park Avenue median improvements	190,000
Bolton Hill Nursery, Inc. – Rolando-Thom House	50,000
Bon Secours Baltimore Community Works, Inc.	250,000
Boys and Girls Clubs of Metropolitan Baltimore	750,000
BraveHeart Veterans, LLC – assisted living facility	100,000
Broadway East Community Development Corporation	125,000
B-Spirit-A2Y-15, Inc.	40,000
Calvary Baptist Church Ministry	250,000
Canton Community Association – O'Donnell Square Park	200,000
Catholic Charities – Intergenerational Center	4,000,000
Caves Valley Partners – Cross Street Market	500,000
Center for Urban Families	1,000,000
Center Stage	225,000
Central Baltimore Partnership, Inc. – Neil Muldrow Business Development Fund	2,000,000
Central Baltimore Partnership, Inc. – North Avenue Market	2,500,000
Challenge 2 Change, Inc. – Bradford Community Playground	50,000
Cheder Chabad, Inc. – Fitness and Recreation Center	50,000
Cherry Hill Development Corporation – South Baltimore Adult High School	100,000
Chesapeake Bay Outward Bound School, Inc.	175,000
Chesapeake Shakespeare Company	700,000
Chimes International, Ltd. – school modernization and expansion	750,000
Chimes Outdoor Adaptive Therapeutic Center	1,050,000
Choo Smith Youth Empowerment, Inc.	750,000
City Neighbors High School, Inc. – shared campus auditorium	120,000
Clay Hill Public Charter School	3,850,000

Community Wealth Builders, Inc. – Eager Landing	200,000
Cube CoWork, LLC	100,000
Cylburn Nature Education Center	100,000
Dayspring, Inc. – Learning and Innovation Center	250,000
Delta Lambda Foundation Outreach Center	100,000
Delta Sigma Theta Sorority, Inc. – Delta Community Center	1,050,000
Downtown Partnership of Baltimore, Inc.	20,000,000
Drink at the Well, Inc.	700,000
Durham Street Initiatives, Inc.	100,000
Dynamic Deliverance Apostolic Inc.	50,000
East Baltimore Development, Inc.	1,250,000
East Baltimore Lodge No. 1043	150,000
Eastern Atlantic States Regional Council of Carpenters	950,000
Edmondson-Westside High School #400 – infrastructure improvements	1,000,000
Edward A. Myerberg Senior Center	500,000
Employ Prince George's, Inc. – Guilford Hall commercial training kitchen	100,000
Enoch Pratt Free Library System	4,285,000
Everyman Theatre	100,000
Experimental Environmental Education, Inc. – Green School of Baltimore	150,000
Fair Havens African Methodist Episcopal Church	67,500
Fairmount Neighborhood Association, Inc.	80,000
Fallstaff Elementary/Middle School #241 – elevator renovations	650,000
Federal Hill Park Neighborhood Association, Inc.	75,000
Forest Park Action Council, Inc. – gatehouse renovation	25,000
Francis Scott Key Elementary/Middle School #76 – infrastructure upgrades	1,500,000
Friends of Collington Square Park, Inc.	95,000
Friends of Mt. Royal School – outdoor play area	500,000
Friends of Patterson Park, Inc.	500,000
Garrett-Jacobs Mansion	340,000
Gateway Maryland, Inc. – therapeutic playground	250,000
Generational Girls DMV	250,000
Gillis Memorial Community Development Corporation	1,000,000
God's Best Family, Inc.	725,000
Govans Ecumenical Development Corporation – Gallagher Mansion	200,000
Govans Ecumenical Development Corporation – Harford House	100,000
Govans Ecumenical Development Corporation – Walther Apartments	100,000
Greater Baybrook Alliance, Inc. – 3601 South Hanover Street improvements	400,000
Greater Mount Holly Community Development Corporation – Edgewood Elementary School	100,000
Hachnosas Orchim-Baltimore	50,000
Hamilton Community Association – Belair Road and White Avenue traffic	25,000
Hamilton-Lauraville Main Street, Inc.	350,000

Heart of America Foundation – Dickey Hill School Auditorium	171,500
Helping Up Mission	250,000
Henderson Crossing	100,000
HER Resiliency Center	50,000
Hillsdale Heights Neighborhood Association	90,000
Hippodrome Foundation, Inc. – France-Merrick Performing Arts Center	1,200,000
Homes for America, Inc. – Clare Court	350,000
Howell Celebrating Lives Viola Family Support Center, Inc.	190,000
Inner Harbor Promenade – infrastructure improvements	30,000,000
International Black Fire Fighter Museum and Safety Education Center	200,000
International Brotherhood of Electrical Workers, Local Union 26	1,000,000
Intersection of Change	300,000
Italian American Organization United, Inc. – immigrant statue	100,000
Ivy and Pearls for Excellence, Inc.	270,000
Johns Hopkins Bayview Medical Center	8,000,000
Johns Hopkins Hospital	1,165,000
Johns Hopkins University	2,000,000
Johns Hopkins University – Bloomberg School of Public Health	2,000,000
Johns Hopkins University – Data Science and Computing Center	26,000,000
Johns Hopkins University – Peabody Institute	2,000,000
Johns Hopkins University – School of Education	5,000,000
Johns Hopkins University – Whiting School of Engineering	2,000,000
Johns Hopkins University – Wyman Park Building	2,000,000
Just Blessed & Gifted, Inc. – East Baltimore Youth Community Center	50,000
KABOOM!, Inc. – Curtis Bay Elementary School playground	75,000
KABOOM!, Inc. – Dr. Nathan A. Pitts-Ashburton Elementary playground	160,000
KABOOM!, Inc. – Johnston Square Park Elementary School playground	180,000
KABOOM!, Inc. – Lakewood Elementary School playground	250,000
KABOOM!, Inc. – Sinclair Lane Elementary School playground	160,000
KABOOM!, Inc. – Thomas Johnson Elementary/Middle School playground	100,000
KABOOM!, Inc. – Violetville Elementary/Middle School playground	100,000
KABOOM!, Inc. – Westport Elementary School playground	170,000
KABOOM!, Inc. – William S Baer School playground	250,000
KABOOM!, Inc. – Yale Heights Park	50,000
Kappa Alpha Psi Youth and Community Center	447,000
Kennedy Krieger Children's Hospital	6,550,000
Kennedy Krieger Institute	11,050,000
KEYS Development LLC – Community Healing Center	1,250,000
KEYS Empowers	1,000,000
KidzStuff Child Care Center for Children with Disabilities	100,000
L.A.M.B., Inc. – Haven project	75,000

L.A.M.B., Inc. – Rosa’s House	50,000
Lake Asburton, LLC – 3403 Fairview Avenue improvements	200,000
Langston Hughes Community, Business, and Resource Center	125,000
Legacy Community Center for Seniors and Youth	250,000
Liberty Elementary School #64 – infrastructure improvements	50,000
Liberty Grace Church of God, Inc. – teaching kitchen	100,000
LIFE Church Ministries Community Center	200,000
Lillie May Carroll Jackson Charter School	110,000
Lins Kids Childcare, LLC	250,000
Living Classrooms Foundation, Inc. – Historic Ships	1,500,000
Living Classrooms Foundation, Inc. – Opportunity Hub	1,500,000
Locust Point Civic Association, Inc. – community garden	50,000
Loyola School, Inc.	200,000
Loyola University – Donnelly Science Center	5,250,000
Lyric Foundation, Inc.	500,000
Maji Advancement Initiative Economic Development Corporation	250,000
Market Center Comm. Development Corp. – Ashland Madison Apartments	440,000
Mary Harvin Transformation Center	7,300,000
Maryland Center for History and Culture	5,000,000
Maryland Institute College of Art – main building renovation	2,000,000
Maryland School for the Blind – construction	33,350,000
Maryland Science Center	4,400,000
Maryland State Boychoir, Inc.	50,000
McElderry Park Resource Center	150,000
MedChi Museum	705,000
MedStar Harbor Hospital	2,400,000
MedStar Union Memorial Hospital	600,000
Mercy Medical Center, Inc.	4,331,000
Mission First Housing Development Corporation – East Baltimore grocery store	300,000
Morton Street Dance Center	300,000
Most Worshipful Prince Hall Grand Lodge	100,000
Mount Vernon Place Church	135,000
Mount Vernon Place Conservancy, Inc.	3,300,000
Moveable Feast, Inc.	200,000
Nathaniel McFadden Learn and Play Park	400,000
National Aquarium in Baltimore	12,250,000
National Federation of the Blind – Museum of the Blind People’s Movement	250,000
National Great Blacks in Wax Museum	1,850,000
Next One Up Foundation, Inc.	2,500,000
Nexus-Woodbourne Family Healing, Inc.	100,000
No Struggle No Success, Inc. – Youth and Adult Services Center	450,000

Noble Realty Advisors, LLC – Candy Factory	150,000
North Calvert JV, LLC – Calvert Station	150,000
North East Housing Initiative, Inc. – community land trust homes	500,000
Notre Dame of Maryland University – Fourier Hall	2,000,000
Omega Psi Phi Fraternity, Inc.	250,000
Park Heights Community Health Alliance, Inc. – Afya Center	100,000
Parks and People, Inc.	500,000
Parks and People, Inc. – Betty Hyatt Park playground	250,000
Parks and People, Inc. – green space improvements	100,000
Parks and People, Inc. – Laurel Cemetery	400,000
Parks and People, Inc. – Leith Walk Elementary/Middle School playground	180,000
Pathway Forward, Inc. – 1130 West Lexington Street	350,000
Pennsylvania Avenue Black Arts and Entertainment District	2,000,000
Pleasant Hope Community Development Corporation	200,000
Port Discovery Children’s Museum	6,100,000
Preservation Maryland – Mount Vernon	250,000
Pride of Baltimore II	100,000
Project Liberty Ship, Inc.	250,000
Queensbury Park Community Association – park and playground renovations	75,000
Rebbeztein Ruderman Memorial Library	120,000
Rebuild Metro, Inc. – Johnston Square Affordable Housing for Teachers	500,000
RISE Baltimore, Inc. – Westway Theater and Community Center	100,000
Robert Hunt Revitalization Center	1,500,000
Roca Baltimore, Inc.	200,000
Roland Park Community Foundation, Inc. – Hillside Park	250,000
Saint Agnes Family Birthing Center	3,436,000
Saint Agnes Healthcare, Inc.	600,000
Salvation Army Maryland – community recreation center	250,000
SBC Outreach and Worship Ministries, Inc. – Seed Church	250,000
Schreiber Brothers Development LLC – Waverly Middle School	1,000,000
Schreiber Brothers Development LLC – Waverly Teacher’s Eco-Village	250,000
Sheppard Pratt Health System, Inc. – North Charles Street	500,000
Shiloh Christian Community Church	45,000
Sinai Hospital	4,893,000
Sinclair Lane Elementary School #248 – locker renovations	105,000
Solvivaz Nation – Conscious Head Barber and Bootcamp Reboot	75,000
South Baltimore Community Land Trust	25,000
South Baltimore Gateway Partnership – Black Sox Park	3,000,000
South Baltimore Gateway Partnership – Westport Waterfront Park	250,000
South Baltimore Little League, Inc.	200,000
South Harbor Renaissance, Inc. – Federal Hill Park playground	29,000

Southern Bridge Career and Education Center	200,000
Springboard Community Services	850,000
St. Francis Neighborhood Center	1,000,000
St. Luke's Youth Center	750,000
Stony Run Walking Path and Wyman Park	750,000
Tendea Family's Youth Center	150,000
The Associated Jewish Federation of Baltimore – Park Heights Campus	500,000
The Bridge Project, Inc. – affordable housing units	25,000
The Children's Guild, Inc. – group homes	500,000
The Cube Cowork, LLC	100,000
The Downtown Sailing Center, Inc.	250,000
The Economic Empowerment Coalition, Inc.	350,000
The Equality Equation Infrastructure Academy of East Baltimore	250,000
The H.O.P.E. Academy Baltimore, Inc.	150,000
The Hearing and Speech Agency of Metropolitan Baltimore, Inc.	400,000
The League for People with Disabilities	900,000
The Lord's Church – outreach center	905,000
The P.E.A.C.E. Team, LLC	250,000
The Sanctuary Collective, Inc.	465,000
The SEED School of Maryland – roof repairs	500,000
The Ulman Cancer Fund for Young Adults, Inc.	400,000
The Village Learning Place, Inc.	50,000
The Women's Housing Coalition, Inc.	225,000
Tiferes Golda, Inc. – special education classrooms	75,000
Tivoly Eco-Village	300,000
TurnAround, Inc. – Safety and Security for Survivors of Power-Based Violence	70,000
UniFIED Efforts, Inc. – Penn North Out of School Time Initiative	250,000
Village of Love and Resistance, Inc. – Community Hub	250,000
Wabash Development Partners, LLC.	300,000
Waterfront Management Authority – Inner Harbor Promenade	56,400,000
Waterfront Management Authority – Rash Field	8,000,000
Waterfront Partnership of Baltimore, Inc. – community art installation	20,000
Waterfront Partnership of Baltimore, Inc. – Point Park	500,000
Waterfront Partnership of Baltimore, Inc. – Rash Field	1,800,000
WBC Community Development Corp. – Forest Park	450,000
WBC Community Development Corp. – Liberty Coalition of Neighborhoods	350,000
Wells Community Development Corporation	90,000
West Baltimore Renaissance Foundation, Inc.	500,000
Westport Capital Development, LLC	3,000,000
Wide Angle's Studios at the Service Center	500,000
Women's Institute of Torah Seminary and College, Inc.	100,000

York Corridor Business Improvement District Management Authority	200,000
York Road Partnership, Inc.	705,000
Young Successful Leaders, Inc. – Business and Workforce Development Center	250,000
ZBC Community Revitalization, Inc.	150,000
Zeta Sigma Foundation Community Center	100,000
	\$460,829,400

D. Capital Projects for State Facilities in the City

General Government

Baltimore City District Court – Shillman Building	\$38,697,000
Baltimore State Center – planning and demolition	5,750,000
William Donald Schaefer Tower	3,661,000
	\$48,108,000

Department of Health

Children and High-Intensity Residential Treatment Center	\$942,000
RICA Baltimore – demolish decommissioned buildings	103,000
	\$1,045,000

Department of Public Safety and Correctional Services

Therapeutic Treatment Center	\$31,823,000
Women’s Pre-Release Center	4,000,000
	\$35,823,000

Department of Housing & Community Development

East Baltimore Development Fund	\$1,000,000
USM Baltimore – Health Village at Mondawmin	500,000
	\$1,500,000

Maryland Stadium Authority

Baltimore City Convention Center	\$25,700,000

Baltimore City Community College

Campuswide – deferred maintenance	\$22,200,000
Campuswide – facilities renewal	565,125
Learning Commons – renovation and addition	10,974,000
Nursing Building – renovation and addition	1,289,000
	\$35,028,125

Morgan State University

Campuswide – deferred maintenance and site improvements	\$19,900,000
Campuswide – electrical infrastructure upgrades	55,486,000
Carter Grant Wilson Building – renovation	3,259,000
Concrete Laboratory	1,000,000
Health and Human Services Building	57,604,000
Lake Clifton High School demolition	12,617,000
Science Center – construction	210,449,000
Science Center – Washington Service Center demolition	7,575,000
	\$367,890,000

University System of Maryland

Baltimore – Dental Ambulatory Surgery Center	\$3,200,000
Baltimore – electric substation and electrical infrastructure	5,280,000
Baltimore – School of Social Work	120,262,000
Coppin State – athletic facilities infrastructure upgrades	1,000,000
Coppin State – deferred maintenance and site improvements	1,000,000
Coppin State – residence hall	13,136,000
Coppin State – student center and residential complex	1,000,000
Headquarters – Colwell Center deferred maintenance	27,574,000
University of Baltimore – 101 West Mt. Royal Avenue acquisition	500,000
	\$172,952,000

Other

University of Maryland Medical System – comprehensive cancer center	\$37,000,000
University of Maryland Medical System – shock trauma center	14,750,000
	\$51,750,000

Baltimore County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
Foundation Aid	\$485,049	\$489,043	\$515,845	\$531,911
Compensatory Education	194,023	199,310	211,178	201,239
Student Transportation	40,998	41,469	42,647	43,016
Special Education	90,869	102,376	101,829	110,039
English Language Learners Grant	46,595	53,926	60,258	59,891
Comparable Wage Index	15,449	15,576	15,759	15,904
Blueprint Funding	31,760	47,147	74,016	93,085
Other Education Aid	7,272	6,985	5,441	5,449
<i>Primary and Secondary Education</i>	<i>\$912,014</i>	<i>\$955,832</i>	<i>\$1,026,973</i>	<i>\$1,060,534</i>
Libraries	\$7,470	\$7,633	\$7,825	\$8,062
Community Colleges	75,448	72,575	72,823	74,693
Health Formula Grant	7,571	6,814	6,819	8,627
Transportation	11,980	13,809	15,669	15,687
Police and Public Safety	20,475	22,135	19,515	18,799
Fire and Rescue Aid	1,695	1,699	1,860	1,860
Teachers Retirement Supplemental Grant	3,000	3,000	1,500	0
Other Direct Aid	1,105	1,508	50	250
Total Direct Aid	\$1,040,758	\$1,085,005	\$1,153,033	\$1,188,512
 Aid Per Capita (\$)	 \$1,227	 \$1,280	 \$1,360	 \$1,402
Property Tax Equivalent (\$)	1.02	1.01	1.00	0.98

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays a portion of the employer share on behalf of the subdivisions for these local employees. Fiscal 2024 to 2027 State payments for Baltimore County for teachers, librarians, and community college faculty are estimated to be \$494,837,000.

B. Estimated State Spending on Selected Health and Social Services

The Maryland Department of Aging, the Maryland Department of Health, the Department of Human Services, the Department of Housing and Community Development, and the Governor's Office of Crime Prevention and Policy fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. For many programs, the amounts shown for fiscal 2027 are based on the county's share of prior year funding (fiscal 2026) and may change. See the discussion at the beginning of this section for more detail on the types of services funded.

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
<u>Health Services</u>				
Medicaid	\$761,909	\$837,531	\$839,646	\$848,704
Family Health and Chronic Disease	2,930	1,839	2,210	2,564
Developmental Disabilities	231,501	393,065	476,376	413,259
Behavioral Health Services	181,991	187,930	192,711	218,234
Total	\$1,178,331	\$1,420,365	\$1,510,943	\$1,482,761
<u>Social Services</u>				
Homeless Services	\$632	\$1,025	\$1,016	\$937
Women's Services	805	745	693	757
Adult Services	1,026	1,963	1,266	1,279
Child Welfare Services	13,186	19,361	13,535	14,272
Foster Care	40,516	41,873	52,090	53,595
Temporary Cash Assistance	4,041	8,006	7,942	8,178
Total	\$60,206	\$72,973	\$76,542	\$79,018
<u>Senior Citizen Services</u>				
Long-term Care	\$1,766	\$2,341	\$2,207	\$2,545
Community Services	988	961	924	950
Total	\$2,754	\$3,302	\$3,131	\$3,495

C. Selected State Grants for Capital Projects**Public Schools**

Chatsworth Elementary School – renovations (HVAC/open space enclosure)	\$5,971,900
Chesapeake Terrace Elementary School – renovations (open space enclosure)	511,800
Cromwell Valley Elementary School – renovations (HVAC)	4,210,800
Dulaney High School – construction	70,524,498
Fullerton Elementary School – renovations (HVAC/roof/open space enclosure)	4,267,230
Glyndon Elementary School – renovations (HVAC/open space enclosure)	6,808,900
Halethorpe Elementary School – renovations (HVAC/open space enclosure)	3,557,400
Hereford Middle School – renovations (public address intercom)	421,000
Jacksonville Elementary School – renovations (HVAC)	5,008,100
Loch Raven High School – renovations (electrical/open space enclosure)	869,400
Logan Elementary School – renovations (electrical/open space enclosure)	1,405,800
McCormick Elementary School – renovations (roof)	359,859
Milbrook Elementary School – renovations (electrical)	712,800
Northeast Area High School – construction	250,000
Northwest Area Career, Technology, and Education Center – construction	644,243
Oliver Beach Elementary School – renovations (HVAC/open space enclosure)	4,210,800
Owings Mills Elementary School – renovations (HVAC)	5,829,100
Owings Mills High School – renovations (chiller)	1,389,928
Patapsco High School and Center for the Arts – construction	895,000
Perry Hall High School – renovations (chiller)	1,389,928
Perry Hall High School – renovations (public address intercom)	576,900
Perry Hall Middle School – renovations (chiller)	928,000
Pine Grove Elementary School – renovations (HVAC/open space enclosure)	5,082,000
Prettyboy Elementary School – renovations (HVAC/open space enclosures)	4,576,000
Sandalwood Elementary School – renovations (HVAC/open space enclosures)	6,919,000
Sandy Plains Elementary School – renovations (HVAC)	5,506,050
Scotts Branch Elementary School – construction	446,000
Shady Spring Elementary School – renovations (HVAC/open space enclosure)	4,803,150
Sudbrook Magnet Middle School – renovations (boiler)	786,108
Timber Grove Elementary School – renovations (HVAC/open space enclosures)	4,867,500
Towson High School – construction	4,724,000
Westchester Elementary School – renovations (HVAC)	2,119,120
Westchester Elementary School – renovations (roof)	4,083,200
Western School of Technology – renovations (communications)	870,000
White Oak Special Education School – renovations (HVAC/open space enclosure)	4,623,080
Woodmoor Elementary School – renovations (public address intercom)	408,250
Aging Schools Program	2,622,684

Public Schools Facilities Priority Fund	5,000,000
Supplemental Capital Grant Program for Local School Systems	8,601,644
	\$186,781,172

Public Libraries

Catonsville Library – renovation	\$2,401,000
North Point Library – HVAC replacement	250,000
	\$2,651,000

Community College of Baltimore County

Catonsville – Student Services Center renovation and expansion	\$6,984,000
Catonsville – Transportation Technology Center renovation and expansion	6,816,000
Dundalk – Student Services Center renovation	3,204,000
Essex – primary switchgear and distribution replacement	3,639,000
Systemwide – facilities renewal	699,750
Systemwide – roof replacements	2,857,000
	\$24,199,750

Senior Center Capital Grant Program

Jacksonville Senior Center	\$800,000

Baltimore Regional Neighborhood Initiative

4M Swim and Recreation Club	\$750,000
Assistance Centers of Towson Churches, Inc. – community hub	300,000
Preservation Alliance of Baltimore County	100,000
	\$1,150,000

Business Facade Improvement Program

Greater Baltimore Chamber of Commerce – Pikesville	\$100,000
Greater Randallstown Community Development Organization	350,000
Security Woodlawn Business Association, Inc.	300,000
Towson Chamber of Commerce	50,000
	\$800,000

Community Legacy Program

Baltimore County – Catonsville Armory	\$500,000

Program Open Space

Park acquisition and development	\$26,885,698

Chesapeake Bay Restoration Fund

Back River WWTP – enhanced nutrient removal	\$4,000,000
Patapsco WWTP – headworks improvements	15,000,000
	\$19,000,000

Waterway Improvement

Bowleys Quarters Volunteer Fire Department – purchase fire/rescue boat	\$50,000
Cox’s Point Park – boating facility replacement	450,000
Hart Miller and Pleasure Islands – channel dredging	1,100,000
North Point Creek and Shallow Creek – maintenance dredging	500,000
Pleasure Island – maintenance dredging	1,650,000
Rocky Point Park – boat ramp replacement	200,000
Shallow Creek – maintenance dredging	65,000
	\$4,015,000

Hazardous Substance Cleanup Program

Former Simkins Industries – site contamination assessment	\$100,000

Other Projects

AfriThrive, Inc. – Baltimore Community Food Center	\$50,000
American Legion Dewey Loman Post No. 109	60,000
American Legion Liberty Post No. 122	250,000
Arbutus Marketplace	600,000
Asian American Alliance for Action, Inc.	100,000
Bais Yaakov School for Girls, Inc. – Park Heights campus	200,000
Baltimore County – 911 Call Center	2,000,000
Baltimore County – Banneker Community Center gymnasium	300,000
Baltimore County – Bengies Road sanitary sewer system extension	500,000
Baltimore County – Benjamin Banneker Historical Park and Museum	2,375,000
Baltimore County – Catonsville Armory	250,000
Baltimore County – Catonsville Fire Department	1,500,000
Baltimore County – Charles P. Crane Plant	250,000
Baltimore County – Cowdensville roundabout	2,000,000
Baltimore County – Glyndon Station Park playground	100,000
Baltimore County – Golden Ring Park	250,000
Baltimore County – Highlands Trail	500,000
Baltimore County – Holland Hill Park	300,000
Baltimore County – Holt Park	2,500,000
Baltimore County – Lansdowne Library	12,000,000

Baltimore County – Norris Farm Landfill and Recycling	250,000
Baltimore County – Perry Hall sewer and wastewater infrastructure	4,500,000
Baltimore County – Randallstown Library	51,130,000
Baltimore County – Renaissance Park	500,000
Baltimore County – Security Mall renovation and replacement	7,500,000
Baltimore County – Seneca Harbor playground	50,000
Baltimore County – senior center security and technology enhancements	100,000
Baltimore County – Six Bridge Trail	500,000
Baltimore County – Sparrows Point Fire Academy	9,000,000
Baltimore County – St. Pius X property	500,000
Baltimore County – Tradepoint Atlantic – Route 151 improvements	250,000
Baltimore County – Turner Station flood resilience	500,000
Baltimore County – Watersedge Park	150,000
Baltimore County – West Baltimore Multipurpose Sports Complex	400,000
Baltimore County – west county redevelopment	250,000
Baltimore County – Woodlawn Memorial Park	300,000
Baltimore County Arts Guild	150,000
Baltimore County Humane Society	250,000
Baltimore County Volunteer Firefighter’s Association, Inc.	150,000
Bowleys Quarters Volunteer Fire Department	325,000
Broadmead, Inc. – York Turnpike Toll House	100,000
Carroll Manor Elementary School – electronic sign	50,000
Catonsville Emergency Assistance, Inc.	750,000
Catonsville Rails to Trails, Inc.	1,100,000
Charlesmont Elementary School – early childhood playground	25,000
Chase Brexton Health Services, Inc.	350,000
Chesapeake High School Sports Boosters Club, Inc – turf field	400,000
Chimes Foundation, Inc. – Vincent Farm Lane House	224,000
Chimes International	750,000
Christ Villa Food Pantry	33,000
Christian Athletic Association – CAA Park	100,000
City Ranch, Inc.	250,000
Civil Air Patrol U.S. Air Force Auxiliary – Nike Missile site restoration	25,000
Cockeysville Middle School – electronic sign	80,000
Community Learning Center	110,000
Cromwell Valley Elementary School – playground	130,000
Digital Bay Center, Inc. – Agriculture Technology Incubator	200,000
Dominion Resource Center, Inc.	250,000
Eastern Technical High School – multi-sport complex	150,000
Edmondson Heights Elementary School – playground	150,000
Elmwood Elementary School – playground	200,000

Emory Grove Hotel	100,000
Essex Skypark Association, Inc.	290,000
First Fruits Farm	300,000
Foundation for Baltimore County Public Library, Inc. – Essex Library	500,000
Franklin Point at Deerborne Homeowners Association – dog park	40,000
Franklin Square Hospital Center, Inc.	2,000,000
Friends of Larchmont, Inc. – Calico Cat Cafe	100,000
Friends of Prospect Hill Cemetery of Towson, Inc.	450,000
Friends of the Patapsco Valley State Park	425,000
Friends of Turner Station – Osceola Smith life-sized bronze statue	150,000
Fullerton Elementary School – electronic sign	80,000
Fullerton Elementary School – playground	150,000
Genesee Valley Outdoor Learning Center, Inc.	100,000
GLA Youth Church, Inc. – Performing Arts Center	50,000
Glenn L. Martin Maryland Aviation Museum	900,000
Greater Baltimore Medical Center, Inc.	3,280,000
Greenmount Senior Center	200,000
Hereford Volunteer Fire Company	100,000
Heritage Society of Essex and Middle River Museum	89,000
Honeygo Regional Veterans Memorial	32,000
HopeWell Cancer Support, Inc.	300,000
Idlewylde Community Hall	280,000
Iglesia de Dios Hispana de Owings Mills – playground and fencing	85,000
Impact Baltimore EDC, Inc. – Community Outreach Center	100,000
Irvine Nature Center	350,000
Islamic Society of Baltimore, Md., Inc. – Hope Garden	50,000
Jacksonville Elementary School – playground	100,000
Jacksonville Volunteer Fire Company	100,000
Jewish Community Center of Baltimore – Gordon Center for Performing Arts	104,100
Jewish Community Service's Inc.	300,000
Junior Achievement of Central Maryland, Inc.	300,000
Kent MCAP Holdings, L.P. – Day Village Townhomes	250,000
Kesser Torah Community Recreation Center	200,000
Kingsville Elementary School – playground	100,000
Knights of Columbus Council No. 1960	300,000
Land Preservation Trust, Inc. – Shawan Downs	350,000
Liberty Community Development Youth Center	150,000
Liberty Manor Community Association	10,000
Loch Raven High School – electronic sign	165,000
Lung Health Coalition – mobile lung van	200,000
Maryland Lynching Memorial Project, Inc.	300,000

Maryland State Fairgrounds	450,000
Maryland Troopers Association – headquarters	300,000
Mays Chapel Elementary School – playground	190,000
McCormick Elementary School – fencing and ADA accessibility upgrades	50,000
MedStar Franklin Square Hospital	1,000,000
Middle River Volunteer Fire Company	100,000
Mt. Pleasant African Methodist Episcopal Church – grave restoration	68,000
Music City Maryland Association, Inc. – Amphitheater	705,000
National Center on Institutions and Alternatives, Inc.	1,381,000
Natural History Museum	150,000
NeighborSpace of Baltimore County	70,000
Northeast Towson Improvement Association, Inc. – Adelaide Bentley Park	100,000
Northwest Hospital Center	6,090,000
Our Lady of Mount Carmel School, Inc.	150,000
Overlea High School – gymnasium and stadium improvements	225,000
Owings Mills High School – indoor scoreboard	25,000
Owings Mills Volunteer Fire Company	150,000
Padonia International Elementary School – interactive sensory board	6,500
Parkville Middle School – digital sign and gym partition	125,000
Pearlstone Conference and Retreat Center	1,000,000
Perry Hall Elementary School – sidewalk improvements	10,000
Perry Hall Elementary School Parent-Teacher Association, Inc.	30,000
Perry Hall High School – track	600,000
Pikesville Armory	14,500,000
Pikesville High School – comfort station	400,000
Pikesville Middle School – electronic sign	130,000
Plumbers and Steamfitters Local Union No. 486 – training school	350,000
Pot Spring Elementary School – electronic sign	85,000
Pride of Towson Elks Lodge #8421	354,500
Reisterstown Community Cemetery	49,000
Reisterstown Improvement Association, Inc. – 234 Main Street	400,000
Relay Children’s Center, Inc.	350,000
Ridgely Middle School – electronic sign	175,000
Rosedale Baptist Church of Baltimore – Community Center	250,000
Rosedale Christian Academy	300,000
Sandalwood Elementary School – playground	100,000
Security Woodlawn Business Association, Inc.	180,000
Sheppard Pratt Health System, Inc.	6,661,000
Soup for the Soul	500,000
Southwest Visions Foundation, LLC	100,000
Sparrows Point High School – scoreboard	50,000

Spectrum Support, Inc. – Windsor Mill	150,000
Springdale Swim Club	100,000
St. Luke's United Methodist Church – community multipurpose space	350,000
St. Mark's on the Hill Church	150,000
Stevenson University – environmental remediation	2,000,000
Stevenson University – Music and Performance Arts Wing	3,360,000
Stoneybrook Community Association	10,000
Talmudical Academy of Baltimore, Inc.	100,000
The Children's Home, Inc. – Youth Learning and Vocational Center	300,000
The Heritage Society of Essex and Middle River, Inc.	62,400
The One Love Foundation in Honor of Yeardley Love, Inc.	250,000
Timonium Elementary School – electronic sign	80,000
Torah Institute of Baltimore, Inc.	300,000
Towson Elks Lodge No. 469	215,000
Towson High School Sports Booster Club, Inc. – stadium comfort station	300,000
Tradepoint Atlantic Container Terminal	22,000,000
Tsunami Martial Arts Academy	250,000
University of Maryland St. Joseph Medical Center	2,400,000
VFW Wells and McComas Post No. 2678	100,000
Villa Cresta Elementary School – playground	225,000
Wellspring of Life Farm, Inc.	250,000
Westside Redevelopment Authority	500,000
Woodholme Elementary School – playground improvements	200,000
Woodlawn High School – scoreboard and exterior lighting	275,000
Woodlawn Volunteer Fire Company	50,000
Yeshivas Toras Simcha, Inc.	300,000
Zion Evangelical Lutheran Church – original log cabin	10,000
	\$193,894,500

D. Capital Projects for State Facilities in the County

General Government

Maryland Economic Development Corporation – Incubator Space – Cannabis	\$5,000,000

Department of Veterans Affairs

Garrison Forest Veterans Cemetery – expansion	\$1,111,000

Department of Natural Resources

Cub Hill Forest Ranger Station – office and garage construction	\$385,000
Dundee Creek Marina – replacement and expansion	500,000
Gunpowder Falls State Park – Dundee Creek Marina	2,250,000
Gunpowder Falls State Park – Hammerman boat ramp replacement	200,000
Gunpowder Falls State Park – Torey Brown Trail bridge improvements	613,054
North Point State Park – beach and parking expansion	1,000,000
North Point State Park – waterfront improvements	2,286,000
	\$7,234,054

Maryland Environmental Service

Camp Fretterd – water distribution and septic facilities upgrade	\$4,302,000

University System of Maryland

Baltimore County – Sherman Hall	\$72,402,000
Baltimore County – stadium synthetic track	530,000
Baltimore County – Student Services Building	5,000,000
Towson University – Academic Achievement Center	3,500,000
Towson University – central plant upgrades	10,600,000
Towson University – College of Health Professions Building	38,079,609
Towson University – Cook Library	300,000
Towson University – electrical substation improvements	12,820,000
Towson University – Smith Hall expansion and renovation	160,357,000
	\$303,588,609

Calvert County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
Foundation Aid	\$74,405	\$55,381	\$72,522	\$75,216
Compensatory Education	14,604	13,225	14,704	14,659
Student Transportation	7,566	7,562	7,796	7,868
Special Education	8,416	7,327	8,744	10,201
English Language Learners Grant	1,051	871	1,023	1,090
Comparable Wage Index	2,880	2,144	2,693	2,733
Blueprint Funding	1,866	1,812	3,425	4,621
Prekindergarten Grants	520	520	0	0
Other Education Aid	1,600	1,470	1,139	1,261
<i>Primary and Secondary Education</i>	<i>\$112,908</i>	<i>\$90,312</i>	<i>\$112,046</i>	<i>\$117,649</i>
Libraries	\$618	\$610	\$629	\$661
Community Colleges	5,568	5,080	5,001	4,997
Health Formula Grant	4,151	3,223	3,426	2,799
Transportation ¹	2,747	3,060	3,449	3,454
Police and Public Safety ¹	989	2,304	985	976
Fire and Rescue Aid ¹	281	194	310	310
Other Direct Aid	3,623	3,573	3,150	3,150
Total Direct Aid	\$130,886	\$108,356	\$128,996	\$133,995
 Aid Per Capita (\$)	 \$1,383	 \$1,147	 \$1,365	 \$1,418
Property Tax Equivalent (\$)	0.67	0.71	0.82	0.81

¹ Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays a portion of the employer share on behalf of the subdivisions for these local employees. Fiscal 2024 to 2027 State payments for Calvert County for teachers, librarians, and community college faculty are estimated to be \$66,703,000.

B. Estimated State Spending on Selected Health and Social Services

The Maryland Department of Aging, the Maryland Department of Health, the Department of Human Services, the Department of Housing and Community Development, and the Governor's Office of Crime Prevention and Policy fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. For many programs, the amounts shown for fiscal 2027 are based on the county's share of prior year funding (fiscal 2026) and may change. See the discussion at the beginning of this section for more detail on the types of services funded.

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
<u>Health Services</u>				
Medicaid	\$46,740	\$51,424	\$51,520	\$52,075
Family Health and Chronic Disease	1,091	334	610	716
Developmental Disabilities	9,027	15,363	18,620	16,156
Behavioral Health Services	13,958	18,721	18,978	20,220
Total	\$70,816	\$85,842	\$89,728	\$89,167
<u>Social Services</u>				
Homeless Services	\$1,480	\$1,783	\$1,685	\$1,570
Women's Services	417	303	248	306
Adult Services	151	92	163	241
Child Welfare Services	1,620	2,748	1,621	2,328
Foster Care	3,991	3,735	3,953	4,067
Temporary Cash Assistance	93	251	301	310
Total	\$7,752	\$8,912	\$7,971	\$8,822
<u>Senior Citizen Services</u>				
Long-term Care	\$139	\$178	\$181	\$201
Community Services	112	110	109	112
Total	\$251	\$288	\$290	\$313

C. Selected State Grants for Capital Projects**Public Schools**

Calvert Elementary School – construction	\$534,365
Mutual Elementary School – renovations (plumbing)	370,057
Northern High School – renovations (air handling units)	338,800
Northern Middle School – construction	20,105,788
Plum Point Middle School – renovations (HVAC)	530,000
Sunderland Elementary School – renovations (boiler/electrical/HVAC)	683,300
Aging Schools Program	114,876
	\$22,677,186

Public Libraries

Twin Beaches Library – construction	\$854,000

College of Southern Maryland

La Plata – Student Resource Center	\$1,748,000
Leonardtown – “A” Building renovation and expansion	938,000
Systemwide – facilities renewal	699,750
	\$3,385,750

Community Health Facilities Grant Program

Cornerstone Southern Maryland	\$450,000

Program Open Space

Park acquisition and development	\$2,378,069

Waterway Improvement

North Beach – pier boating area upgrades	\$50,000
St. Leonard Volunteer Fire Department – purchase fire/rescue boat	29,063
	\$79,063

Other Projects

American Legion Gray-Ray Post No. 220	\$300,000
Annmarie Sculpture Garden and Arts Center	275,000
Bayside History Museum	70,000
Calvert County – Harriet Elizabeth Brown Statue	250,000

Part A – Budget and State Aid

A-125

A

Calvert County Day School, Inc. – The Calverton School	850,000
Calvert High School – turf athletic field	250,000
CalvertHealth Medical Center	8,832,000
Chesapeake Beach – tennis courts	500,000
Chesapeake Beach – water park improvements	1,100,000
Chesapeake Beach – well relocation	600,000
Ladies of Charity Calvert County, Inc. – North Beach Food Pantry	265,000
North Beach – Black Box Theatre	25,000
Prince Frederick Masonic Lodge No. 142	150,000
Solomons Volunteer Rescue Squad and Fire Department	100,000
	\$13,567,000

D. Capital Projects for State Facilities in the County

Department of Natural Resources

Hallowing Point State Park – boating facility improvements	\$200,000
Hallowing Point State Park – entrance/road/parking/beach improvements	400,000
Hallowing Point State Park – southern region multipurpose facility	196,000
	\$796,000

Department of Planning

Maryland Archeological Conservation Lab – expansion and renovation	\$14,831,000

Morgan State University

Patuxent Environmental and Aquatic Research Laboratory	\$2,500,000

University System of Maryland

Center for Environmental Science – Chesapeake Analytics Collaboration Building	\$11,033,000

Caroline County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
Foundation Aid	\$34,384	\$34,047	\$35,496	\$36,579
Compensatory Education	22,388	22,775	23,262	22,628
Student Transportation	3,546	3,581	3,696	3,750
Special Education	3,821	4,360	4,697	5,497
English Language Learners Grant	4,130	4,285	4,437	4,382
Guaranteed Tax Base	2,160	1,688	2,132	2,789
Blueprint Funding	5,436	8,058	10,096	13,307
Prekindergarten Grants	1,131	481	0	0
Other Education Aid	1,159	1,069	937	1,060
<i>Primary and Secondary Education</i>	<i>\$78,153</i>	<i>\$80,344</i>	<i>\$84,754</i>	<i>\$89,991</i>
Libraries	\$369	\$374	\$382	\$397
Community Colleges	2,687	2,644	3,211	3,070
Health Formula Grant	2,589	2,094	2,186	2,043
Transportation ¹	2,082	2,379	2,703	2,704
Police and Public Safety ¹	477	685	503	481
Fire and Rescue Aid ¹	315	315	343	343
Disparity Grant	4,687	4,071	4,674	4,736
Teachers Retirement Supplemental Grant	685	685	343	0
Other Direct Aid	16	25	0	0
Total Direct Aid	\$92,060	\$93,616	\$99,097	\$103,766
 Aid Per Capita (\$)	 \$2,703	 \$2,744	 \$2,905	 \$3,042
Property Tax Equivalent (\$)	2.89	2.73	2.68	2.64

¹ Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays a portion of the employer share on behalf of the subdivisions for these local employees. Fiscal 2024 to 2027 State payments for Caroline County for teachers, librarians, and community college faculty are estimated to be \$22,823,000.

B. Estimated State Spending on Selected Health and Social Services

The Maryland Department of Aging, the Maryland Department of Health, the Department of Human Services, the Department of Housing and Community Development, and the Governor's Office of Crime Prevention and Policy fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. For many programs, the amounts shown for fiscal 2027 are based on the county's share of prior year funding (fiscal 2026) and may change. See the discussion at the beginning of this section for more detail on the types of services funded.

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
<u>Health Services</u>				
Medicaid	\$35,882	\$39,714	\$39,606	\$40,032
Family Health and Chronic Disease	817	376	586	675
Developmental Disabilities	9,860	16,754	20,306	17,617
Behavioral Health Services	11,539	12,226	12,399	13,453
Total	\$58,098	\$69,070	\$72,897	\$71,777
<u>Social Services</u>				
Homeless Services	\$1,179	\$1,455	\$1,457	\$1,342
Women's Services	71	32	32	32
Adult Services	143	88	139	101
Child Welfare Services	1,606	3,643	1,650	2,436
Foster Care	1,510	959	1,129	1,162
Temporary Cash Assistance	266	489	445	458
Total	\$4,775	\$6,666	\$4,852	\$5,531
<u>Senior Citizen Services</u>				
Long-term Care	\$405	\$524	\$522	\$564
Community Services	166	168	164	169
Total	\$571	\$692	\$686	\$733

Note: Senior citizen services funding supports services in Caroline, Kent, and Talbot counties.

C. Selected State Grants for Capital Projects**Public Schools**

Denton Elementary School – renovations (chiller)	\$195,000
Federalsburg Elementary School – renovations (roof)	2,864,000
Lockerman Middle School – construction	3,617,417
North Caroline High School – renovations (roof)	2,252,388
Aging Schools Program	150,222
Supplemental Capital Grant Program for Local School Systems	841,739
	\$9,920,766

Public Libraries

Denton Library – renovation	\$467,000

Chesapeake College

Campuswide – facilities renewal	\$565,125
Queen Anne’s Technical Building – construction	7,908,000
	\$8,473,125

Federally Qualified Health Centers Grant Program

Choptank Community Health System, Inc.	\$1,825,000

Program Open Space

Park acquisition and development	\$1,041,920

Community Parks and Playgrounds

Denton – Sharp Road Park Playground	\$600,000
Goldsboro – Railroad Park	196,057
Greensboro – Jesse Sutton Memorial Park	250,000
Preston – James T. Wright Park	269,383
	\$1,315,440

Chesapeake Bay Water Quality Projects

Greensboro Regional Wastewater System – expansion	\$1,500,000

Chesapeake Bay Restoration Fund

Federalsburg WWTP – enhanced nutrient removal	\$2,235,500
Greensboro Regional Wastewater System – expansion	11,813,055
	\$14,048,555

Waterway Improvement

Choptank Marina – fuel station upgrades and marina improvements	\$250,000
Choptank Marina – maintenance dredging	500,000
Choptank Marina – seawall and marina restoration	1,353,000
Crouse Park – bulkhead renovation	250,000
Greensboro – boating facility improvements	75,000
	\$2,428,000

Other Projects

Aaron’s Place, Inc.	\$50,000
Baily-Groce Family Foundation, Inc. – Anna Murray Douglass Museum	350,000
Benedictine School	1,000,000
Caroline County Chamber of Commerce – Business Resource Center	50,000
Caroline County Historical Society, Inc. – Heritage Center	75,000
Goldsboro – town hall and train station	190,000
Greensboro – Police Department	50,000
Greensboro Volunteer Fire Company	50,000
Martin’s House Homeless Shelter	497,000
Maryland Rural Development Corporation – Greensboro Library	110,000
The Benedictine School	4,300,000
	\$6,722,000

D. Capital Projects for State Facilities in the County**Department of Natural Resources**

Martinak State Park – dredging and dredge material placement rehabilitation	\$950,000
Tuckahoe State Park – boat ramp replacement	225,000
	\$1,175,000

Carroll County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
Foundation Aid	\$117,788	\$121,919	\$126,263	\$130,768
Compensatory Education	23,093	25,043	26,652	26,117
Student Transportation	13,055	13,288	13,679	13,847
Special Education	16,991	19,183	19,403	20,732
English Language Learners Grant	2,010	2,315	2,626	2,388
Blueprint Funding	4,371	4,156	6,220	7,410
Prekindergarten Grants	1,146	0	0	0
Other Education Aid	2,194	2,099	1,750	1,892
<i>Primary and Secondary Education</i>	<i>\$180,647</i>	<i>\$188,003</i>	<i>\$196,594</i>	<i>\$203,152</i>
Libraries	\$1,258	\$1,304	\$1,351	\$1,353
Community Colleges	14,388	13,963	15,074	15,498
Health Formula Grant	5,496	4,481	4,671	4,453
Transportation ¹	6,380	7,332	8,343	8,351
Police and Public Safety ¹	2,035	2,633	2,401	2,319
Fire and Rescue Aid ¹	384	384	387	387
Other Direct Aid	512	518	0	0
Total Direct Aid	\$211,100	\$218,619	\$228,821	\$235,513
 Aid Per Capita (\$)	 \$1,194	 \$1,237	 \$1,295	 \$1,333
Property Tax Equivalent (\$)	0.88	0.86	0.84	0.81

¹ Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays a portion of the employer share on behalf of the subdivisions for these local employees. Fiscal 2024 to 2027 State payments for Carroll County for teachers, librarians, and community college faculty are estimated to be \$103,249,000.

B. Estimated State Spending on Selected Health and Social Services

The Maryland Department of Aging, the Maryland Department of Health, the Department of Human Services, the Department of Housing and Community Development, and the Governor's Office of Crime Prevention and Policy fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. For many programs, the amounts shown for fiscal 2027 are based on the county's share of prior year funding (fiscal 2026) and may change. See the discussion at the beginning of this section for more detail on the types of services funded.

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
<u>Health Services</u>				
Medicaid	\$93,725	\$103,100	\$103,304	\$104,418
Family Health and Chronic Disease	1,292	546	832	968
Developmental Disabilities	23,787	40,396	48,960	42,476
Behavioral Health Services	27,931	31,937	31,881	34,625
Total	\$146,735	\$175,979	\$184,977	\$182,487
<u>Social Services</u>				
Homeless Services	\$540	\$652	\$653	\$602
Women's Services	390	159	160	162
Adult Services	113	12	141	217
Child Welfare Services	2,838	4,654	3,121	3,549
Foster Care	2,128	2,312	2,923	3,007
Temporary Cash Assistance	260	561	575	592
Total	\$6,269	\$8,350	\$7,573	\$8,129
<u>Senior Citizen Services</u>				
Long-term Care	\$283	\$367	\$352	\$421
Community Services	173	173	169	174
Total	\$456	\$540	\$521	\$595

C. Selected State Grants for Capital Projects**Public Schools**

Career and Technology Center – construction	\$10,820,000
Carroll Springs School – renovations (HVAC)	319,300
Carroll Springs Special Education School – renovations (HVAC)	3,190,696
Carrolltowne Elementary School – renovations (HVAC)	4,650,040
Cranberry Station Elementary School – kindergarten/pre-k addition	1,536,309
Friendship Valley Elementary School – kindergarten/pre-k addition	3,842,241
Mt. Airy Elementary School – renovations (HVAC)	6,862,206
Northwest Middle School – renovations (HVAC)	784,811
Sandymount Elementary School – kindergarten/pre-k addition	2,652,048
Spring Garden Elementary School – renovations (roof)	2,464,110
Taneytown Elementary School – kindergarten/pre-k addition	2,073,820
Westminster East Middle School – construction	2,990,297
Westminster Elementary School – kindergarten/pre-k addition	367,000
William Winchester Elementary School – kindergarten/pre-k addition	146,024
Aging Schools Program	411,783
Supplemental Capital Grant Program for Local School Systems	5,389,223
	\$48,499,908

Carroll Community College

Campuswide – facilities renewal	\$565,125
Campuswide – systemic renovation	1,905,000
	\$2,470,125

Community Health Facilities Grant Program

Anthony Wayne Rehabilitation Center for Handicapped and Blind, Inc.	\$770,000
Carroll County Youth Services Bureau, Inc.	3,000,000
	\$3,770,000

Business Facade Improvement Program

Carroll County – Finksburg	\$80,000
Sykesville	125,000
Westminster	145,000
	\$350,000

Program Open Space

Park acquisition and development	\$5,341,971

Community Parks and Playgrounds

Hampstead – Chief Sites Memorial Park Skate Park	\$240,166
Hampstead – Main Street Commons Pocket Park	51,322
Hampstead – Panther Park Inclusive Park	207,278
Manchester – Christmas Tree Park Playground	175,106
Union Bridge – Community Center	86,450
Westminster – Tahoma Farm Park	298,950
	\$1,059,272

Chesapeake Bay Water Quality Projects

Manchester WWTP – enhanced nutrient removal	\$1,500,000

Chesapeake Bay Restoration Fund

Manchester WWTP – enhanced nutrient removal	\$19,737,495

Other Projects

Baltimore Homa Community – Ancient Oaks	\$200,000
Carroll County – sheriff's building	1,000,000
Carroll County Public Schools – playground improvements	225,000
Carroll County Veterans Independence Project, Inc.	50,000
Carroll Hospital Center	887,000
Carrolltowne Elementary School – playground	75,000
Eldersburg Elementary School – playground	100,000
Glenwood Academy, Inc.	250,000
Hampstead Volunteer Fire Company	900,000
Manchester Valley High School – turf field	100,000
Manchester Volunteer Fire Department	250,000
McDaniel College – Merritt Hall	2,160,000
Mount Airy – Flat Iron Building	295,500
Mount Airy – police station	600,000
The Arc Carroll County	250,000
The Foxie G Foundation, Inc.	250,000
The Nathan Chris Baker Foundation, Inc. – playground	75,000
Union Bridge Fire Company	70,000
Union Memorial Veterans of Foreign Wars Post No. 8806	50,000
Warfield Community Development Corporation	500,000
Westminster – fiber infrastructure	4,000,000
Westminster Elementary School – digital sign	35,000

Westminster Elementary School – playground	75,000
Winfield Community Volunteer Fire Department – carnival grounds	225,000
	\$12,622,500

D. Capital Projects for State Facilities in the County**Department of Veterans Affairs**

Veterans Home – construction	\$6,326,000
Veterans Home – construction (federal funds)	47,881,000
	\$54,207,000

Department of Natural Resources

Avondale Wildlife Management Area – parking area	\$200,000
Patapsco Valley State Park – Sorenson entrance and bridge	3,000,000
	\$3,200,000

Maryland Environmental Service

Springfield Hospital Center – water distribution system	\$1,000,000

Cecil County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
Foundation Aid	\$75,655	\$74,123	\$77,164	\$78,751
Compensatory Education	31,879	32,113	32,221	28,531
Student Transportation	6,901	6,910	7,089	7,064
Special Education	13,073	15,025	15,450	17,546
English Language Learners Grant	1,790	2,037	2,244	2,186
Guaranteed Tax Base	920	0	0	0
Blueprint Funding	5,671	7,964	10,680	12,765
Prekindergarten Grants	550	0	0	0
Other Education Aid	4,540	4,420	4,724	5,289
Primary and Secondary Education	\$140,980	\$142,592	\$149,572	\$152,133
Libraries	\$951	\$973	\$1,013	\$1,030
Community Colleges	9,849	8,990	9,693	9,953
Health Formula Grant	3,982	3,253	3,399	3,174
Transportation ¹	3,348	3,881	4,498	4,504
Police and Public Safety ¹	1,557	2,779	1,654	1,579
Fire and Rescue Aid ¹	319	329	365	365
Disparity Grant	1,081	0	0	0
Gaming Impact Aid	4,983	5,014	4,788	4,788
Other Direct Aid	135	138	0	0
Total Direct Aid	\$167,184	\$167,949	\$174,981	\$177,524
Aid Per Capita (\$)	\$1,569	\$1,568	\$1,633	\$1,657
Property Tax Equivalent (\$)	1.30	1.24	1.20	1.16

¹ Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays a portion of the employer share on behalf of the subdivisions for these local employees. Fiscal 2024 to 2027 State payments for Cecil County for teachers, librarians, and community college faculty are estimated to be \$66,736,000.

B. Estimated State Spending on Selected Health and Social Services

The Maryland Department of Aging, the Maryland Department of Health, the Department of Human Services, the Department of Housing and Community Development, and the Governor's Office of Crime Prevention and Policy fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. For many programs, the amounts shown for fiscal 2027 are based on the county's share of prior year funding (fiscal 2026) and may change. See the discussion at the beginning of this section for more detail on the types of services funded.

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
<u>Health Services</u>				
Medicaid	\$81,496	\$89,611	\$89,817	\$90,786
Family Health and Chronic Disease	585	408	609	712
Developmental Disabilities	12,916	21,947	26,599	23,078
Behavioral Health Services	23,523	23,907	24,200	26,775
Total	\$118,520	\$135,873	\$141,225	\$141,351
<u>Social Services</u>				
Homeless Services	\$268	\$303	\$308	\$284
Women's Services	346	307	252	310
Adult Services	198	119	214	247
Child Welfare Services	3,759	5,580	3,979	4,322
Foster Care	8,143	10,484	10,835	11,148
Temporary Cash Assistance	705	1,264	1,147	1,182
Total	\$13,419	\$18,057	\$16,735	\$17,493
<u>Senior Citizen Services</u>				
Long-term Care	\$176	\$256	\$243	\$269
Community Services	139	154	150	155
Total	\$315	\$410	\$393	\$424

C. Selected State Grants for Capital Projects**Public Schools**

North East Middle/High School – construction	\$53,481,734
Aging Schools Program	288,072
	\$53,769,806

Public Libraries

Elkton Library – renovation and expansion	\$2,550,000

Cecil Community College

Campuswide – facilities renewal	\$699,750
Facilities Management Building and entrance/roadway construction	1,150,000
	\$1,849,750

Strategic Demolition Fund

HH Owner LLC – Howard Hotel building	\$670,000

Business Facade Improvement Program

Charlestown	\$50,000
Chesapeake City	50,000
Elkton Alliance, Inc.	50,000
North East	50,000
Perryville	50,000
Rising Sun	50,000
	\$300,000

Program Open Space

Park acquisition and development	\$2,767,814

Community Parks and Playgrounds

Charlestown – Athletic Complex	\$158,032
Chesapeake City – Helen Titter Park Playground	293,425
North East – Community Center	141,716
Perryville – Lower Ferry Park Railroad Playground	119,360
Rising Sun – Triangle Dog Park and Trails	300,000
	\$1,012,533

Chesapeake Bay Water Quality Projects

Cecilton WWTP – enhanced nutrient removal	\$1,000,000

Chesapeake Bay Restoration Fund

Cecilton WWTP – enhanced nutrient removal	\$6,000,000

Water Supply Financial Assistance Program

Leslie Wastewater Treatment Plant	\$250,000
North East – water quality improvements	691,000
Rolling Mill Wastewater Treatment Plant	173,000
	\$1,114,000

Comprehensive Flood Mitigation Program

Rolling Mill Water Treatment Plant	\$2,122,000

Waterway Improvement

Beck’s Landing – promenade redecking	\$44,360
Charlestown – boat ramp and fire pier dredging	350,000
	\$394,360

Hazardous Substance Cleanup Program

Montgomery Brothers – dump site	\$350,000
Tome School – site assessment	250,000
	\$600,000

Other Projects

Cecil County – Bainbridge Naval Training Center site redevelopment	\$7,500,000
Chesapeake Health Education Program, Inc. – Veterans House of Hope	100,000
Elkton – flood mitigation	100,000
Elkton – water filtration plant	500,000
Fair Hill Condominium Association	1,950,000
Fair Hill Environmental Foundation, Inc. – Nature Center playscape	250,000
Girl Scouts of Center Maryland, Inc. – Camp Conowingo	100,000
HH Owner LLC – Howard Hotel building	700,000
North East – Nature Preserve	90,000
NorthBay Education, Inc.	200,000
NorthBay Environmental Education Center	875,000

Perryville – LSHG-Perryville trail	125,000
Perryville American Legion Susquehanna Post No. 135	100,000
Plumpton Park Zoological Garden	100,000
Voices of Hope, Inc.	25,000
Water Witch Fire Company	100,000
	\$12,815,000

D. Capital Projects for State Facilities in the County

Department of Natural Resources

Bohemia River State Park – site improvements	\$4,000,000
Elk Neck State Park – Mauldin Mountain day use improvements	3,428,000
Elk Neck State Park – rustic cabins and shower building renovations	4,774,000
Fair Hill NRMA – carriage tunnel replacement	5,000,000
Fair Hill NRMA – covered bridge repairs	2,000,000
Fair Hill NRMA – orange trail connector bridge	875,000
Fair Hill NRMA – pedestrian track crossing	250,000
Fair Hill NRMA – trail bridge replacement	600,000
Old Bohemia Wildlife Management Area – ADA blind and access road	100,000
Port Deposit State Historical Park	200,000
	\$21,227,000

Maryland Environmental Service

Elk Neck State Park – electric power distribution system	\$619,000
Elk Neck State Park – wastewater treatment plant upgrade	3,473,000
Fair Hill NRMA – water treatment plant	370,000
	\$4,462,000

Other

Maryland Economic Dev. Corp. – low iron quartz/calcined clay facility	\$7,500,000
Maryland Economic Dev. Corp. – Principio Rail Spur	3,000,000
	\$10,500,000

Charles County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
Foundation Aid	\$143,939	\$145,017	\$151,329	\$156,076
Compensatory Education	53,681	61,046	55,831	55,676
Student Transportation	14,364	14,692	15,274	15,567
Special Education	17,330	19,252	20,437	23,691
English Language Learners Grant	6,323	7,071	7,889	7,921
Guaranteed Tax Base	8,524	5,830	2,602	2,672
Comparable Wage Index	3,879	3,908	3,912	3,949
Blueprint Funding	8,934	10,360	16,287	20,784
Prekindergarten Grants	260	234	0	0
Other Education Aid	3,713	3,240	3,057	3,105
<i>Primary and Secondary Education</i>	<i>\$260,947</i>	<i>\$270,650</i>	<i>\$276,619</i>	<i>\$289,442</i>
Libraries	\$1,385	\$1,412	\$1,442	\$1,489
Community Colleges	9,948	9,912	9,768	10,251
Health Formula Grant	6,254	5,040	5,300	4,722
Transportation ¹	4,023	4,490	5,062	5,068
Police and Public Safety ¹	2,330	4,408	2,486	2,380
Fire and Rescue Aid ¹	397	399	443	443
Other Direct Aid	584	600	0	0
Total Direct Aid	\$285,867	\$296,910	\$301,120	\$313,796
 Aid Per Capita (\$)	 \$1,638	 \$1,681	 \$1,705	 \$1,777
Property Tax Equivalent (\$)	1.24	1.19	1.12	1.10

¹ Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays a portion of the employer share on behalf of the subdivisions for these local employees. Fiscal 2024 to 2027 State payments for Charles County for teachers, librarians, and community college faculty are estimated to be \$108,678,000.

B. Estimated State Spending on Selected Health and Social Services

The Maryland Department of Aging, the Maryland Department of Health, the Department of Human Services, the Department of Housing and Community Development, and the Governor's Office of Crime Prevention and Policy fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. For many programs, the amounts shown for fiscal 2027 are based on the county's share of prior year funding (fiscal 2026) and may change. See the discussion at the beginning of this section for more detail on the types of services funded.

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
<u>Health Services</u>				
Medicaid	\$96,629	\$106,255	\$106,496	\$107,645
Family Health and Chronic Disease	1,225	641	885	1,025
Developmental Disabilities	20,258	34,487	41,798	36,265
Behavioral Health Services	24,842	28,327	28,527	31,576
Total	\$142,954	\$169,710	\$177,706	\$176,511
<u>Social Services</u>				
Homeless Services	\$1,480	\$2,283	\$1,685	\$1,570
Women's Services	433	329	274	333
Adult Services	196	252	260	232
Child Welfare Services	4,097	5,478	4,344	4,636
Foster Care	2,423	2,580	3,342	3,438
Temporary Cash Assistance	549	1,191	1,289	1,328
Total	\$9,178	\$12,113	\$11,194	\$11,537
<u>Senior Citizen Services</u>				
Long-term Care	\$273	\$353	\$343	\$389
Community Services	193	185	182	188
Total	\$466	\$538	\$525	\$577

C. Selected State Grants for Capital Projects**Public Schools**

Elementary School #23 – construction	\$11,877,523
General Smallwood Middle School – renovations (HVAC)	5,433,519
J.C. Parks Elementary School – kindergarten/pre-k addition	4,010,672
La Plata High School – construction	6,667,082
La Plata High School – renovations (HVAC/roof/structural)	910,800
Piccowaxen Middle School – renovations (boiler)	743,130
T.C. Martin Elementary School – construction	13,760,500
William B. Wade Elementary School – kindergarten/pre-k addition	5,911,230
Aging Schools Program	150,222
Supplemental Capital Grant Program for Local School Systems	6,127,085
	\$55,591,763

Public Libraries

La Plata Library – construction	\$1,000,000

College of Southern Maryland

La Plata – Student Resource Center	\$1,748,000
Leonardtown – “A” Building renovation and expansion	938,000
Systemwide – facilities renewal	699,750
	\$3,385,750

Program Open Space

Park acquisition and development	\$4,926,605

Community Parks and Playgrounds

Indian Head – Village Green Park Splash Pad	\$300,000

Chesapeake Bay Restoration Fund

College of Southern Maryland WWTP – enhanced nutrient removal	\$7,078,500

Comprehensive Flood Mitigation Program

Wheatley Dam – retrofit	\$3,318,000

Waterway Improvement

Cobb Island Fire Department – fire/rescue vessel maintenance	\$40,000
Mattingly Park/Slavins Dock – boating facility improvements	320,000
	\$360,000

Other Projects

Boys and Girls Club of Southern Maryland, Inc.	\$1,360,000
Charles County – Circuit Courthouse	1,500,000
Charles County – Sports and Wellness Center	1,250,000
Charles County Charitable Trust, Inc.	150,000
Civil Air Patrol U.S. Air Force Auxiliary, Charles Composite Squadron	16,000
Civista Medical Center	750,000
Enterprise Community Development, Inc. – Magnolia Gardens Housing	500,000
La Plata – library	800,000
La Plata – Phoenix Run Community Center	500,000
La Plata – police station	250,000
LifeStyles of Maryland Foundation, Inc.	62,500
Lions Camp Merrick	552,500
M25 Impact Community Development Corporation	225,000
Malcolm Elementary School – electronic sign	60,000
Mattawoman Creek Art Center	50,000
Old Waldorf School Foundation, Inc.	200,000
Poiema Movement, Inc.	650,000
Promise Landing Farm, Inc. – adaptive equestrian facilities	150,000
Providence of Maryland, Inc.	251,000
RXBSA Properties, LLC – Indian Head grocery store	100,000
Southern Maryland Tri-County Community Action Committee	100,000
United States Bomb Technician Association – Technology Training Campus	750,000
W.A.C Hughes Lodge No. 1053	165,000
Waldorf Elks Lodge No. 2421	170,000
Willing Helpers Society, Inc.	250,000
	\$10,812,000

D. Capital Projects for State Facilities in the County**Department of Natural Resources**

Cedarville State Forest – Manning Freshwater Mussel Hatchery	\$5,734,000
Smallwood State Park – Sweden Point Marina	2,000,000
	\$7,734,000

Dorchester County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
Foundation Aid	\$24,548	\$24,534	\$24,968	\$25,845
Foundation Aid - Special Grants	0	0	139	0
Compensatory Education	15,802	16,023	14,289	13,485
Student Transportation	3,193	3,250	3,348	3,392
Special Education	2,432	2,926	3,115	3,609
English Language Learners Grant	1,282	1,522	1,790	1,695
Guaranteed Tax Base	1,080	1,626	978	1,097
Blueprint Funding	7,266	10,440	12,192	13,824
Prekindergarten Grants	390	390	0	0
Other Education Aid	1,564	1,740	1,619	1,806
<i>Primary and Secondary Education</i>	<i>\$57,557</i>	<i>\$62,450</i>	<i>\$62,439</i>	<i>\$64,752</i>
Libraries	\$346	\$356	\$364	\$369
Community Colleges	1,839	1,668	2,118	2,269
Health Formula Grant	3,703	2,837	3,006	2,525
Transportation ¹	2,552	2,982	3,313	3,318
Police and Public Safety ¹	689	1,415	608	580
Fire and Rescue Aid ¹	337	332	331	331
Disparity Grant	3,935	4,443	4,991	4,824
Teachers Retirement Supplemental Grant	309	309	154	0
Other Direct Aid	709	712	715	751
Total Direct Aid	\$71,976	\$77,505	\$78,039	\$79,719
 Aid Per Capita (\$)	 \$2,167	 \$2,305	 \$2,321	 \$2,371
Property Tax Equivalent (\$)	2.07	2.06	1.92	1.85

¹ Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays a portion of the employer share on behalf of the subdivisions for these local employees. Fiscal 2024 to 2027 State payments for Dorchester County for teachers, librarians, and community college faculty are estimated to be \$20,054,000.

B. Estimated State Spending on Selected Health and Social Services

The Maryland Department of Aging, the Maryland Department of Health, the Department of Human Services, the Department of Housing and Community Development, and the Governor's Office of Crime Prevention and Policy fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. For many programs, the amounts shown for fiscal 2027 are based on the county's share of prior year funding (fiscal 2026) and may change. See the discussion at the beginning of this section for more detail on the types of services funded.

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
<u>Health Services</u>				
Medicaid	\$40,486	\$44,556	\$44,629	\$45,110
Family Health and Chronic Disease	1,495	467	706	820
Developmental Disabilities	3,864	6,587	7,984	6,926
Behavioral Health Services	13,511	12,893	13,350	14,559
Total	\$59,356	\$64,503	\$66,669	\$67,415
<u>Social Services</u>				
Homeless Services	\$1,179	\$1,455	\$1,457	\$1,342
Women's Services	71	32	32	32
Adult Services	291	305	352	290
Child Welfare Services	1,711	2,818	1,909	2,107
Foster Care	2,447	2,798	3,487	3,588
Temporary Cash Assistance	240	414	341	351
Total	\$5,939	\$7,822	\$7,578	\$7,710
<u>Senior Citizen Services</u>				
Long-term Care	\$617	\$794	\$782	\$865
Community Services	304	293	285	294
Total	\$921	\$1,087	\$1,067	\$1,159

Note: Senior citizen services funding supports services in Dorchester, Somerset, Wicomico, and Worcester counties.

C. Selected State Grants for Capital Projects**Public Schools**

Cambridge-South Dorchester High School – renovations (chiller/HVAC)	\$3,260,000
Choptank Elementary School – renovations (security vestibule)	588,500
Hurlock Elementary School – renovations (security vestibule)	550,000
Mace's Lane Middle School – renovations (HVAC/roof)	1,900,000
Maple Elementary School – renovations (security vestibule)	643,500
Sandy Hill Elementary School – renovations (security vestibule)	643,500
South Dorchester Elementary/Middle School – renovations (HVAC/fire safety)	6,445,454
Warwick/Hurlock Elementary School – construction	214,750
Aging Schools Program	114,876
	\$14,360,580

Public Libraries

Cambridge Library – renovation	\$102,000

Chesapeake College

Campuswide – facilities renewal	\$565,125
Queen Anne's Technical Building – construction	7,908,000
	\$8,473,125

Community Health Facilities Grant Program

Crossroads Community, Inc.	\$1,923,000

Business Facade Improvement Program

Cambridge	\$50,000

Program Open Space

Park acquisition and development	\$902,967

Community Parks and Playgrounds

Cambridge – Leonard Lane Pocket Park	\$305,000
Cambridge – Mill Street Nature Way Park	183,000
East New Market – Friendship Park	86,243
Hurlock – Prospect Heights Park Playground	141,894

Part A – Budget and State Aid

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Hurlock – Railroad Avenue Walking Trail	82,580
Secretary – Town Park Tennis Court	228,790
Vienna – Entrance Park	244,512
	\$1,272,019

Chesapeake Bay Restoration Fund

McKeil Point – bermed infiltration ponds	\$425,000
Suicide Bridge Restaurant – failing septic elimination	250,000
Vienna WWTP – enhanced nutrient removal	4,000,000
	\$4,675,000

Comprehensive Flood Mitigation Program

Cambridge – flood mitigation	\$1,804,500

Waterway Improvement

Back Creek Marina – renovations	\$50,000
Cambridge Municipal Marina – bathhouse/decking/pier L renovations	650,000
Cambridge Municipal Marina – wave screen	180,000
Cambridge Yacht Marina – basin improvements	1,000,000
Great Marsh Boat Launch – shoreline protection improvements	50,000
Jenkins Creek – dredging	62,500
Langrells Island – boat ramp replacement and dredging	100,000
Lodgecliffe Canal – dredging	37,500
Trenton Street – boat ramp improvements	250,000
Tylers Cove – marina improvements	750,000
Tylers Cove – renovations	250,000
Vienna – boating facility renovations	100,000
	\$3,480,000

Other Projects

Cambridge – bridge improvements	\$1,000,000
Cambridge – Cambridge Creek interceptor	250,000
Cambridge – Municipal Building	375,000
Cambridge Harbor Community Development	1,000,000
Dorchester County Sanitary District Commission – infiltration pond	40,000
Fraternal Order of Police Lodge 27	100,000
Groove City Art and Cultural Center	50,000
Harriet Tubman Education Center	300,000
Maryland Canna Cultural Center, Inc.	350,000
Patriot Point	150,000

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Aid to Local Government – Dorchester County

Richardson Maritime Museum

380,000

\$3,995,000

D. Capital Projects for State Facilities in the County

Department of Natural Resources

Bill Burton Fishing Pier State Park – fishing pier replacement

\$6,600,000

Frederick County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
Foundation Aid	\$225,335	\$229,015	\$237,686	\$244,241
Compensatory Education	58,439	58,957	60,202	58,521
Student Transportation	18,121	18,696	19,556	19,892
Special Education	29,150	34,968	36,889	40,518
English Language Learners Grant	16,707	18,228	18,691	18,013
Comparable Wage Index	5,189	5,274	5,250	5,280
Blueprint Funding	11,358	13,453	18,635	23,044
Prekindergarten Grants	3,873	4,533	0	0
Other Education Aid	2,775	4,243	4,306	4,559
<i>Primary and Secondary Education</i>	<i>\$370,947</i>	<i>\$387,366</i>	<i>\$401,216</i>	<i>\$414,069</i>
Libraries	\$1,906	\$1,991	\$2,067	\$2,092
Community Colleges	19,572	21,966	23,978	24,602
Health Formula Grant	6,035	4,966	5,154	5,060
Transportation ¹	10,239	11,819	13,195	13,205
Police and Public Safety ¹	3,627	8,067	3,898	3,792
Fire and Rescue Aid ¹	607	614	675	675
Other Direct Aid	1,296	1,780	0	50
Total Direct Aid	\$414,230	\$438,571	\$450,183	\$463,544
 Aid Per Capita (\$)	 \$1,386	 \$1,448	 \$1,486	 \$1,530
Property Tax Equivalent (\$)	0.99	0.96	0.90	0.86

¹ Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays a portion of the employer share on behalf of the subdivisions for these local employees. Fiscal 2024 to 2027 State payments for Frederick County for teachers, librarians, and community college faculty are estimated to be \$192,668,000.

B. Estimated State Spending on Selected Health and Social Services

The Maryland Department of Aging, the Maryland Department of Health, the Department of Human Services, the Department of Housing and Community Development, and the Governor's Office of Crime Prevention and Policy fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. For many programs, the amounts shown for fiscal 2027 are based on the county's share of prior year funding (fiscal 2026) and may change. See the discussion at the beginning of this section for more detail on the types of services funded.

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
<u>Health Services</u>				
Medicaid	\$147,510	\$162,430	\$162,626	\$164,379
Family Health and Chronic Disease	1,626	634	911	1,471
Developmental Disabilities	27,060	45,954	55,696	48,323
Behavioral Health Services	44,359	49,940	50,033	54,396
Total	\$220,555	\$258,958	\$269,266	\$268,569
<u>Social Services</u>				
Homeless Services	\$544	\$572	\$568	\$523
Women's Services	404	370	315	374
Adult Services	256	373	321	404
Child Welfare Services	4,822	7,198	5,157	5,925
Foster Care	5,649	4,938	5,696	5,860
Temporary Cash Assistance	708	1,366	1,230	1,266
Total	\$12,383	\$14,817	\$13,287	\$14,352
<u>Senior Citizen Services</u>				
Long-term Care	\$379	\$506	\$493	\$571
Community Services	235	235	231	239
Total	\$614	\$741	\$724	\$810

C. Selected State Grants for Capital Projects**Public Schools**

Ballenger Creek Elementary School – construction	\$1,288,750
Brunswick High School – construction	6,522,000
Brunswick Middle School – renovations (roof)	494,000
Elementary School #41 – construction	3,780,620
Middletown Elementary/Middle School – construction	25,873,118
Middletown Middle School – construction	8,174,252
Monocacy Elementary School – construction	2,435,000
Spring Ridge Elementary School – construction	10,420,250
Urbana Elementary School – construction	662,913
Yellow Springs Elementary School – construction	24,622,320
Aging Schools Program	547,866
Public Schools Facilities Priority Fund	5,000,000
Supplemental Capital Grant Program for Local School Systems	14,170,286
	\$103,991,375

Public Libraries

Middletown Library – construction	\$563,000
West Frederick Library – construction	3,137,000
	\$3,700,000

Frederick Community College

Campuswide – facilities renewal	\$565,125
Catoctin Hall – renovation and addition	1,317,000
	\$1,882,125

Business Facade Improvement Program

Brunswick Main Street, Inc.	\$100,000
Frederick	200,000
Main Street Middletown, MD, Inc.	75,000
New Market	25,000
Thurmont	75,000
	\$475,000

Program Open Space

Park acquisition and development	\$5,746,976

Community Parks and Playgrounds

Brunswick – B & O Railroad Park	\$220,000
Middletown – North Pointe Park Playground	32,240
Mount Airy – Prospect Park	250,000
Mount Airy – Village Gate Park Tennis Court	209,972
New Market – Community Park	100,000
Thurmont – Carroll Street Park Playground	52,000
Thurmont – Eyler Road Park Playground	291,092
	\$1,155,304

Chesapeake Bay Water Quality Projects

Thurmont – Emmitsburg Road flood control	\$1,500,000

Chesapeake Bay Restoration Fund

Brunswick WWTP – septic connections to plant	\$175,000
Middletown WWTP – enhanced nutrient removal	29,423,577
	\$29,598,577

Water Supply Financial Assistance Program

Emmitsburg – DePaul Street water line replacement	\$277,500
Emmitsburg – North Seton Avenue water line replacement	286,388
	\$563,888

Comprehensive Flood Mitigation Program

Frederick – downtown drainage area flood mitigation	\$1,084,500
Middletown WWTP – enhanced nutrient removal	2,782,000
	\$3,866,500

Waterway Improvement

Brunswick Volunteer Ambulance and Rescue Co. – replace rescue vessel	\$15,500
Pinecliff Park – boat ramp renovations	100,000
	\$115,500

Other Projects

African American Heritage Center	\$350,000
American Legion Francis Scott Key Post No. 11	450,000
Artspiration Frederick Foundation, Inc. – community arts center	50,000
Asian American Center of Frederick	700,000
AstraZeneca – facilities expansion	14,571,000

Ausherman Family Foundation, Inc. – Frederick Youth Center	327,500
Brunswick – Kaplan Building	100,000
Brunswick – reservoir retrofit	200,000
Brunswick Main Street, Inc.	475,000
Brunswick Volunteer Ambulance and Rescue, Inc.	300,000
Camp Shoresh	125,000
Comm. Foundation of Frederick County MD, Inc. – Baker Park splash pad	50,000
Downtown Frederick Hotel and Conference Center	7,500,000
Downtown Frederick Partnership, Inc. – Seventh Street Fountain Park	200,000
Federated Charities Corporation of Frederick	150,000
Football Club Frederick	1,000,000
Frederick – Downtown Hotel and Conference Center	5,500,000
Frederick – Municipal Clock Tower renovation	100,000
Frederick – soup kitchen renovations	200,000
Frederick – traffic calming program	750,000
Frederick – Westside Health Center	100,000
Frederick Center, Inc.	125,000
Frederick County – Animal Shelter	1,000,000
Frederick County – cybersecurity server and data room	3,000,000
Frederick County – Downtown Frederick Hotel and Conference Center	7,500,000
Frederick County – microgrid	500,000
Frederick County – Montevue Senior Living Facility	3,000,000
Frederick County – Prospect Center redevelopment	2,000,000
Frederick County – public safety infrastructure improvements	2,100,000
Frederick Health Hospital	3,500,000
Frederick Woman’s Civic Club, Inc. – Steiner House	14,415
Fredericktonian Lodge No. 12	562,000
Global Wildlife Trust, Inc. – Catoctin Wildlife Preserve and Zoo	185,000
Great Frederick Fair, Inc.	630,000
Heartly House, Inc.	1,050,000
Historical Society of Frederick County, Inc.	463,000
Hood College – Hodson Annex	2,480,000
Maryland Deaf Community Center	1,000,000
Middletown – Food Bank	100,000
Middletown – Harris Farm	1,375,000
Middletown – springline replacement from reservoir to I-70	250,000
Middletown – Town Hall improvements	250,000
Middletown – wastewater treatment plant	600,000
Mount St. Mary’s University – Coad Science Building	2,000,000
Mountain City Elks Lodge No. 382	565,000
New Market – Event Barn and Pavilion	100,000

New Market – Town Hall	392,000
New Midway Volunteer Fire Company	25,000
Spring Bank LLC – Senior Resource Center	900,000
Steadfast, Standing Firm Against Youth Homelessness, Inc.	25,000
The Ausherman Family Foundation – Frederick Youth Center	150,000
Thurmont Little League	200,000
Veterans of Foreign Wars Post No. 3285	625,000
Wolfsville Elementary School PTA	50,000
Wolfsville Ruritan Club, Inc. – playground	80,000
YMCA of Frederick County	500,000
	\$70,494,915

D. Capital Projects for State Facilities in the County

Military Department

Frederick Readiness Center – renovation and expansion	\$4,364,000
Frederick Readiness Center – renovation and expansion (federal funds)	5,147,000
	\$9,511,000

Department of Natural Resources

Cunningham Falls State Park – Hunting Creek bridge	\$400,000
Monocacy Natural Resource Management Area – Furnace Branch Trail	50,000
	\$450,000

Maryland Environmental Service

Cunningham Falls State Park – sewer line upgrade	\$2,261,000
Fort Frederick State Park – water treatment plant/distribution system	61,000
	\$2,322,000

Other

School for the Deaf – high school and middle school residences	\$17,794,000

Garrett County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
Foundation Aid	\$12,440	\$10,408	\$8,909	\$8,184
Foundation Aid - Special Grants	0	855	1,830	0
Compensatory Education	5,435	5,427	5,571	5,519
Student Transportation	3,861	3,903	4,028	4,075
Special Education	1,091	1,391	1,565	1,733
English Language Learners Grant	24	25	29	22
Blueprint Funding	2,447	3,256	3,393	3,854
Prekindergarten Grants	0	143	0	0
Other Education Aid	2,148	2,346	2,221	2,453
<i>Primary and Secondary Education</i>	\$27,446	\$27,755	\$27,546	\$25,840
Libraries	\$182	\$165	\$144	\$116
Community Colleges	6,121	5,302	6,175	6,272
Health Formula Grant	3,609	2,789	2,953	2,503
Transportation ¹	2,401	2,752	3,157	3,162
Police and Public Safety ¹	287	733	249	241
Fire and Rescue Aid ¹	301	302	331	331
Disparity Grant	2,131	2,131	2,047	2,131
Teachers Retirement Supplemental Grant	406	406	203	0
Other Direct Aid	1,778	1,789	1,750	1,779
Total Direct Aid	\$44,662	\$44,125	\$44,556	\$42,376
Aid Per Capita (\$)	\$1,572	\$1,555	\$1,571	\$1,494
Property Tax Equivalent (\$)	0.80	0.69	0.62	0.55

¹ Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays a portion of the employer share on behalf of the subdivisions for these local employees. Fiscal 2024 to 2027 State payments for Garrett County for teachers, librarians, and community college faculty are estimated to be \$16,850,000.

B. Estimated State Spending on Selected Health and Social Services

The Maryland Department of Aging, the Maryland Department of Health, the Department of Human Services, the Department of Housing and Community Development, and the Governor's Office of Crime Prevention and Policy fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. For many programs, the amounts shown for fiscal 2027 are based on the county's share of prior year funding (fiscal 2026) and may change. See the discussion at the beginning of this section for more detail on the types of services funded.

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
<u>Health Services</u>				
Medicaid	\$25,851	\$28,414	\$28,488	\$28,796
Family Health and Chronic Disease	1,066	299	516	596
Developmental Disabilities	5,612	9,555	11,580	10,047
Behavioral Health Services	7,446	8,006	8,312	9,097
Total	\$39,975	\$46,274	\$48,896	\$48,536
<u>Social Services</u>				
Homeless Services	\$220	\$269	\$269	\$248
Women's Services	188	281	226	284
Adult Services	65	98	74	281
Child Welfare Services	1,791	2,629	1,826	2,089
Foster Care	1,913	1,959	2,307	2,373
Temporary Cash Assistance	111	229	227	234
Total	\$4,288	\$5,465	\$4,929	\$5,509
<u>Senior Citizen Services</u>				
Long-term Care	\$134	\$174	\$174	\$192
Community Services	90	86	85	88
Total	\$224	\$260	\$259	\$280

C. Selected State Grants for Capital Projects**Public Schools**

Board Ford Elementary/Southern Middle School – construction	\$23,840,500
Crellin Elementary School – construction	100,000
Southern High School – construction	4,051,000
Southern Middle School – construction	14,456,596
Aging Schools Program	114,876
	\$42,562,972

Public Libraries

Friendsville Library – construction	\$3,771,000
Ruth Enlow Library – construction	513,000
	\$4,284,000

Garrett Community College

Campuswide – facilities renewal	\$565,125

Federally Qualified Health Centers Grant Program

Western Maryland Healthcare Corporation	\$665,000

Business Facade Improvement Program

Garrett County Maryland Community Action Committee Inc.	\$75,000

Program Open Space

Park acquisition and development	\$1,123,240

Community Parks and Playgrounds

Accident – Town Park West	\$18,096
Deer Park – Community Park	160,000
Friendsville – Community Park	241,604
Friendsville – Friendsville Elementary School Inclusive Playground	200,000
Grantsville – Town Park Splash Pad	18,000
Kitzmiller – Botanical Garden Park	70,000
Loch Lynn Heights – Playground	149,600
Mountain Lake Park – Leo Martin Memorial Park	10,100
Oakland – Broadford Lake Park Youth Baseball Field and Softball Fields	163,000
	\$1,030,400

Chesapeake Bay Restoration Fund

Grantsville WWTP – enhanced nutrient removal	\$7,933,079

Water Supply Financial Assistance Program

Gorman – water source project	\$919,000
Grantsville – water system improvements	1,500,000
Mountain Lake Park and Loch Lynn Heights – water line replacement	1,500,000
	\$3,919,000

Waterway Improvement

Jennings Randolph Lake – dock replacement	\$300,000

Other Projects

Accident – Drane House	\$100,000
American Legion Proctor Kildow Post No. 71	125,000
Bloomington Fire Company	50,000
Deep Creek Lake Volunteer Fire Company	1,200,000
Garrett College – ballfield reconstruction	550,000
Garrett College – intercollegiate athletics facilities	307,000
Garrett County – fairgrounds	200,000
Garrett County Lighthouse, Inc. – Safe Harbor facility	75,000
Grantsville Volunteer Fire Department	75,000
Oakland – cemetery monuments restoration	75,000
Oakland Volunteer Fire Department, Inc.	150,000
Oakland Youth Baseball, Inc. – field restorations	100,000
Reflection House	100,000
Wisp Resort – ski patrol headquarters	125,000
	\$3,232,000

D. Capital Projects for State Facilities in the County**Department of Natural Resources**

Countywide – trail improvements at state parks	\$350,000
Deep Creek Lake State Park – boat launch and parking lot improvements	300,000
Mount Nebo WMA – natural resources police garage/office/storage facility	5,602,000
Sang Run State Park – general store renovation	2,637,571
Sang Run State Park – trail and parking lot improvements	200,000
	\$9,089,571

Maryland Environmental Service

New Germany State Park – water/wastewater/collection system upgrades	\$4,287,000
Swallow Falls State Park – water and wastewater treatment plant upgrades	7,486,000
	\$11,773,000

Harford County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
Foundation Aid	\$177,400	\$179,738	\$185,603	\$192,485
Compensatory Education	51,456	55,913	55,852	53,657
Student Transportation	16,666	16,873	17,416	17,804
Special Education	30,179	41,088	40,848	44,153
English Language Learners Grant	4,395	5,064	5,289	5,144
Comparable Wage Index	6,346	6,429	6,368	6,464
Blueprint Funding	10,199	13,920	20,297	25,661
Prekindergarten Grants	1,219	1,110	0	0
Other Education Aid	2,698	2,459	1,836	1,977
<i>Primary and Secondary Education</i>	<i>\$300,557</i>	<i>\$322,594</i>	<i>\$333,508</i>	<i>\$347,345</i>
Libraries	\$2,121	\$2,179	\$2,249	\$2,277
Community Colleges	19,350	18,935	19,602	20,118
Health Formula Grant	7,075	5,778	6,002	5,847
Transportation ¹	6,495	7,542	8,507	8,516
Police and Public Safety ¹	3,915	5,448	3,995	3,886
Fire and Rescue Aid ¹	565	571	624	624
Other Direct Aid	354	381	0	0
Total Direct Aid	\$340,431	\$363,429	\$374,487	\$388,613
 Aid Per Capita (\$)	 \$1,282	 \$1,364	 \$1,405	 \$1,459
Property Tax Equivalent (\$)	1.01	1.02	0.99	0.97

¹ Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays a portion of the employer share on behalf of the subdivisions for these local employees. Fiscal 2024 to 2027 State payments for Harford County for teachers, librarians, and community college faculty are estimated to be \$164,274,000.

B. Estimated State Spending on Selected Health and Social Services

The Maryland Department of Aging, the Maryland Department of Health, the Department of Human Services, the Department of Housing and Community Development, and the Governor's Office of Crime Prevention and Policy fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. For many programs, the amounts shown for fiscal 2027 are based on the county's share of prior year funding (fiscal 2026) and may change. See the discussion at the beginning of this section for more detail on the types of services funded.

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
<u>Health Services</u>				
Medicaid	\$158,657	\$174,374	\$174,838	\$176,724
Family Health and Chronic Disease	2,058	1,038	1,309	1,516
Developmental Disabilities	29,077	49,432	59,912	51,982
Behavioral Health Services	47,917	48,567	49,141	54,062
Total	\$237,709	\$273,411	\$285,200	\$284,284
<u>Social Services</u>				
Homeless Services	\$520	\$520	\$521	\$480
Women's Services	386	360	306	365
Adult Services	258	476	385	529
Child Welfare Services	5,112	9,543	5,447	7,123
Foster Care	14,427	14,351	17,407	17,910
Temporary Cash Assistance	960	1,685	1,700	1,751
Total	\$21,663	\$26,935	\$25,766	\$28,158
<u>Senior Citizen Services</u>				
Long-term Care	\$456	\$594	\$571	\$635
Community Services	278	275	268	276
Total	\$734	\$869	\$839	\$911

C. Selected State Grants for Capital Projects**Public Schools**

Aberdeen Middle School – renovations (HVAC/windows/doors)	\$18,329,013
Halls Cross Roads Elementary School – renovations (roof)	2,116,400
Harford Academy and Elementary School – construction	8,589,624
Harford Technical High School – construction	30,694,252
Havre de Grace Elementary School – renovations (roof)	1,752,788
Homestead Wakefield Elementary School – construction	482,917
North Harford High School – renovations (energy recovery units)	165,000
Aging Schools Program	652,137
Supplemental Capital Grant Program for Local School Systems	4,846,858
	\$67,628,989

Public Libraries

Bel Air Library – renovation	\$3,593,000

Harford Community College

Campuswide – facilities renewal	\$565,125
Chesapeake Welcome Center – renovation and addition	14,805,000
	\$15,370,125

Business Facade Improvement Program

Aberdeen	\$100,000

Program Open Space

Park acquisition and development	\$7,938,166

Community Parks and Playgrounds

Aberdeen – Festival Park Splash Pad	\$232,000
Bel Air – Plumtree Park	100,757
Havre de Grace – Pickle Ball Courts	150,000
	\$482,757

Chesapeake Bay Restoration Fund

Camp Moshava Wastewater System – upgrade	\$600,000

Waterway Improvement

Foster Branch – maintenance dredging	\$200,000
Gunpowder River and Taylor’s Creek – maintenance dredging	1,500,000
Havre de Grace Yacht Basin – pier redecking and facility improvements	170,000
Mariner Point Park – Foster Branch maintenance dredging	50,000
Swan Harbor Farm – dredge material placement rehabilitation	1,650,000
	\$3,570,000

Other Projects

Aberdeen – Family Swim Center	\$500,000
Aberdeen – Ripken Stadium	5,000,000
American Legion Post No. 47	250,000
Ashley Addiction Treatment	700,000
Bethesda Transformation Center House, Inc.	73,000
Broad Creek Memorial Scout Reservation – infrastructure improvements	1,500,000
Charlton-Miller VFW Post No. 6054	200,000
Discovery Center at Water’s Edge, Inc.	200,000
Edgewood Community Support Center, Inc.	50,000
Friends of Aberdeen B&O Train Station, Inc. – Railroad Heritage Center	50,000
Harford County – County Airport	1,200,000
Harford County – Mariner Point Park	100,000
Harford County – Reckord Road Park playground	50,000
Harford County – Schucks Regional Park	550,000
Harford County 4-H Camp	60,000
Harmer’s Town Art Center, Inc.	350,000
Havre de Grace – Sports, Theatre, Arts, Recreation Centre	1,550,000
Havre de Grace Colored School Museum and Cultural Center, Inc.	1,000,000
Havre de Grace Living War Memorial and Museum	250,000
Humane Society of Harford County – training facility	200,000
Izaak Walton League of America, Inc. – Conservation and Education Center	50,000
Maryland Center for the Visual and Performing Arts	350,000
Maryland Polo Club	25,000
Rockfield Manor	300,000
Sexual Assault/Spousal Abuse Resource Center	100,000
Sgt. Alfred B. Hilton Memorial Post No. 55	50,000
Stone View Farm, LLC – FarmFinity Greenhouse	96,000
The Arc Northern Chesapeake Region, Inc.	100,000
The Car Hope Foundation, Inc. – Agricultural Pavilion	125,000
University of Maryland Upper Chesapeake Health System, Inc.	973,000
Upper Bay Counseling and Support Services, Inc.	100,000

Upper Chesapeake Medical Center	500,000
Voices of Hope, Inc. – Harford County Crisis Recovery Resource Center	200,000
	\$16,802,000

D. Capital Projects for State Facilities in the County**General Government**

Harford County District Court	\$4,000,000

Military Department

Freestate Challenge Academy	\$250,000
Havre de Grace – surface equip. & auto maintenance facility	10,000,000
Havre de Grace – surface equip. & auto maintenance facility (federal funds)	10,000,000
	\$20,250,000

Department of Natural Resources

Palmer State Park – trail and parking improvements	\$50,000
Stoney Run Demonstration Forest – access bridge over Grays Run	50,000
Susquehanna State Park – trail bridge	1,000,000
	\$1,100,000

Howard County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
Foundation Aid	\$216,373	\$219,204	\$230,455	\$241,114
Compensatory Education	50,013	49,517	51,729	51,760
Student Transportation	23,945	24,334	25,244	25,648
Special Education	31,563	43,873	44,254	47,545
English Language Learners Grant	14,975	15,465	15,669	15,210
Comparable Wage Index	13,889	14,071	14,189	14,530
Blueprint Funding	6,975	8,839	13,537	16,885
Prekindergarten Grants	546	611	0	0
Other Education Aid	2,699	3,408	2,481	2,493
Primary and Secondary Education	\$360,980	\$379,321	\$397,558	\$415,185
Libraries	\$1,209	\$1,259	\$1,311	\$1,364
Community Colleges	35,498	35,060	36,024	36,928
Health Formula Grant	7,535	5,972	6,283	5,607
Transportation	5,274	6,091	6,844	6,852
Police and Public Safety	5,833	6,490	5,880	5,826
Fire and Rescue Aid	622	623	683	683
Gaming Impact Aid	89	89	89	89
Other Direct Aid	1,299	1,304	0	0
Total Direct Aid	\$418,340	\$436,211	\$454,672	\$472,532
Aid Per Capita (\$)	\$1,238	\$1,286	\$1,340	\$1,393
Property Tax Equivalent (\$)	0.66	0.65	0.63	0.63

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays a portion of the employer share on behalf of the subdivisions for these local employees. Fiscal 2024 to 2027 State payments for Howard County for teachers, librarians, and community college faculty are estimated to be \$296,971,000.

B. Estimated State Spending on Selected Health and Social Services

The Maryland Department of Aging, the Maryland Department of Health, the Department of Human Services, the Department of Housing and Community Development, and the Governor's Office of Crime Prevention and Policy fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. For many programs, the amounts shown for fiscal 2027 are based on the county's share of prior year funding (fiscal 2026) and may change. See the discussion at the beginning of this section for more detail on the types of services funded.

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
<u>Health Services</u>				
Medicaid	\$167,725	\$184,531	\$184,875	\$186,869
Family Health and Chronic Disease	2,226	593	872	1,277
Developmental Disabilities	53,035	90,046	109,136	94,685
Behavioral Health Services	41,059	45,613	45,991	51,534
Total	\$264,045	\$320,783	\$340,874	\$334,365
<u>Social Services</u>				
Homeless Services	\$328	\$319	\$320	\$295
Women's Services	187	384	330	389
Adult Services	50	29	86	82
Child Welfare Services	4,179	4,921	4,298	4,417
Foster Care	4,773	5,486	7,352	7,565
Temporary Cash Assistance	738	1,301	1,291	1,329
Total	\$10,255	\$12,440	\$13,677	\$14,077
<u>Senior Citizen Services</u>				
Long-term Care	\$450	\$619	\$597	\$687
Community Services	272	263	258	266
Total	\$722	\$882	\$855	\$953

C. Selected State Grants for Capital Projects**Public Schools**

Applications and Research Lab School – renovations (structural)	\$3,719,408
Atholton Elementary School – renovations (boilers/security vestibule)	954,697
Atholton High School – renovations (security vestibule)	334,180
Bellows Spring Elementary School – renovations (HVAC)	259,600
Bonnie Branch Middle School – renovations (HVAC)	325,380
Bryant Woods Elementary School – renovations (HVAC)	150,304
Bryant Woods Elementary School – renovations (security vestibule)	431,828
Burleigh Manor Middle School – renovations (elevator)	144,480
Bushy Park Elementary School – renovations (HVAC)	259,600
Centennial High School – renovations (HVAC)	481,712
Centennial High School – renovations (security vestibule)	203,643
Clarksville Elementary School – renovations (roof)	1,407,600
Clarksville Middle School – renovations (roof)	1,829,000
Clarksville Middle School – renovations (security vestibule)	2,141,151
Cradlerock Elementary/Middle School – renovations (HVAC)	378,840
Dunloggin Middle School – construction	1,994,000
Elkridge Elementary School – renovations (elevator)	157,380
Elkridge Landing Middle School – renovations (HVAC/elevator)	419,741
Ellicott Mills Middle School – renovations (HVAC)	325,380
Forest Ridge Elementary School – renovations (boilers)	503,250
Fulton Elementary School – renovations (HVAC)	254,100
Fulton Elementary School – renovations (roof)	607,655
Glenelg High School – renovations (HVAC)	722,568
Glenelg High School – renovations (security vestibule)	67,320
Glenwood Middle School – renovations (security vestibule)	2,374,500
Gorman Crossing Elementary School – renovations (HVAC)	259,600
Guilford Elementary School – renovations (HVAC)	150,304
Guilford Elementary School – renovations (roof)	1,342,000
Harpers Choice Middle School – renovations (chiller/cooling tower)	457,072
Hollifield Station Elementary School – renovations (HVAC)	237,600
Howard High School – renovations (HVAC/elevator)	626,192
Howard High School – renovations (windows)	1,122,000
Ilchester Elementary School – renovations (HVAC/elevator)	307,684
Ilchester Elementary School – renovations (security vestibule/HVAC)	7,553,004
Jeffers Hills Elementary School – renovations (HVAC)	150,304
Lime Kiln Middle School – renovations (HVAC)	6,022,068
Lisbon Elementary School – renovations (pump house)	1,318,680
Long Reach High School – renovations (HVAC)	831,600

Manor Woods Elementary School – renovations (membrane bioreactor system)	1,667,500
Manor Woods Elementary School – renovations (sewer connection)	3,699,234
Marriotts Ridge High School – renovations (HVAC)	793,800
Mayfield Woods Middle School – renovations (elevator)	157,380
Mayfield Woods Middle School – renovations (HVAC/boilers)	774,180
Mount View Middle School – renovations (elevator)	144,480
Mount View Middle School – renovations (security vestibule)	732,105
Mt. Hebron High School – renovations (elevator)	144,480
Mt. Hebron High School – renovations (security vestibule)	807,840
Murray Hill Middle School – renovations (chiller/boiler/security vestibule)	1,136,240
Murray Hill Middle School – renovations (HVAC)	454,300
Oakland Mills High School – renovations (security vestibule)	43,197
Reservoir High School – renovations (chiller/cooling tower)	457,072
River Hill High School – renovations (security vestibule)	46,200
St. John's Lane Elementary School – renovations (HVAC)	2,713,000
Veterans Elementary School – renovations (HVAC)	259,600
West Friendship Elementary School – renovations (membrane bioreactor system)	3,159,458
West Friendship Elementary School – renovations (septic/well)	2,072,875
Wilde Lake High School – renovations (elevator)	314,760
Wilde Lake High School – renovations (HVAC/security vestibule)	1,167,782
Worthington Elementary School – renovations (roof)	1,320,900
Worthington Elementary School – renovations (security vestibule)	154,000
Aging Schools Program	263,328
Public Schools Facilities Priority Fund	6,000,000
Supplemental Capital Grant Program for Local School Systems	11,553,008
	\$80,862,144

Howard Community College

Campuswide – facilities renewal	\$565,125
Mathematics and Athletics Complex – construction	13,347,000
Workforce Development and Trades Center	22,625,000
	\$36,537,125

Senior Center Capital Grant Program

East Columbia 50+ Center	\$800,000

Program Open Space

Park acquisition and development	\$14,049,890

Comprehensive Flood Mitigation Program

Ellicott City – flood mitigation pond	\$3,000,000
Ellicott City – Maryland Avenue culverts	9,000,000
	\$12,000,000

Other Projects

Asian American Healthcare Center, Inc.	\$400,000
Atholton Adventist Academy – Outdoor Education Center	200,000
Camp Attaway, Inc.	25,000
Chrysalis Pavilion in Merriweather Park at Symphony Woods	1,000,000
Columbia Association, Inc. – EnviroWell NextGen hydration pilot	150,000
Columbia Center for the Theatrical Arts	2,000,000
Community Action Council – Route One Service Center	1,000,000
Community Ecology Institute, Ltd.	400,000
Days End Farm Horse Rescue, Inc.	250,000
Elkridge Heritage Society, Inc. – Brumbaugh House and Museum	100,000
Fifth District Volunteer Fire Department	400,000
Friends of Patapsco Valley State Park	2,100,000
Gentle Giants Draft Horse Rescue Society	600,000
Howard County – Agriculture Cultural Center at West Friendship Park	250,000
Howard County – Asian American Cultural Center	100,000
Howard County – Centennial Park west area restroom facility renovation	150,000
Howard County – Detention Center mental health unit	200,000
Howard County – East Columbia 50+ Center	200,000
Howard County – Elkridge Community Center	100,000
Howard County – Ellicott City 50+ Center	250,000
Howard County – Ellicott City Courthouse	900,000
Howard County – Ellicott City flood mitigation	2,000,000
Howard County – Font Hill Wetland Park	300,000
Howard County – High Ridge Head Start	650,000
Howard County – Ilchester Community Center	200,000
Howard County – Ilchester Parks and Recreation Center	500,000
Howard County – jug handle connector	15,000,000
Howard County – Kenneth S. Ulman Innovation Hub	100,000
Howard County – library complex infrastructure improvements	15,000,000
Howard County – north tunnel stormwater management	15,000,000
Howard County – Patuxent Woods Child Care Center	200,000
Howard County – Rockburn Branch Park	50,000
Howard County – Rockland Arts Building	450,000
Howard County – senior and community centers restrooms/changing stations	300,000

Howard County – shared kitchen improvements	200,000
Howard County – St. Paul Street improvements	150,000
Howard County – Tiber Park	500,000
Howard County Chinese School, Inc.	275,000
Howard County Conservancy, Inc.	750,000
Howard County Fairgrounds	370,000
Howard County General Hospital	3,309,000
Howard County Housing Commission	7,450,000
Howard County Striders, Inc. – 50th Anniversary Celebration Monument	20,000
Howard County Tourism Council, Inc. – Welcome Center	150,000
Howard County Veterans Monument	500,000
Howard EcoWorks, Inc. – Green Jobs Training Center	300,000
Humanim, Inc.	4,000,000
iHomes, Inc.	200,000
Indian Cultural Association of Howard	400,000
Linwood Center	753,377
Lisbon Volunteer Fire Department	300,000
Maryland Turkish American Inhabitants, Inc. – preschool education center	370,000
Mission First Housing Development Corporation – Patuxent Commons	1,000,000
Path Insight, Co. – Ivy Hill renovations	285,000
PHILLIPS School	125,000
Preservation of Maryland Antiquities, Inc. – Ellicott City Jail	450,000
Preservation of Maryland Antiquities, Inc. – headquarters	550,000
Safe Haven Equine Warriors, Inc.	100,000
Savage Volunteer Fire Company	500,000
Sheppard Pratt Health System, Inc. – Crisis Stabilization Center	1,630,000
SpringForward Ventures, Inc. – Laurel farm property	348,000
The Howard County Conservancy, Inc.	109,000
Vantage Point Continuing Care Retirement Community	445,000
Veterans of Foreign Wars Post No. 7472	290,000
Winter Growth, Inc. – Ruth Keeton Center	85,000
	\$86,439,377

D. Capital Projects for State Facilities in the County

Department of Health

Perkins Hospital Center – infrastructure improvements	\$24,863,000
Perkins Hospital Center – north wing renovation	13,227,000
	\$38,090,000

Maryland State Police

Tactical Services Facility – operations building	\$13,576,000
Waterloo – barrack and garage replacement	1,286,000
	\$14,862,000

Department of Natural Resources

Hug Thomas Wildlife Management Area – trail bridge/ADA access loop	\$250,000
Patuxent River State Park – trail head parking lot	500,000
	\$750,000

Other

School for the Deaf – Columbia Campus facilities renewal	\$750,000

Kent County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
Foundation Aid	\$2,941	\$2,697	\$2,241	\$2,374
Compensatory Education	3,158	3,290	3,397	3,401
Student Transportation	2,016	2,043	2,113	2,145
Special Education	939	998	1,001	1,238
English Language Learners Grant	287	366	387	435
Blueprint Funding	1,931	2,099	2,563	2,692
Other Education Aid	1,326	1,328	1,287	1,476
<i>Primary and Secondary Education</i>	<i>\$12,597</i>	<i>\$12,820</i>	<i>\$12,990</i>	<i>\$13,761</i>
Libraries	\$124	\$132	\$135	\$139
Community Colleges	848	906	906	949
Health Formula Grant	3,193	2,743	2,620	2,204
Transportation ¹	1,185	1,364	1,536	1,537
Police and Public Safety ¹	291	1,214	277	275
Fire and Rescue Aid ¹	311	355	342	342
Local Education Effort	250	0	0	0
Other Direct Aid	5	5	0	0
Total Direct Aid	\$18,804	\$19,538	\$18,804	\$19,207
 Aid Per Capita (\$)	 \$963	 \$999	 \$961	 \$982
Property Tax Equivalent (\$)	0.58	0.57	0.51	0.50

¹ Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays a portion of the employer share on behalf of the subdivisions for these local employees. Fiscal 2024 to 2027 State payments for Kent County for teachers, librarians, and community college faculty are estimated to be \$9,185,000.

B. Estimated State Spending on Selected Health and Social Services

The Maryland Department of Aging, the Maryland Department of Health, the Department of Human Services, the Department of Housing and Community Development, and the Governor's Office of Crime Prevention and Policy fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. For many programs, the amounts shown for fiscal 2027 are based on the county's share of prior year funding (fiscal 2026) and may change. See the discussion at the beginning of this section for more detail on the types of services funded.

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
<u>Health Services</u>				
Medicaid	\$18,325	\$20,282	\$20,227	\$20,445
Family Health and Chronic Disease	827	374	520	600
Developmental Disabilities	4,540	7,721	9,358	8,119
Behavioral Health Services	7,285	8,629	8,702	9,138
Total	\$30,977	\$37,006	\$38,807	\$38,302
<u>Social Services</u>				
Homeless Services	\$1,179	\$1,455	\$1,457	\$1,342
Women's Services	71	32	32	32
Adult Services	88	144	94	299
Child Welfare Services	886	1,378	972	1,023
Foster Care	1,159	1,204	1,650	1,698
Temporary Cash Assistance	68	118	110	114
Total	\$3,451	\$4,331	\$4,315	\$4,508
<u>Senior Citizen Services</u>				
Long-term Care	\$405	\$524	\$522	\$564
Community Services	166	168	164	169
Total	\$571	\$692	\$686	\$733

Note: Senior citizen services funding supports services in Caroline, Kent, and Talbot counties.

C. Selected State Grants for Capital Projects**Public Schools**

Kent County High School – renovations (roof)	\$1,420,000
Kent County Middle School – construction	9,252,341
Aging Schools Program	114,876
	\$10,787,217

Public Libraries

Chestertown Library – roof replacement	\$299,000

Chesapeake College

Campuswide – facilities renewal	\$565,125
Queen Anne’s Technical Building – construction	7,908,000
	\$8,473,125

Strategic Demolition Fund

Washington College – student housing and mixed-use space	\$500,000

Business Facade Improvement Program

Galena	\$50,000
Main Street Historic Chestertown, Inc.	50,000
Main Street Rock Hall	50,000
	\$150,000

Program Open Space

Park acquisition and development	\$673,590

Community Parks and Playgrounds

Chestertown – Carpenter Park Playground	\$264,089
Galena – Community Park	92,000
Rock Hall – Dog Park	295,000
Rock Hall – Ferry Park	153,432
	\$804,521

Waterway Improvement

Betterton Public Landing – improvements	\$20,000
Bogles Wharf – boating facility improvements	100,000
Chestertown Marina – dredging	726,800
Chestertown Marina – fuel systems upgrade	175,000
Rock Hall Volunteer Fire Department – purchase fire/rescue boat	50,000
	\$1,071,800

Other Projects

Easterseals Camp Fairlee	\$1,000,000
Kent County – public school construction grant	150,000
Kent County High School – tennis courts	306,000
MizMaryland, Inc. – Operation THRIVING ACRES	300,000
Nature Center at Lawrence Wetlands Preserve – workforce housing	550,000
Radcliffe Creek School, Inc.	290,000
Rock Hall Volunteer Fire Company	150,000
University of Maryland Shore Medical Center at Chestertown	1,250,000
Washington College – Global Business, Economics, and Social Impact School	3,600,000
Washington College – multiple building renovations	2,250,000
	\$9,846,000

D. Capital Projects for State Facilities in the County**Department of Natural Resources**

Cypress Branch State Park – road/parking lot/fishing access improvements	\$125,000
Sassafras Natural Resource Management Area – trail system	50,000
	\$175,000

Montgomery County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
Foundation Aid	\$415,772	\$426,201	\$458,323	\$463,034
Compensatory Education	200,619	202,028	205,611	198,854
Student Transportation	55,568	56,360	58,051	58,505
Special Education	91,684	103,594	106,904	119,052
English Language Learners Grant	104,568	113,698	117,584	112,429
Comparable Wage Index	33,819	34,667	35,758	35,357
Blueprint Funding	34,240	39,788	53,593	62,110
Prekindergarten Grants	260	260	0	0
Other Education Aid	7,694	8,580	5,671	5,450
<i>Primary and Secondary Education</i>	<i>\$944,224</i>	<i>\$985,175</i>	<i>\$1,041,495</i>	<i>\$1,054,791</i>
Libraries	\$3,776	\$3,852	\$3,959	\$4,134
Community Colleges	75,531	74,507	77,768	79,796
Health Formula Grant	5,608	5,056	5,065	6,304
Transportation ¹	18,927	48,787	54,731	51,442
Police and Public Safety ¹	19,768	25,387	19,807	19,714
Fire and Rescue Aid ¹	1,939	1,941	2,122	2,122
Other Direct Aid	1,579	1,879	100	100
Total Direct Aid	\$1,071,353	\$1,146,585	\$1,205,047	\$1,218,404
 Aid Per Capita (\$)	 \$998	 \$1,067	 \$1,121	 \$1,134
Property Tax Equivalent (\$)	0.48	0.49	0.48	0.47

¹ Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays a portion of the employer share on behalf of the subdivisions for these local employees. Fiscal 2024 to 2027 State payments for Montgomery County for teachers, librarians, and community college faculty are estimated to be \$810,618,000.

B. Estimated State Spending on Selected Health and Social Services

The Maryland Department of Aging, the Maryland Department of Health, the Department of Human Services, the Department of Housing and Community Development, and the Governor's Office of Crime Prevention and Policy fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. For many programs, the amounts shown for fiscal 2027 are based on the county's share of prior year funding (fiscal 2026) and may change. See the discussion at the beginning of this section for more detail on the types of services funded.

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
<u>Health Services</u>				
Medicaid	\$623,772	\$685,555	\$687,386	\$694,801
Family Health and Chronic Disease	4,286	1,984	2,227	2,619
Developmental Disabilities	152,437	258,904	313,793	272,279
Behavioral Health Services	147,750	156,571	158,888	179,635
Total	\$928,245	\$1,103,014	\$1,162,294	\$1,149,334
<u>Social Services</u>				
Homeless Services	\$796	\$1,070	\$1,071	\$987
Women's Services	287	627	574	637
Adult Services	1,559	1,628	1,558	1,558
Child Welfare Services	9,163	465	7,112	7,112
Foster Care	24,286	25,247	30,644	31,529
Temporary Cash Assistance	2,138	4,458	4,590	4,727
Total	\$38,229	\$33,495	\$45,549	\$46,550
<u>Senior Citizen Services</u>				
Long-term Care	\$1,802	\$2,439	\$2,318	\$2,672
Community Services	962	956	925	951
Total	\$2,764	\$3,395	\$3,243	\$3,623

C. Selected State Grants for Capital Projects**Public Schools**

A. Mario Loiederman Middle School – renovations (HVAC)	\$2,475,000
Brookhaven Elementary School – renovations (HVAC)	3,158,100
Crown High School – construction	45,291,032
Dr. Charles R. Drew Elementary School – renovations (boiler/chiller/HVAC)	4,249,200
Dr. Martin Luther Jr. Middle School – renovations (HVAC)	7,623,000
DuFief Elementary School – renovations (roof)	1,987,700
East Silver Spring Elementary School – renovations (roof)	469,000
Flower Valley Elementary School – renovations (HVAC)	2,111,261
Gaithersburg Middle School – renovations (HVAC)	6,534,000
Goshen Elementary School – renovations (HVAC)	1,197,900
Harmony Hills Elementary School – renovations (roof)	1,790,400
James Hubert Blake High School – renovations (roof)	1,683,000
John F. Kennedy High School – renovations (roof)	3,044,844
Judith A. Resnik Elementary School – renovations (HVAC)	3,500,000
Meadow Hall Elementary School – renovations (HVAC/roof)	3,328,875
Monocacy Elementary School – renovations (HVAC)	2,651,550
Montgomery Blair High School – renovations (roof)	1,541,430
New Hampshire Estates Elementary School – renovations (HVAC)	1,284,739
Northwest High School – renovations (roof)	693,000
Northwood High School – construction	46,349,727
Ritchie Park Elementary School – renovations (roof)	293,425
Rock View Elementary School – renovations (roof)	816,750
Sherwood High School – renovations (HVAC)	4,083,750
Spark M. Matsunaga Elementary School – renovations (boiler/chiller/HVAC)	4,331,400
Springbrook High School – renovations (boiler/chiller/HVAC)	10,991,850
Strawberry Knoll Elementary School – renovations (HVAC)	4,628,250
Walt Whitman High School – renovations (HVAC)	6,572,500
Watkins Mill High School – renovations (HVAC)	3,575,000
Westland Middle School – renovations (HVAC)	11,752,885
Westover Elementary School – renovations (roof)	691,515
Wyngate Elementary School – renovations (roof)	358,050
Aging Schools Program	1,807,956
Public Schools Facilities Priority Fund	15,000,000
Supplemental Capital Grant Program for Local School Systems	19,070,171
	\$224,937,260

Public Libraries

Clarksburg Library – construction	\$4,294,000
Damascus Library – renovation	957,000
	\$5,251,000

Montgomery College

Germantown – Student Services Center	\$15,402,000
Rockville – library renovation	14,348,000
Rockville – Theatre Arts Building	4,325,000
Systemwide – facilities renewal	699,750
Takoma Park/Silver Spring – library renovation	3,092,000
	\$37,866,750

Local Jails and Detention Centers

County Criminal Justice Complex	\$1,286,000
Montgomery County Detention Center	1,897,000
	\$3,183,000

Community Health Facilities Grant Program

Community Services for Autistic Adults and Children, Inc.	\$2,000,000
Community Support Services, Inc.	2,837,000
Cornerstone Montgomery, Inc.	1,575,000
Housing Unlimited, Inc.	1,620,000
Montgomery County – Restoration Center	1,200,000
Rock Creek Foundation, Inc.	111,600
	\$9,343,600

Strategic Demolition Fund

Montgomery County – 4th District Police Station	\$500,000
Montgomery County – Olney Community Hub	2,500,000
	\$3,000,000

National Capital Strategic Economic Development Fund

Bethesda Arts and Entertainment District Inc.	\$100,000
Children’s National Hospital – Tech Hill Pharmacy	1,000,000
Gaithersburg – 8 South Summit Avenue Plaza	450,000
Gaithersburg – Municipal Complex	50,000
Habitat for Humanity Metro Maryland, Inc.	250,000
Housing Opportunities Commission of Montgomery County	1,375,000
Latino Economic Development Corporation of Washington, D.C.	400,000
Mission First Housing Development Corporation – 1910 University Senior Housing	1,000,000

Montgomery County – 7551 New Hampshire Avenue block	200,000
Montgomery County – Burtonsville Crossing Shopping Center	4,000,000
Montgomery County – Department of Environmental Protection	1,270,000
Montgomery County – George Avenue and University Boulevard	200,000
Montgomery County – White Oak area commercial revitalization	2,000,000
Montgomery Housing Partnership, Inc.	735,000
Rebuilding Together Montgomery County, Inc.	405,000
Takoma Park – Historic Takoma Park Bank	150,000
	\$13,585,000

Business Facade Improvement Program

Gaithersburg	\$50,000
Montgomery County – countywide	650,000
Takoma Park	100,000
	\$800,000

Community Legacy Program

Montgomery County – Strathmore Hall Performing Arts Center	\$500,000

Historic Preservation Grant Fund

Salem United Methodist Church	\$35,000

Program Open Space

Park acquisition and development	\$35,728,741
Wheaton Regional Park	3,000,000
	\$38,728,741

Community Parks and Playgrounds

Brookeville – Salem United Methodist Church Community Center Playground	\$299,998
Garrett Park – Community Center Park Playground	151,500
Garrett Park – Yeandle Park	196,471
Kensington – St. Paul Park Playground	177,801
Poolesville – Dillingham Skatepark	180,000
Poolesville – Stevens Park	310,000
Rockville – Fallsgrove Park Playground	225,000
	\$1,540,770

Chesapeake Bay Water Quality Projects

Rockville – Orangeburg lateral replacement	\$1,500,000

Hazardous Substance Cleanup Program

Former Wellers Cleaners – offsite contamination	\$100,000
Linden Lane	400,000
	\$500,000

Other Projects

7th Generation Foundation, Inc. – Dream Catcher Meadows	\$75,000
Adventist Healthcare, Inc. – Shady Grove Medical Center	3,750,000
Adventure Theatre, Inc.	250,000
AHC Inc. – Randolph Road property	250,000
Alim Academy, Inc. – playground	40,000
Alpha Phi Alpha, Inc. – Smithville School Museum & Education Center	800,000
American Film Institute, Inc.	300,000
American Legion Post No. 171	335,000
Bannockburn Comm. Club, Inc. – nursery school and community clubhouse	300,000
Bender Jewish Community Center of Greater Washington	240,000
Bethesda Meeting House Foundation, Inc.	150,000
Blackrock Center for the Arts	600,000
Brookeville – infrastructure improvements	150,000
Brookeville – Market Street improvements	500,000
Brownstones of Chevy Chase Lake HOA – Jean Banks Park	40,000
C&O Canal Trust, Inc.	250,000
Cabin John Regional Park – Povich Field	800,000
Calverton Galway Local Park	275,000
Calverton Swim Club, Inc.	500,000
Carderock Springs Elementary School – infrastructure improvements	700,000
CaringMatters, Inc.	65,000
Centerway Local Park	650,000
Chevy Chase – Bethesda Market lots 10 through 24	1,000,000
Children’s Inn at the National Institutes of Health	350,000
Children’s National Hospital – Pediatric Comprehensive Pain Management	500,000
Children’s National Hospital – Tech Hill Pharmacy	500,000
Chinese Culture and Community Service Center, Inc – Health Center	150,000
Clifton Park Baptist Church – Clifton Park and Springbrook Farm	50,000
Clifton Park Baptist Church – Project Neighbor Care	75,000
Cloverly Elementary School – playground	150,000
Community FarmShare, LLC	75,000
Community Services for Autistic Adults and Children, Inc.	700,000
Connelly School of the Holy Child	900,000
Crittenton Services – Teen Girl Center	100,000

Cross Community, Inc. – Childcare Development Center	1,850,000
Dalewood Playground	675,000
Damascus Heritage Society Museum	175,000
Damascus Volunteer Fire Department – Activities Center	250,000
Debre Bisrat Dagmawi Kulibi St. Gabriel Ethiopian Orthodox Tewahed Church	25,000
Don Bosco Cristo Rey High School	4,000,000
Emory Grove United Methodist Church	250,000
EveryMind, Inc.	250,000
Fairfax Community Church of God – Clarksburg Yard	471,875
Fairland Local Park	250,000
Fairland Recreational Park	500,000
Falls Road Local Park	750,000
Friends House Retirement Community, Inc.	750,000
Friends of Moses Hall, Inc. – Morningstar Tabernacle No. 88 cemetery and hall	240,000
Gaithersburg – Bohrer Park	300,000
Gaithersburg – Crown Farm Historic Park	350,000
Gaithersburg – Kelley Park	250,000
Gaithersburg – Municipal Complex	550,000
Gaithersburg – Walder Park	25,000
Garrett Park – Town Hall improvements	800,000
Girl Scout Camp Brighton Woods	400,000
Glen Echo – stormwater restoration	150,000
Glen Echo Fire Department	1,000,000
Glenmount Forest Neighbors Civic Association – comm. garden/urban farm	43,000
Govans Ecumenical Development Corporation – Gallagher Mansion	50,000
Greenwood Local Park	250,000
Haneefiya Adult Medical Day Care Center	545,000
Holy Cross Hospital	4,000,000
Housing Opportunities Commission of Montgomery County	520,000
Identity, Inc. – headquarters and community center	1,050,000
Imagination Stage	250,000
Interfaith Works, Inc. – Women’s Center at Crabb’s Branch Shelter	350,000
Islamic Education Center, Inc.	75,000
Ivymount School, Inc.	1,160,000
Jewish Federation of Greater Washington	1,400,000
Jewish Foundation for Group Homes, Inc.	300,000
Jewish Social Service Agency	100,000
Johnson’s Local Park	1,050,000
Jubilee Association of Maryland, Inc.	1,006,790
Kensington – 10415 Montgomery Avenue Public Parking	800,000
Kensington – public art murals	50,000

Kensington – Town Hall	100,000
Kensington Heights Recreation Association, Inc. – Kenmont clubhouse	81,000
Korean Community Service Center of Greater Washington, Inc.	100,000
Laytonsville – trail improvements	150,000
Laytonsville District Volunteer Fire Department, Inc.	100,000
Leisure World Community Corporation	1,370,000
Lincoln High School Community Development Corporation	200,000
Long Branch Community Parks	250,000
Long Branch Local Park	228,000
Madison House Autism Foundation, Inc.	162,000
Maplewood Alta-Vista Local Park	750,000
Martin Luther King Jr. Recreational Park	500,000
Maryland Soccer Foundation, Inc. – Maryland SoccerPlex	430,000
MAS Maryland, Inc. – Noor Center	200,000
McKnew Local Park	250,000
MD-Nat'l Capital Park/Planning Comm. – solar infrastructure/field upgrades	2,635,000
MedStar Montgomery Medical Center	5,925,000
Melvin J. Berman Hebrew Academy	300,000
Merrimac Neighborhood Park	150,000
Metropolitan Washington Ear, Inc.	36,000
Mi Casa (My House), Inc. – Leeland renovation	100,000
Mid-Atlantic Off-Road Enthusiasts – Patuxent and Seneca Greenway Trails	200,000
Montgomery College – east county education center	2,040,000
Montgomery County – 4th District Police Station	1,500,000
Montgomery County – Blackburn Road safety beacons	75,000
Montgomery County – Bowie Mill Road bike trail	8,450,000
Montgomery County – Boyds Transit Center	500,000
Montgomery County – Burtonsville commuter parking facility	1,000,000
Montgomery County – bus rapid transit	27,000,000
Montgomery County – community recreation centers	764,000
Montgomery County – connected school safety beacons	160,000
Montgomery County – county child care facility playgrounds	1,350,000
Montgomery County – Damascus Library and Senior Center	500,000
Montgomery County – Damascus sidewalk repair	30,000
Montgomery County – Damascus streetscape improvement	100,000
Montgomery County – Diversion Center	500,000
Montgomery County – Glen Echo Park Spanish Ballroom	3,000,000
Montgomery County – high school wellness centers	1,000,000
Montgomery County – Holiday Park Senior Center	1,500,000
Montgomery County – Infant and Toddlers facility	450,000
Montgomery County – Inter-County Connector sound barriers	250,000

Montgomery County – Long Branch Community Recreation Center	150,000
Montgomery County – Long Branch Library	555,600
Montgomery County – Martin Lane shared use path	750,000
Montgomery County – Montgomery College transit center	150,000
Montgomery County – North Bethesda Metro Station access improvements	4,100,000
Montgomery County – Olney Community Hub	2,700,000
Montgomery County – Olney Satellite Police Station and Community Facility	1,250,000
Montgomery County – Pepco Powerline Trail	1,700,000
Montgomery County – public school construction grant	4,500,000
Montgomery County – public school playgrounds	5,600,000
Montgomery County – recreational facilities playgrounds	1,400,000
Montgomery County – Route 108 crosswalk improvements	120,000
Montgomery County – Route 198 safety improvements	200,000
Montgomery County – Route 198 sidewalk improvements	1,000,000
Montgomery County – Route 29 lighting	2,842,500
Montgomery County – Silver Spring/Bethesda Ride On depot	250,000
Montgomery County – Strathmore Hall Performing Arts Center	1,850,000
Montgomery County – Wheaton Arts and Cultural Center	1,000,000
Montgomery County – White Flint Metro Station north entrance	2,600,000
Montgomery County – White Flint redevelopment	6,000,000
Montgomery County – White Oak neighborhood revitalization	500,000
Montgomery County – White’s Ferry	1,500,000
Montgomery County – zero emissions buses	5,000,000
Montgomery County Historical Society, Inc.	1,120,000
Montgomery County Pride Center, Inc.	500,000
Montgomery General Hospital	900,000
Montgomery Hospice, Inc. – Casey House	50,000
Montgomery Housing Partnership, Inc.	850,000
Montgomery Village Foundation, Inc.	2,250,000
Muddy Branch Stream Valley Park	200,000
Muslim Community Center, Inc.	130,000
National Center for Children and Families, Inc.	200,000
Nepal Education and Cultural Center	250,000
New Hampshire Estates Neighborhood Parks	600,000
Northwest Branch Recreation, Inc.	1,000,000
Northwest Branch Recreational Park	500,000
Northwest High School – softball field	600,000
Noyes Children’s Library	1,000,000
Oakdale Church	115,000
OASIS Farm	228,000
Olney Boys and Girls Club – Crop Duster Stadium	1,500,000

Olney Boys and Girls Club – Performance Sports Center	250,000
Olney Boys and Girls Club – sports fields	400,000
Olney Farmers and Artist Market	10,000
Olney Manor Recreational Park	250,000
Olney Mill Community Association, Inc.	172,000
Olney Theatre	500,000
Ovid Hazen Wells Recreational Park	300,000
Poolesville – pool bubble	400,000
Potomac Community Recreation Center	200,000
Quality Time Learning Center, LLC	175,000
Rainbow Place Shelter for Homeless Women, Inc.	400,000
Restoration Center	5,000,000
Ring House Corporation	950,000
Riverworks Art Center, Inc.	750,000
Rock Creek Regional Park	400,000
Rockland Housing Enterprises, LLC	75,000
Rockville – David Scull Park	250,000
Rockville – Elwood Smith Community Center	260,000
Rockville – Housing Enterprise Community Center	200,000
Rockville – Stonestreet corridor improvements	100,000
Rockville – Talbott Street Park	200,000
Rockville – Twinbrook and Dogwood Park pedestrian bridge	325,000
Rockville – Twinbrook Community Recreation Center	350,000
Rotary Club of Olney Foundation, Inc.	100,000
Round House Theatre	1,150,000
Salem United Methodist Church	115,000
Sandy Spring Museum	2,100,000
Sandy Spring Odd Fellows Lodge	35,000
Sandy Spring Slave Museum and African Art Gallery	190,000
Sandy Spring Volunteer Fire Department	850,000
Sandy Springs Friends School, Inc.	2,500,000
Scotland AME Zion Church, Inc.	100,000
Shady Grove Medical Center	3,000,000
Sheppard Pratt Rockville School	650,000
Sherwood High School – softball field	686,000
Silver Spring United Methodist Church	255,000
So What Else, Inc. – Food Pantry	300,000
Spirit Fit and Health, Inc.	75,000
Springsong Museum	2,450,000
St. Anne’s Episcopal Church	76,300
St. Mark’s Church	70,000

Stonehedge Local Park	500,000
Strathmore Hall Performing Arts Center	2,250,000
Suburban Hospital	1,500,000
Sugarland Ethno-History Project, Inc.	67,000
Sunflower Bakery, Inc.	30,000
Takoma Park – Community Center	200,000
Takoma Park – Library and Community Center	125,000
Takoma Park – Metropolitan Branch Trail	500,000
Takoma Park – public works facility renovations	263,000
Technology Council of Maryland, Inc. – Biohub Maryland	1,250,000
Temple Emanuel	200,000
The Children’s Inn at the National Institutes of Health	1,879,000
The Diener School, Inc.	1,240,000
The Greens at Leisure World	100,000
The Kitchen We Build Together, Ltd.	550,000
The Muslim Community Center, Inc.	400,000
The People’s Foundation, Inc. – Multilingual Daycare and Aftercare	400,000
The Seina School	500,000
The Shepherd’s Table, Inc. – Progress Place gazebo	100,000
The Siena School	500,000
The Sugarland Ethno History Project	80,000
The Treatment and Learning Centers, Inc. – Katherine Thomas School	165,000
The UpCounty Hub, Inc.	316,000
Torah School of Greater Washington	150,000
Waredaca Eventing Education Foundation, Inc. – Pony Club	545,000
Warrior Canine Connection, Inc.	500,000
Washington Grove – playground	250,000
Watkins Mill High School – concession stand	100,000
WeAchieve, Inc. – roof replacement	450,000
Wheaton Forest Local Park	945,000
Wheaton Volunteer Rescue Squad	425,000
Winter Growth, Inc.	134,000
Yeshiva of Greater Washington, Inc.	92,000
YMCA Silver Spring	125,000
Young Artists of America, Inc.	1,500,000
	\$209,879,065

D. Capital Projects for State Facilities in the County**Military Department**

White Oak Readiness Center – renovation and expansion	\$745,000
White Oak Readiness Center – renovation and expansion (federal funds)	1,881,000
	\$2,626,000

Department of Natural Resources

Freedmans State Park – entrance, road, and parking improvements	\$2,000,000
McKee-Beshers Trail – bridge improvements	300,000
McKee-Beshers Wildlife Management Area – ADA access improvements	50,000
Strider Wildlife Management Area – parking lot expansion	200,000
	\$2,550,000

University System of Maryland

Baltimore – Institute for Health Computing at North Bethesda	\$5,000,000

Other

Maryland Economic Development Corporation – Viva White Oak	\$6,000,000

Prince George's County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
Foundation Aid	\$661,124	\$651,356	\$674,161	\$708,563
Compensatory Education	352,034	346,711	357,671	362,450
Student Transportation	52,869	53,764	55,287	56,277
Special Education	90,998	98,851	102,056	116,175
English Language Learners Grant	163,247	172,228	178,629	175,581
Comparable Wage Index	41,790	41,172	40,874	42,046
Blueprint Funding	176,648	230,812	301,348	342,083
Other Education Aid	7,141	6,044	3,718	4,841
<i>Primary and Secondary Education</i>	<i>\$1,545,850</i>	<i>\$1,600,938</i>	<i>\$1,713,745</i>	<i>\$1,808,015</i>
Libraries	\$8,753	\$8,692	\$8,838	\$9,297
Community Colleges	47,892	48,041	53,030	55,068
Health Formula Grant	9,255	7,392	8,321	10,039
Transportation ¹	19,109	22,577	28,942	25,652
Police and Public Safety ¹	26,155	28,567	28,174	27,459
Fire and Rescue Aid ¹	1,721	1,730	1,895	1,895
Disparity Grant	98,482	69,278	68,267	74,406
Teachers Retirement Supplemental Grant	9,629	9,629	4,814	0
Gaming Impact Aid	34,631	34,666	34,455	34,689
Other Direct Aid	2,531	5,582	3,500	3,350
Total Direct Aid	\$1,804,008	\$1,837,091	\$1,953,981	\$2,049,870
 Aid Per Capita (\$)	 \$1,870	 \$1,893	 \$2,014	 \$2,112
Property Tax Equivalent (\$)	1.47	1.40	1.39	1.39

¹ Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays a portion of the employer share on behalf of the subdivisions for these local employees. Fiscal 2024 to 2027 State payments for Prince George's County for teachers, librarians, and community college faculty are estimated to be \$571,221,000.

B. Estimated State Spending on Selected Health and Social Services

The Maryland Department of Aging, the Maryland Department of Health, the Department of Human Services, the Department of Housing and Community Development, and the Governor's Office of Crime Prevention and Policy fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. For many programs, the amounts shown for fiscal 2027 are based on the county's share of prior year funding (fiscal 2026) and may change. See the discussion at the beginning of this section for more detail on the types of services funded.

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
<u>Health Services</u>				
Medicaid	\$660,109	\$725,704	\$727,478	\$735,325
Family Health and Chronic Disease	12,728	11,581	11,838	12,162
Developmental Disabilities	121,023	205,611	249,201	216,248
Behavioral Health Services	151,772	158,703	160,972	183,339
Total	\$945,632	\$1,101,599	\$1,149,489	\$1,147,074
<u>Social Services</u>				
Homeless Services	\$1,395	\$1,610	\$1,612	\$1,508
Women's Services	392	590	536	599
Adult Services	855	910	888	962
Child Welfare Services	13,447	15,564	14,253	14,112
Foster Care	31,295	32,225	37,125	38,197
Temporary Cash Assistance	3,729	7,545	6,303	6,491
Total	\$51,113	\$58,444	\$60,717	\$61,869
<u>Senior Citizen Services</u>				
Long-term Care	\$1,570	\$2,203	\$2,112	\$2,333
Community Services	881	866	842	866
Total	\$2,451	\$3,069	\$2,954	\$3,199

C. Selected State Grants for Capital Projects**Public Schools**

Apple Grove Elementary School – renovations (windows/doors)	\$1,370,211
Barnaby Manor Elementary School – construction	1,277,276
Beacon Heights Elementary School – renovations (roof)	1,727,231
Benjamin Stoddert Middle School – renovations (roof)	1,943,991
Buck Lodge Middle School – renovations (windows/doors)	4,399,318
Capitol Heights Elementary School – renovations (windows/doors)	1,127,016
Catherine T. Reed Elementary School – renovations (roof)	2,612,995
Chillum Elementary School – renovations (windows/doors)	1,715,611
Cool Spring Elementary School – construction	47,713,814
Cool Spring Elementary School Annex – construction	2,000,000
Cooper Lane Elementary School – renovations (windows/doors)	1,032,000
Crossland High School – construction	1,250,000
High Point High School – construction	10,320,000
Kettering Elementary School – renovations (roof)	2,484,504
Martin Luther King, Jr. Middle School – renovations (roof)	3,428,811
Melwood Elementary School – renovations (roof)	2,343,960
Northern Adelphi Area High School – construction	12,168,000
Riverdale Hills Early Childhood Center – construction	250,000
Samuel Chase Elementary School – construction	720,430
Schmidt Outdoor Education Center – construction	2,488,000
Scotchtown Hills Elementary School – renovations (roof)	1,912,600
Suitland High School – construction	69,765,374
Thomas Pullen Creative and Performing Arts Academy – renovations (roof)	3,108,280
William Schmidt Outdoor Education Center – construction	2,715,300
Woodridge Elementary School – renovations (HVAC)	3,650,000
Aging Schools Program	3,628,284
Built to Learn Fund – Public-Private Partnership Projects	83,000,000
Public Schools Facilities Priority Fund	19,000,000
Supplemental Capital Grant Program for Local School Systems	10,235,433
	\$299,388,439

Public Libraries

Baden Library – relocation and renovation	\$519,000

Prince George's Community College

Campuswide – facilities renewal	\$699,750
Marlboro Hall – renovation and addition	46,282,000
	\$46,981,750

Community Health Facilities Grant Program

The Arc Prince George's County	\$1,000,000

Federally Qualified Health Centers Grant Program

CCI Health Services	\$1,500,000
Community Clinic Health and Wellness Services, Inc.	1,200,000
Greater Baden Medical Services, Inc.	2,000,000
	\$4,700,000

Strategic Demolition Fund

College Park City-University Partnership, Inc.	\$2,000,000
Prince George's County – Cheverly Hospital	4,500,000
Redevelopment Authority of Prince George's County	1,500,000
	\$8,000,000

National Capital Strategic Economic Development Fund

Banneker Foundation	\$1,500,000
Berwyn Heights – Lake Artemesia	100,000
Bladensburg – Port Towns CDC Revitalization Program	300,000
Brentwood – Brentwood Community Center	150,000
College Park City-University Partnership, Inc.	6,000,000
East-West CDC Foundation, Inc.	1,750,000
Edmonston – Edmonston Eco streetscape	100,000
Gateway Community Development Corporation	685,000
Habitat for Humanity Metro Maryland, Inc.	250,000
Housing Initiative Partnership, Inc.	500,000
Hyattsville – The Sanctuary predevelopment	1,160,000
Local Initiatives Support Corporation	250,000
Marlboro Pike Partnership CDC	1,000,000
Mount Rainier – Potts Hall Welcome Center	700,000
New Carrollton – playground safety and accessibility	370,000
Prince George's County – Cheverly Hospital	7,000,000
Redevelopment Authority of Prince George's County	7,000,000
Revitalization Community Development Corp. – Kenilworth Avenue	1,000,000

S.E.E.D – housing projects	1,000,000
Seat Pleasant – 6500 Central Avenue acquisition	50,000
United Communities Against Poverty, Inc.	600,000
White Rose Foundation, Inc.	400,000
	\$31,865,000

Business Facade Improvement Program

Bladensburg	\$100,000
Brentwood	75,000
Greenbelt	150,000
Hyattsville	100,000
Mount Rainier	100,000
Upper Marlboro	50,000
	\$575,000

Community Legacy Program

Hyattsville Community Development Corporation	\$500,000
Revenue Authority of Prince George’s County – Creative Suitland	500,000
Riverdale Park – Hiker Biker Trail	500,000
	\$1,500,000

Seed Community Development Anchor Institution Fund

Prince George’s Community College – Cheverly Hill	\$1,500,000

Blue Line Corridor Facility Fund

Atlantic Pacific Companies – Addison Park	\$2,000,000
Colmar Manor – Community Center and Town Hall	750,000
Cottage City – Community Outreach Center	750,000
Redev. Authority of Prince George’s County – Mount Rainer Artspace	1,500,000
The Velocity Companies – blue line corridor infrastructure improvements	4,000,000
	\$9,000,000

Program Open Space

Park acquisition and development	\$29,190,420

Community Parks and Playgrounds

Berwyn Heights – Elementary School Recreation Area	\$200,000
Brentwood – Bartlett Park	297,000

Part A – Budget and State Aid**A-193****A**

Capitol Heights – Town Hall Park Splash Pad	113,270
Cheverly – Boyd Park Playground	214,729
College Park – Calvert Hills Park	118,210
Laurel – Wilson Park Playground	224,246
New Carrollton – Mahoney Woods	230,000
New Carrollton – Oak Lane Park	200,000
Seat Pleasant – Fit and Fun Park	270,000
	\$1,867,455

Comprehensive Flood Mitigation Program

Prince George's – port towns watershed restoration	\$2,000,000

Waterway Improvement

Jackson's Landing – boating access facility improvements	\$250,000
Piscataway Creek – dredging	200,000
	\$450,000

Hazardous Substance Cleanup Program

Anacostia River – Northeast and Northwest Branches	\$350,000

Other Projects

Accokeek East Community Park	\$450,000
Adventist HealthCare Fort Washington Medical Center, Inc.	15,250,000
Alice Ferguson Foundation, Inc. – Hard Bargain Farm Environmental Center	550,000
American Legion Post No. 131	158,000
American Legion Post No. 196	235,000
American Legion Post No. 227	75,000
American Legion Post No. 248	75,000
American Legion Post No. 275	105,000
American Legion Post No. 60	150,000
Ardmore Park Playground	155,000
Beltsville Volunteer Fire Department	1,500,000
Berwyn Heights – elementary school playground/tennis & basketball courts	165,000
Berwyn Heights – police station and community space	425,000
Bishop McNamara High School	250,000
Bladensburg – Town Hall	1,000,000
Bowie – water infrastructure improvements	750,000
Bowie Center for the Performing Arts	20,000

Bowie High School – security camera system	100,000
Bowie Volunteer Fire Department	25,000
Boys and Girls Clubs of Greater Washington	75,000
Camp Springs Elks Lodge No. 2332	275,000
Capital Heights – Community Boys and Girls Club	250,000
Capitol Heights – Community Center	400,000
Capitol Heights – stormwater management	600,000
Capitol Technology University – laboratory spaces	1,750,000
CASA of Maryland, Inc. – headquarters	250,000
CCI Health Services, Inc.	300,000
Cheverly – Lower Beaverdam Creek watershed improvements	500,000
Cheverly – public works building	1,400,000
Coalition for African Americans in Performing Arts, Inc. – 60+ARTS	50,000
College Park – Attick Towers Apartments	325,000
College Park – Guilford Road parking infrastructure	625,000
College Park – Stonestraw property acquisition	500,000
College Park – Youth and Family Services	250,000
College Park Academy, Inc.	2,775,000
College Park City-University Partnership, Inc. – bike trail improvements	2,500,000
College Track Corporation – Suitland Center	100,000
Colmar Manor – Lariscy Park	500,000
Community First Development Corporation	3,000,000
Community Support Systems, Inc.	50,000
Creating Opportunities Within Our Community	100,000
Dee’s House of Hope, Inc.	100,000
DeMatha Catholic High School – Walton House	50,000
Diamond Foundation of Prince George’s County, Inc.	647,823
Dinosaur Park	2,500,000
Disney-Bell American Legion Post No. 66	200,000
District Heights – infrastructure improvements	100,000
District Heights – Municipal Center	200,000
District Heights – police station	180,000
DuVal High School – athletic field	500,000
Eagle Harbor – flood mitigation	200,000
Eagle Harbor – Town Hall	250,000
Edmonston – park improvements	100,000
Edmonston – sidewalk improvements	400,000
Edmonston – Town Hall improvements	300,000
Educare Resource Center, Inc.	195,000
Employ Prince George’s, Inc.	250,000
EXCEL Academy Public Charter School	100,000

Fairmont Heights – town hall improvements	170,000
Fairmount Heights – community and town center improvements	100,000
Federal Bureau of Investigation – Greenbelt headquarters relocation	100,000,000
Fidos for Freedom, Inc.	600,000
Food 4 Maryland, Inc. – commercial kitchen	240,000
Food 4 Thought Group, Inc. – Community Wellness, Resource, and Services Center	425,000
Forest Heights – Public Safety and Community Center	200,000
Forest Heights – traffic management improvements	100,000
Forest Heights Boys and Girls Club	450,000
Forestville Boys and Girls Club – Winship Wheatley Sports Field	150,000
Forestville Healthcare Center	1,000,000
Forestville Park Homeowners Association, Inc.	150,000
Fort Washington Kappa Foundation of Prince George’s County, Inc.	350,000
Foundation for Acquired Construction Technology for Students, Inc.	200,000
Foundation for Arts, Music and Education, Inc.	335,000
Fraternal Order of Police Lodge No. 89	1,500,000
Fraternal Order of Police No. 112	150,000
Frederick Douglass High School – gymnasium	500,000
Gateway Community Development Corporation – Arts Center	150,000
Gateway Community Development Corporation – Studio Lab	300,000
GIMZ, Inc. – textile machines	130,000
Girl Scout Camp Aquasco	225,000
Glenarden – police facility	400,000
Glenarden – public safety building	3,275,000
Goodwill of Greater Washington	250,000
Greater Baden Medical Services, Inc.	2,900,000
Greenbelt – Braden Field	1,000,000
Greenbelt – Buddy Attick Park	300,000
Greenbelt – Community Center	400,000
Greenbelt – Education and Visitor Center	400,000
Greenbelt – electric vehicle charging stations	150,000
Greenbelt – Greenbelt Cinema	350,000
Gunpowder Golf Course	2,100,000
GYPASO Corporation – Monument on the Potomac Museum	150,000
Harambee Community Development Corporation	90,000
Hartman-Berkshire Park	100,000
Help Them Heal Foundation – Intrepid Hope University	200,000
Highland Gardens Park playground	150,000
Human Services Coalition of Prince George’s County, Inc.	100,000
Hyattsville – Administration Building	300,000
Hyattsville – citywide public restrooms	350,000

Hyattsville – commercial district revitalization	300,000
Hyattsville – Driskell Park	375,000
Hyattsville – Economic Mobility and Workforce Development Center	100,000
Hyattsville Community Development Corporation	1,250,000
Inncuvate Community Development Partners, Inc. – Innovation Studio	325,000
IonQ Headquarters	35,000,000
Ivy Community Charities of Prince George’s County, Inc.	300,000
Joe’s Movement Emporium – Creative Suitland Arts Center	170,000
Kennedy Krieger Children’s Hospital – Outpatient Healthcare Hub	2,000,000
Kingdom Global Community Development Corporation	3,300,000
Krimson Achievement Foundation	650,000
Lake Arbor Foundation, Inc.	100,000
Lanham Boys and Girls Club Sports Park	350,000
Largo High School – football field	500,000
Latin American Youth Center	100,000
Laurel – Dam Ruins at Riverfront Park	1,000,000
Laurel – multiservice center	5,500,000
Laurel Advocacy and Referral Services, Inc.	825,000
Laurel Boys and Girls Club	500,000
Laurel Don’t Rest on your Laurels, Inc.	500,000
LH3 Enterprises – after-school program/workforce development center	250,000
Liberty Sports Park	2,000,000
Luminis Health Doctors Community Medical Center	58,295,000
Luminis Health, Inc. – bloodmobile	300,000
Madison Square Garden Group – Sphere Maryland	10,000,000
Manna Food Center, Inc.	50,000
Marlboro Boys and Girl’s Club, Inc. – Sasscer field	215,000
Marlton Swim and Recreation Club	79,000
Maryland Umbrella Group – Umbrella Care Center	250,000
Maryland-National Capital Park and Planning Commission – Cross Creek property	1,000,000
Maryland-National Capital Park and Planning Commission – park police headquarters	1,300,000
Maryland-National Capital Park and Planning Commission – Riverdale Park	3,000,000
MedStar Southern Maryland Hospital	20,100,000
Men of Beechtree, LLC	10,000
Mission of Love, Inc.	100,000
Morningside – public works building	350,000
Mount Ephraim Community Nonprofit Development Corporation	250,000
Mount Rainier – Potts Hall and City Hall improvements	750,000
Moyaone Association, Inc. – community pool	125,000
Mushroom Learning Center and Farm at Clinton	150,000
National Center on Institutions and Alternatives, Inc.	120,000

New Carrollton – Harland Street pool	450,000
North College Park Community Center	1,500,000
Omega Gold Community Outreach Center	150,000
Open My Heart Foundation, Inc.	30,000
Oxon Hill Recreation Club, Inc.	675,000
Paint Branch Parkway Park	2,000,000
Patriots, Inc.	175,000
PGC Vision – Suitland Silver Hill redevelopment	10,000,000
Pillars of Faith Holy Church – community resource center	200,000
Pleasant Grove Baptist Church	20,000
Potomac High School – infrastructure improvements	100,000
Potomac High School – locker room improvements	100,000
Prince George’s Arts and Humanities Council	300,000
Prince George’s Community College – Public Art	275,000
Prince George’s County – blue line corridor infrastructure improvements	8,000,000
Prince George’s County – Bowie Race Course Training Center	6,200,000
Prince George’s County – Calvert Hills flood reduction improvements	10,691,100
Prince George’s County – Capitol Heights Metro improvements	16,950,000
Prince George’s County – Cheverly Hospital demolition	8,000,000
Prince George’s County – Fairwood Community Resource Center	72,000
Prince George’s County – Hyattsville area beautification improvements	500,000
Prince George’s County – New Carrollton Metro Station improvements	35,700,000
Prince George’s County – New Carrollton Transit Hub	15,000,000
Prince George’s County – Old Fairmont Heights High School	5,000,000
Prince George’s County – Shepherd’s Cove Family Shelter	5,000,000
Prince George’s County – The Pavilion at Lottsford	16,800,000
Prince George’s County – Westphalia Community Playground	200,000
Prince George’s County Boys and Girls Club – Laurel/New Carrollton clubs	2,000,000
Prince George’s County Police Athletic League – boxing facility	200,000
Prince George’s County Volunteer Marine, Fire, and Rescue Department	50,000
Prince George’s Cultural Arts Foundation, Inc.	25,000
Prince George’s Financial Services Corporation – Rosecroft Raceway	6,200,000
Prince George’s Gateway Development Authority	1,500,000
Prince George’s Sports Innovation Center	20,000,000
Propel Productions Center – iGROW Therapeutic Greenhouse and Garden	12,500
Publick Playhouse	1,200,000
Restoration Community Empowerment Center	225,000
Revolutionary VP, Inc. – production studio	4,000,000
Riverdale Baptist School, Inc. – athletic complex	215,000
Riverdale Park – 47th Avenue stormwater management	450,000
Riverdale Park – Beale Circle stormwater management	200,000

Riverdale Park – flood management	150,000
Riverdale Park – Municipal Center parking facility	100,000
Riverdale Park – Purple Line neighborhood improvements	325,000
Riverdale Park Station Commercial Association	250,000
Robert Yost Park playground	150,000
Rollingcrest-Chillum Community and Aquatics Center	1,750,000
Sacred Heart Catholic Church – White Marsh-Sacred Heart Cemetery	125,000
Samuel Ogle Middle School – digital signage	21,000
Second Family, Inc. – group home renovation	100,000
Sheppard Pratt – residential homes	50,000
Sheppard Pratt Health System, Inc.	15,000,000
Southern Area Aquatics and Recreation Complex	50,000
St. Ann’s Center for Children, Youth, and Families	300,000
St. Vincent Pallotti High School, Inc.	1,100,000
STATDC Global Solutions Food Bank	100,000
StoreHouse Center of Excellence	100,000
Strategic Music Partnership, Inc.	200,000
Suitland Civic Association, Inc.	105,000
Suitland Road/Silver Hill Road – cultural arts improvements	1,000,000
Temple Hills Swim Club, Inc.	400,000
The Blake Bozeman Foundation, Inc. – Prince George’s County Youth	10,000
The Children’s Guild, Inc. – Monarch Preschool College Park	250,000
The Heights Community Development Corporation	150,000
The Maryland Jewish Experience Inc. – MEOR Cultural Center	1,000,000
The Washington Bridge Unit, Inc.	50,000
University of Maryland Enterprise Corp. – capital of quantum initiative	30,000,000
University Park – Town Hall improvements	760,000
University Park Elementary School – playground	150,000
Upper Marlboro – parking improvements	150,000
Veterans of Foreign Wars Post No. 9376	75,000
Veterans of Foreign Wars Post No. 9619	200,000
Walker Mill Community Development Corporation – Boxing Facility	150,000
West Laurel Swim Club, Inc.	500,000
What If Policy Institution – Monument on the Potomac	100,000
White Rose Foundation, Inc.	225,000
Wilmer’s Park	450,000
Womans Club of Laurel, Inc.	25,000
	\$552,501,423

D. Capital Projects for State Facilities in the County**Department of Health**

Community Health Resources Commission – behavioral health services	\$20,000,000

Department of Juvenile Services

Cheltenham Youth Facility – Treatment Center	\$4,292,000

Maryland State Police

College Park – barrack and garage	\$1,174,000
Forestville – barrack and garage	11,817,000
	\$12,991,000

Department of Natural Resources

Rosaryville State Park – Mount Airy Mansion improvements	\$2,685,000

Department of Environment

Cheltenham Boy's Village Facility WWTP – enhanced nutrient removal	\$5,566,142

Maryland Environmental Service

Cheltenham Youth Center – wastewater treatment plant upgrade	\$1,221,000
Cheltenham Youth Center – water treatment plant upgrade	2,990,000
	\$4,211,000

University System of Maryland

Bowie State – campus safety and security upgrades	\$500,000
Bowie State – campuswide boiler and chiller replacements	1,000,000
Bowie State – Communication Arts and Humanities Building	76,117,000
Bowie State – deferred maintenance and site improvements	1,000,000
Bowie State – MARC Station redevelopment	2,000,000
Bowie State – security system	200,000
Bowie State – Thurgood Marshall Library Commons	8,132,000
College Park – campuswide infrastructure improvements	32,500,000
College Park – Chemistry Building	9,430,000
College Park – graduate student housing	20,000,000
College Park – Health and Human Sciences Building	46,815,000

A-200***Aid to Local Government – Prince George’s County***

College Park – Hornbake Library renovations	10,000,000
College Park – Interdisciplinary Engineering Building	174,440,000
College Park – SECU Stadium accessible seating improvements	1,000,000
College Park – Xfinity Center roof repair	10,000,000
Global Campus – Adelphi Building	1,000,000
	\$394,134,000

Other

MD Economic Dev. Corp. – mixed used development at UM College Park	\$18,000,000
UMMS Capital Region Medical Center – Oncology Center	27,000,000
University of Maryland Medical System – Capital Region Medical Center	5,625,000
	\$50,625,000

Queen Anne's County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
Foundation Aid	\$24,162	\$23,350	\$23,687	\$24,256
Compensatory Education	7,669	8,390	8,149	8,026
Student Transportation	4,385	4,488	4,623	4,692
Special Education	3,202	3,585	3,751	4,317
English Language Learners Grant	1,345	1,553	1,570	1,555
Blueprint Funding	914	1,314	2,162	2,517
Prekindergarten Grants	741	1,040	0	0
Other Education Aid	2,087	1,772	1,707	1,879
<i>Primary and Secondary Education</i>	<i>\$44,505</i>	<i>\$45,491</i>	<i>\$45,649</i>	<i>\$47,242</i>
Libraries	\$210	\$222	\$224	\$228
Community Colleges	3,354	3,113	3,581	3,728
Health Formula Grant	2,753	2,412	2,296	2,004
Transportation ¹	2,063	2,407	2,709	2,714
Police and Public Safety ¹	580	890	536	533
Fire and Rescue Aid ¹	301	302	331	331
Other Direct Aid	812	488	0	0
Total Direct Aid	\$54,578	\$55,325	\$55,326	\$56,780
Aid Per Capita (\$)	\$1,017	\$1,016	\$1,016	\$1,043
Property Tax Equivalent (\$)	0.55	0.51	0.47	0.46

¹ Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers’ retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays a portion of the employer share on behalf of the subdivisions for these local employees. Fiscal 2024 to 2027 State payments for Queen Anne’s County for teachers, librarians, and community college faculty are estimated to be \$30,267,000.

B. Estimated State Spending on Selected Health and Social Services

The Maryland Department of Aging, the Maryland Department of Health, the Department of Human Services, the Department of Housing and Community Development, and the Governor’s Office of Crime Prevention and Policy fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. For many programs, the amounts shown for fiscal 2027 are based on the county’s share of prior year funding (fiscal 2026) and may change. See the discussion at the beginning of this section for more detail on the types of services funded.

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
<u>Health Services</u>				
Medicaid	\$24,996	\$27,578	\$27,570	\$27,867
Family Health and Chronic Disease	715	293	468	545
Developmental Disabilities	5,566	9,467	11,474	9,957
Behavioral Health Services	7,546	9,179	9,246	9,952
Total	\$38,823	\$46,517	\$48,758	\$48,321
<u>Social Services</u>				
Homeless Services	\$1,179	\$1,455	\$1,457	\$1,342
Women’s Services	71	32	32	32
Adult Services	72	51	98	222
Child Welfare Services	1,097	1,750	1,159	1,348
Foster Care	473	488	873	898
Temporary Cash Assistance	124	195	203	209
Total	\$3,016	\$3,971	\$3,822	\$4,051
<u>Senior Citizen Services</u>				
Long-term Care	\$131	\$172	\$172	\$181
Community Services	101	103	102	105
Total	\$232	\$275	\$274	\$286

C. Selected State Grants for Capital Projects**Public Schools**

Bayside Elementary School – renovations (facade)	\$825,000
Centreville Middle School – construction	1,698,312
Kennard Elementary School – renovations (fire safety)	140,250
Kennard Elementary School – renovations (HVAC)	4,675,000
Kent Island High School – renovations (roof)	3,171,948
Matapeake Elementary School – renovations (roof)	1,275,000
Queen Anne’s County High School – renovations (fire alarm)	533,500
Aging Schools Program	150,222
	\$12,469,232

Public Libraries

North County Branch Library – construction	\$65,000

Chesapeake College

Campuswide – facilities renewal	\$565,125
Queen Anne’s Technical Building – construction	7,908,000
	\$8,473,125

Local Jails and Detention Centers

County Detention Center – addition and renovations	\$700,000

Community Health Facilities Grant Program

Chesterwye Center, Inc.	\$600,185

Senior Center Capital Grant Program

Kent Island Senior Center	\$265,000

Program Open Space

Park acquisition and development	\$1,472,619

Community Parks and Playgrounds

Centreville – Wharf Park	\$280,722
Galena – Teen Play Area	44,835
	\$325,557

Chesapeake Bay Restoration Fund

Centreville WWTP – enhanced nutrient removal	\$19,439,500
Sudlersville WWTP – post anoxic reactor installation	3,000,000
	\$22,439,500

Waterway Improvement

Kent Island Volunteer Fire Department – replace rescue vessel	\$160,000
Kent Narrows – jetty improvements	75,000
Kent Narrows Landing – bulkhead replacement	75,000
Little Creek Landing – drainage and parking lot improvements	100,000
Matapeake Public Landing – boat ramp improvements	250,000
Muddy Creek – dredging	350,000
Queenstown Creek – dredging	2,425,000
Thompson Creek Landing – bulkhead replacement	250,000
United Communities Volunteer Fire Department – replace fire/rescue vessel	197,000
	\$3,882,000

Other Projects

Barclay – Community Center and Town Hall	\$125,000
Centreville – wastewater treatment plant	600,000
Chesapeake Bay Environmental Center	325,000
Chesapeake Charities, Inc. – United States Colored Troops Memorial	100,000
Christ Church Parish Kent Island	175,000
Historic Christ Church	100,000
Queen Anne’s County – Crumpton Building	300,000
Queen Anne’s County – historic courthouse	100,000
Queen Anne’s County Arts Council, Inc.	100,000
St. Peter the Apostle Church	150,000
The Gunston School, Inc.	150,000
Tuckahoe Equestrian Center	100,000
	\$2,325,000

D. Capital Projects for State Facilities in the County

Department of Natural Resources

Millington Wildlife Management Area – ADA parking expansion \$200,000

Maryland Environmental Service

Tuckahoe State Park – water towers \$225,000

St. Mary's County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
Foundation Aid	\$85,805	\$85,336	\$87,739	\$89,422
Compensatory Education	25,902	25,359	25,350	24,214
Student Transportation	9,011	9,066	9,365	9,481
Special Education	10,500	11,422	11,530	13,198
English Language Learners Grant	1,782	2,244	2,441	2,341
Comparable Wage Index	3,322	3,303	3,258	3,250
Blueprint Funding	8,349	8,604	9,711	11,185
Prekindergarten Grants	0	325	0	0
Other Education Aid	2,672	2,015	1,839	1,968
<i>Primary and Secondary Education</i>	<i>\$147,341</i>	<i>\$147,673</i>	<i>\$151,233</i>	<i>\$155,059</i>
Libraries	\$921	\$949	\$975	\$1,003
Community Colleges	6,873	6,593	6,327	6,130
Health Formula Grant	4,765	3,829	4,029	3,560
Transportation ¹	2,857	3,296	3,716	3,721
Police and Public Safety ¹	1,543	1,642	1,331	1,289
Fire and Rescue Aid ¹	301	302	331	331
Other Direct Aid	7	7	0	0
Total Direct Aid	\$164,608	\$164,290	\$167,941	\$171,094
 Aid Per Capita (\$)	 \$1,416	 \$1,408	 \$1,439	 \$1,466
Property Tax Equivalent (\$)	1.12	1.05	1.01	0.98

¹ Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays a portion of the employer share on behalf of the subdivisions for these local employees. Fiscal 2024 to 2027 State payments for St. Mary's County for teachers, librarians, and community college faculty are estimated to be \$67,240,000.

B. Estimated State Spending on Selected Health and Social Services

The Maryland Department of Aging, the Maryland Department of Health, the Department of Human Services, the Department of Housing and Community Development, and the Governor's Office of Crime Prevention and Policy fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. For many programs, the amounts shown for fiscal 2027 are based on the county's share of prior year funding (fiscal 2026) and may change. See the discussion at the beginning of this section for more detail on the types of services funded.

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
<u>Health Services</u>				
Medicaid	\$62,690	\$68,994	\$69,105	\$69,850
Family Health and Chronic Disease	1,448	677	703	826
Developmental Disabilities	10,303	17,543	21,262	18,448
Behavioral Health Services	17,879	19,094	19,223	21,178
Total	\$92,320	\$106,308	\$110,293	\$110,302
<u>Social Services</u>				
Homeless Services	\$1,480	\$1,783	\$1,685	\$1,570
Women's Services	421	310	255	313
Adult Services	132	55	160	268
Child Welfare Services	2,568	2,917	2,771	2,897
Foster Care	4,244	3,693	4,220	4,342
Temporary Cash Assistance	594	1,069	1,039	1,070
Total	\$9,439	\$9,827	\$10,130	\$10,460
<u>Senior Citizen Services</u>				
Long-term Care	\$189	\$231	\$223	\$256
Community Services	151	139	137	142
Total	\$340	\$370	\$360	\$398

C. Selected State Grants for Capital Projects**Public Schools**

Chopticon High School – renovations (multisystemic)	\$11,202,185
Esperanza Middle School – renovations (multisystemic)	2,441,645
Great Mills High School – renovations (roof)	4,353,000
Lettie Marshall Dent Elementary School – construction	8,807,981
Piney Point Elementary School – renovations (HVAC)	1,810,543
Aging Schools Program	150,222
	\$28,765,576

College of Southern Maryland

La Plata – Student Resource Center	\$1,748,000
Leonardtown – “A” Building renovation and expansion	938,000
Systemwide – facilities renewal	699,750
	\$3,385,750

Business Facade Improvement Program

Leonardtown	\$50,000

Program Open Space

Park acquisition and development	\$2,703,589

Community Parks and Playgrounds

Leonardtown – Miedzinski Park	\$300,000

Chesapeake Bay Restoration Fund

St. Clements Shores WWTP – enhanced nutrient removal	\$7,336,833

Waterway Improvement

Chaptico Wharf – improvements	\$199,000
Forest Landing – boating facility renovations	50,000
Seventh District Volunteer Fire Department – rescue vessel	80,000
St. George’s Island – boating pier improvements	125,000
St. Inigoes Landing – boat ramp improvements	250,000
Wicomico Shores – pier improvements	199,000
	\$903,000

Other Projects

Bay District Volunteer Fire Department	\$200,000
Boys and Girls Clubs of Southern Maryland, Inc. – Carver Center	150,000
Great Mills High School – press box replacement	100,000
Greenwell Foundation, Inc. – Knott Lodge	50,000
Historic Sotterley, Inc.	100,000
Historic St. Mary’s City Commission	75,000
Innovative Center for Autonomous Systems	480,000
Longview Beach Association	65,000
Mechanicsville Volunteer Fire Department	150,000
MedStar St. Mary’s Hospital	200,000
Pascal Crisis Stabilization Center – Southern Maryland	1,100,000
Patuxent Partnership, Inc. – St. Mary’s County Regional Airport	350,000
Ridge Volunteer Fire Department	260,000
Second District Volunteer Fire Department	100,000
Seventh District Volunteer Fire Department	100,000
St Mary’s County Elks Lodge No. 2092	25,000
St. Mary’s County – Charlotte Hall Veterans Home EMS facility	450,000
St. Mary’s County – St. Clements Hundred Handicapped Vessel	700,000
St. Mary’s County Family YMCA	75,000
St. Mary’s Ryken Stadium	200,000
Three Oaks Center Homeless Shelter, Inc.	50,000
	\$4,980,000

D. Capital Projects for State Facilities in the County**General Government**

Maryland Stadium Authority – Fort to 400 Commission	\$25,000

Department of Natural Resources

Newtowne Neck State Park – park access improvements	\$850,000
Point Lookout State Park – causeway to Lighthouse Trail	50,000
Point Lookout State Park – marina improvements	2,000,000
Point Lookout State Park – marina services building replacement	800,000
St. Clements Island State Park – pier and bulkhead replacement	2,000,000
	\$5,700,000

Maryland Environmental Service

Charlotte Hall Veterans Home – water treatment plant upgrade	\$1,974,000
Point Lookout State Park – power distribution system upgrade	2,198,000
Point Lookout State Park – wastewater treatment plant upgrade	5,743,000
	\$9,915,000

Historic St. Mary's City Commission

Education Center and Artisan Center Complex	\$801,000
Leonard Calvert House	784,000
Maryland Dove – storage facility	500,000
Sitewide – infrastructure improvements	3,925,000
	\$6,010,000

St. Mary's College

Campuswide – infrastructure improvements	\$6,471,000
Montgomery Hall – renovation	3,803,000
	\$10,274,000

Other

Maryland Economic Dev Corp. – sensitive compartmented information facility	\$1,000,000

Somerset County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
Foundation Aid	\$16,292	\$16,417	\$16,817	\$17,417
Compensatory Education	11,626	12,037	10,913	10,984
Student Transportation	2,433	2,482	2,556	2,582
Special Education	2,880	3,208	3,185	3,479
English Language Learners Grant	925	972	1,034	1,109
Guaranteed Tax Base	1,942	1,589	1,121	1,948
Blueprint Funding	5,389	7,357	8,778	9,805
Prekindergarten Grants	858	0	0	0
Other Education Aid	1,614	1,107	1,175	1,299
<i>Primary and Secondary Education</i>	<i>\$43,959</i>	<i>\$45,169</i>	<i>\$45,579</i>	<i>\$48,625</i>
Libraries	\$329	\$334	\$344	\$352
Community Colleges	1,519	1,436	1,435	1,501
Health Formula Grant	2,396	2,002	2,104	1,876
Transportation ¹	1,298	1,477	1,668	1,672
Police and Public Safety ¹	407	1,769	417	394
Fire and Rescue Aid ¹	289	314	344	344
Disparity Grant	7,229	6,843	8,702	8,014
Teachers Retirement Supplemental Grant	382	382	191	0
Other Direct Aid	773	786	685	803
Total Direct Aid	\$58,582	\$60,513	\$61,470	\$63,581
 Aid Per Capita (\$)	 \$2,367	 \$2,423	 \$2,461	 \$2,546
Property Tax Equivalent (\$)	3.42	3.15	2.93	2.81

¹ Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays a portion of the employer share on behalf of the subdivisions for these local employees. Fiscal 2024 to 2027 State payments for Somerset County for teachers, librarians, and community college faculty are estimated to be \$14,081,000.

B. Estimated State Spending on Selected Health and Social Services

The Maryland Department of Aging, the Maryland Department of Health, the Department of Human Services, the Department of Housing and Community Development, and the Governor's Office of Crime Prevention and Policy fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. For many programs, the amounts shown for fiscal 2027 are based on the county's share of prior year funding (fiscal 2026) and may change. See the discussion at the beginning of this section for more detail on the types of services funded.

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
<u>Health Services</u>				
Medicaid	\$31,797	\$34,979	\$35,047	\$35,425
Family Health and Chronic Disease	767	287	500	570
Developmental Disabilities	9,817	16,678	20,214	17,537
Behavioral Health Services	12,030	13,465	13,334	14,137
Total	\$54,411	\$65,409	\$69,095	\$67,669
<u>Social Services</u>				
Homeless Services	\$911	\$958	\$959	\$884
Women's Services	47	54	54	55
Adult Services	131	167	156	324
Child Welfare Services	1,988	2,504	2,145	2,179
Foster Care	1,429	1,024	1,826	1,879
Temporary Cash Assistance	384	635	599	617
Total	\$4,890	\$5,342	\$5,739	\$5,938
<u>Senior Citizen Services</u>				
Long-term Care	\$617	\$794	\$782	\$865
Community Services	304	293	285	294
Total	\$921	\$1,087	\$1,067	\$1,159

Note: A portion of women's services funding supports services in Somerset, Wicomico, and Worcester counties. Senior citizen services funding supports services in Dorchester, Somerset, Wicomico, and Worcester counties.

C. Selected State Grants for Capital Projects**Public Schools**

Crisfield High School and Academy – construction	\$2,750,000
Crisfield High School and Academy – renovations (HVAC/structural/doors)	3,927,283
Greenwood Elementary School – construction	300,000
Aging Schools Program	114,876
	\$7,092,159

Program Open Space

Park acquisition and development	\$639,324

Community Parks and Playgrounds

Princess Anne – Manokin Park	\$98,880

Chesapeake Bay Water Quality Projects

Smith Island – clean water project	\$825,840

Chesapeake Bay Restoration Fund

Princess Anne WWTP – enhanced nutrient removal	\$7,000,000

Comprehensive Flood Mitigation Program

Crisfield – tidal flood protection	\$2,906,000
Smith Island – clean water project	600,000
	\$3,506,000

Waterway Improvement

Crisfield – City Depot pier and walkway replacement	\$410,000
Deal Island – upper thoroughfare dredging	100,000
Ewell – countywide dock repairs	400,000
Ewell Basin – boating/shoreline/channel improvements	125,000
Public boating facilities – countywide maintenance	32,000
St. Peters Creek Marina – dock and bulkhead rehabilitation	250,000
Tylerton Harbor – breakwater improvements	495,000
	\$1,812,000

Other Projects

Crisfield Elks Lodge No. 1044	\$45,000
It Takes A Village to Help Our Children, Inc.	1,495,000
Somerset County – courthouse renovation and expansion	125,000
Somerset County – emergency medical services facility	500,000
Walter Polk American Legion Post 132	100,000
	\$2,265,000

D. Capital Projects for State Facilities in the County**Department of Public Safety and Correctional Services**

Eastern Correctional Institution – hot water system/perimeter upgrades	\$25,280,000

Department of Natural Resources

Janes Island State Park – boat ramp repair and transient slips	\$1,000,000
Janes Island State Park – dredging and dredge material placement repair	500,000
Janes Island State Park – Flat Cap Beach pier renovation	65,000
Janes Island State Park – inclusive playground	500,000
Somers Cove Marina – bulkhead replacement and site improvements	19,227,000
Wellington WMA – Kim-Choi property parking lot	125,000
	\$21,417,000

Maryland Environmental Service

Eastern Correctional Institution – wastewater treatment plant upgrade	\$825,000
Janes Island State Park – water distribution/sewer collection/electric upgrade	400,000
Janes Island State Park – water main extension and power distribution	1,004,000
	\$2,229,000

University System of Maryland

Eastern Shore – Agricultural Research Education Center	\$17,049,000
Eastern Shore – campus switchgear replacement	3,129,000
Eastern Shore – deferred maintenance and site improvements	1,000,000
Eastern Shore – Nuttle Hall demolition	1,000,000
Eastern Shore – Radio Tower	600,000
Eastern Shore – School of Veterinary Medicine and Health Professions	1,000,000
	\$23,778,000

Talbot County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
Foundation Aid	\$5,578	\$5,576	\$5,820	\$5,981
Compensatory Education	7,390	7,511	7,786	7,468
Student Transportation	2,204	2,226	2,298	2,316
Special Education	2,310	2,171	2,182	2,488
English Language Learners Grant	2,129	2,363	2,456	2,419
Blueprint Funding	912	1,302	2,499	2,898
Other Education Aid	1,304	1,507	1,506	1,668
<i>Primary and Secondary Education</i>	<i>\$21,827</i>	<i>\$22,655</i>	<i>\$24,546</i>	<i>\$25,239</i>
Libraries	\$135	\$139	\$141	\$146
Community Colleges	2,936	2,595	2,614	2,748
Health Formula Grant	2,671	2,068	2,186	1,862
Transportation ¹	2,796	3,229	3,503	3,514
Police and Public Safety ¹	588	2,247	559	543
Fire and Rescue Aid ¹	318	318	346	346
Other Direct Aid	489	5	0	0
Total Direct Aid	\$31,760	\$33,258	\$33,895	\$34,398
Aid Per Capita (\$)	\$829	\$870	\$886	\$900
Property Tax Equivalent (\$)	0.34	0.33	0.32	0.30

¹ Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays a portion of the employer share on behalf of the subdivisions for these local employees. Fiscal 2024 to 2027 State payments for Talbot County for teachers, librarians, and community college faculty are estimated to be \$19,722,000.

B. Estimated State Spending on Selected Health and Social Services

The Maryland Department of Aging, the Maryland Department of Health, the Department of Human Services, the Department of Housing and Community Development, and the Governor's Office of Crime Prevention and Policy fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. For many programs, the amounts shown for fiscal 2027 are based on the county's share of prior year funding (fiscal 2026) and may change. See the discussion at the beginning of this section for more detail on the types of services funded.

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
<u>Health Services</u>				
Medicaid	\$25,853	\$28,738	\$28,565	\$28,872
Family Health and Chronic Disease	513	277	455	530
Developmental Disabilities	6,698	11,405	13,823	11,992
Behavioral Health Services	8,656	9,400	9,508	10,237
Total	\$41,720	\$49,820	\$52,351	\$51,631
<u>Social Services</u>				
Homeless Services	\$1,179	\$1,455	\$1,457	\$1,342
Women's Services	243	203	148	205
Adult Services	83	139	98	245
Child Welfare Services	1,567	2,648	1,756	2,102
Foster Care	1,011	930	1,353	1,392
Temporary Cash Assistance	110	230	274	282
Total	\$4,193	\$5,605	\$5,086	\$5,568
<u>Senior Citizen Services</u>				
Long-term Care	\$405	\$524	\$522	\$564
Community Services	166	168	164	169
Total	\$571	\$692	\$686	\$733

Note: Senior citizen services funding supports services in Caroline, Kent, and Talbot counties.

C. Selected State Grants for Capital Projects**Public Schools**

Chapel District Elementary School – construction	\$9,476,528
Easton Middle School – renovations (roof)	2,106,000
White Marsh Elementary School – renovations (roof)	1,080,000
Aging Schools Program	114,876
	\$12,777,404

Public Libraries

St. Michaels Library – renovation and expansion	\$3,043,000

Chesapeake College

Campuswide – facilities renewal	\$565,125
Queen Anne’s Technical Building – construction	7,908,000
	\$8,473,125

Program Open Space

Park acquisition and development	\$1,533,798

Community Parks and Playgrounds

Easton – Golton Park	\$155,901
St. Michaels – Perry Cabin Park	100,000
St. Michaels – San Domingo Park	283,096
Trappe – Home Run Baker Park Softball Field	190,000
	\$728,997

Chesapeake Bay Restoration Fund

Easton WWTP – enhanced nutrient removal	\$5,000,000
Preserve at Wye Mills WWTP – replacement	875,750
Trappe WWTP – enhanced nutrient removal	8,565,626
	\$14,441,376

Comprehensive Flood Mitigation Program

Oxford – shoreline resilience	\$300,000

Waterway Improvement

Claiborne Landing – channel dredging	\$50,000
Easton Point Park – dredging	50,000
Skipton Landing – dock replacement	150,000
St. Michaels – boat ramp and marina improvements	875,000
Tilghman Creek – boating facility improvements	75,000
Tilghman Street – bulkhead and boating infrastructure improvements	250,000
Tuckahoe Landing Road and Bridge – improvements	571,000
Windy Hill Landing – reconstruction	110,000
	\$2,131,000

Other Projects

Building African American Minds, Inc. – Academic Center	\$1,700,000
Chesapeake Bay Maritime Museum	600,000
Chesapeake Multicultural Resource Center, Inc.	123,000
Cordova Volunteer Firemen’s Association	200,000
Easton Day Care Center, Inc. – Critchlow Adkins Children’s Center	50,000
Easton High School – Darren Foxwell Stadium scoreboard	150,000
Fello, Inc. – Easton Crossing development	2,000,000
For All Seasons, Inc.	100,000
Friends of Easton VFD, Inc. – emergency services training campus	300,000
Hope Center	582,000
Mid-Shore Community Foundation – Water’s Edge and Bellevue Passage Museums	655,000
St. Michaels Community Center, Inc.	900,000
Talbot County – Eastern Shore Regional Medical Center	500,000
The Arc Central Chesapeake Region	100,000
University of Maryland Shore Regional Hospital	10,000,000
Water’s Edge Museum – Oxford Ferry Dock marker	150,000
	\$18,110,000

D. Capital Projects for State Facilities in the County**Department of Natural Resources**

Black Walnut Point NRMA – shore erosion control	\$4,742,000

Other

University of Maryland Medical System – Easton Regional Medical Center	\$60,000,000

Washington County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
Foundation Aid	\$123,145	\$123,854	\$129,580	\$133,322
Compensatory Education	60,754	63,106	65,262	62,589
Student Transportation	9,463	9,606	10,036	10,197
Special Education	16,323	18,273	19,831	22,849
English Language Learners Grant	5,002	6,467	7,414	7,469
Guaranteed Tax Base	9,093	7,824	5,898	6,579
Blueprint Funding	13,671	17,544	25,382	31,612
Other Education Aid	3,128	3,046	2,710	2,885
Primary and Secondary Education	\$240,579	\$249,719	\$266,114	\$277,502
Libraries	\$1,641	\$1,664	\$1,667	\$1,684
Community Colleges	16,873	16,745	21,019	20,543
Health Formula Grant	5,253	4,296	4,453	4,402
Transportation ¹	5,827	6,659	7,589	7,597
Police and Public Safety ¹	2,467	3,084	2,398	2,301
Fire and Rescue Aid ¹	336	337	369	369
Disparity Grant	2,990	2,368	2,507	2,824
Other Direct Aid	236	610	250	0
Total Direct Aid	\$276,202	\$285,483	\$306,367	\$317,222
Aid Per Capita (\$)	\$1,758	\$1,810	\$1,942	\$2,011
Property Tax Equivalent (\$)	1.75	1.64	1.60	1.55

¹ Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays a portion of the employer share on behalf of the subdivisions for these local employees. Fiscal 2024 to 2027 State payments for Washington County for teachers, librarians, and community college faculty are estimated to be \$88,369,000.

B. Estimated State Spending on Selected Health and Social Services

The Maryland Department of Aging, the Maryland Department of Health, the Department of Human Services, the Department of Housing and Community Development, and the Governor's Office of Crime Prevention and Policy fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. For many programs, the amounts shown for fiscal 2027 are based on the county's share of prior year funding (fiscal 2026) and may change. See the discussion at the beginning of this section for more detail on the types of services funded.

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
<u>Health Services</u>				
Medicaid	\$159,447	\$175,301	\$175,722	\$177,618
Family Health and Chronic Disease	1,382	686	817	951
Developmental Disabilities	42,813	72,725	88,143	76,471
Behavioral Health Services	45,484	45,941	46,839	51,880
Total	\$249,126	\$294,653	\$311,521	\$306,920
<u>Social Services</u>				
Homeless Services	\$599	\$716	\$717	\$660
Women's Services	361	324	269	327
Adult Services	450	491	513	902
Child Welfare Services	5,649	8,608	5,996	6,141
Foster Care	9,185	10,710	12,984	13,359
Temporary Cash Assistance	1,645	3,015	2,746	2,828
Total	\$17,889	\$23,864	\$23,225	\$24,217
<u>Senior Citizen Services</u>				
Long-term Care	\$304	\$414	\$396	\$467
Community Services	213	221	215	222
Total	\$517	\$635	\$611	\$689

C. Selected State Grants for Capital Projects**Public Schools**

Boonsboro Elementary School – renovations (windows/doors)	\$1,050,072
Boonsboro High School – renovations (HVAC)	7,099,713
Clear Spring Elementary School – renovations (boilers)	569,000
Downsville Pike Elementary School – construction	10,182,838
E. Russell Hicks Middle School – renovations (chillers/cooling tower)	1,982,400
Eastern Elementary School – renovations (boilers/chiller)	1,255,790
Hancock Middle/High School – renovations (electrical distribution system)	1,419,600
Jonathan Hager Elementary School – construction	1,506,000
Lincolnshire Elementary School – renovations (HVAC)	1,102,520
Marshall Street School – renovations (electrical upgrade)	239,486
North Hagerstown High School – renovations (boiler)	1,468,126
North Hagerstown High School – renovations (roof)	3,711,000
Pleasant Valley Elementary School – renovations (HVAC)	2,310,000
Smithsburg Elementary School – renovations (HVAC)	387,000
Smithsburg Middle School – renovations (electrical distribution system)	1,050,000
Springfield Middle School – renovations (electrical distribution system)	793,000
Aging Schools Program	404,712
Supplemental Capital Grant Program for Local School Systems	3,112,092
	\$39,643,349

Public Libraries

Williamsport Library – construction	\$675,000

Hagerstown Community College

Advanced Technology Center	\$9,601,000
Campuswide – facilities renewal	565,125
Second Entrance – widening	1,500,000
	\$11,666,125

Business Facade Improvement Program

Boonsboro	25,000
Williamsport	25,000
	\$50,000

Program Open Space

Park acquisition and development	\$4,224,339

Community Parks and Playgrounds

Boonsboro – Shafer Pond Park Pavilion	\$71,387
Funkstown – Jerusalem Park	275,000
Hancock – Joseph Hancock Park	49,115
Keedysville – Taylor Park Sports Court	352,541
Sharpsburg – Community Park Inclusive Play Area	156,781
Williamsport – Byron Memorial Park Playground	229,448
	\$1,134,272

Chesapeake Bay Restoration Fund

Funkstown WWTP – enhanced nutrient removal	\$2,650,440
Hancock WWTP – enhanced nutrient removal	5,506,242
	\$8,156,682

Waterway Improvement

Williamsport – boat ramp construction	\$200,000

Other Projects

Band Boosters of Smithsburg Area Schools – Smithsburg High School	\$100,000
Boonsboro – Chase Six Boulevard/Campus Avenue realignment and intersection	500,000
Boonsboro – drinking water and wastewater infrastructure	1,550,000
Boonsboro – public works complex	175,000
Boonsboro – water reservoir	1,500,000
Boonsboro High School Athletic Boosters, Inc.	250,000
Boonsborough Museum of History	200,000
Boys and Girls Club of Washington County	200,000
Brook Lane Health Services, Inc.	2,979,000
Community Volunteer Fire Company of District 12	150,000
Doleman Black Heritage Museum	450,000
Federal Little League of Hagerstown, Inc.	125,000
Hagerstown – Field House	3,000,000
Hancock – downtown improvements	175,000
Hancock – Town Hall	300,000
Hancock Fire Company, Inc.	32,000
Horizon Goodwill Industries, Inc. – Vehicles for Change Training Center	200,000
Interfaith Service Coalition of Hancock	45,000
Korean War Veterans Association – Korean War Veterans Museum	25,000
Long Meadow Volunteer Fire Company	125,000
Maugansville Goodwill Volunteer Fire Company	105,000

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Meritus Health, Inc.	1,250,000
Meritus Medical Center	889,000
Meritus School of Osteopathic Medicine	2,000,000
Plumbers and Steamfitters Local Union No. 486 – Hagerstown School	750,000
Robert W. Johnson Community Center	2,500,000
Smithsburg Athletic Booster Club, Inc. – Smithsburg High School field house	500,000
Smithsburg Emergency Medical Services, Inc.	100,000
Valley Little League, Inc.	175,000
Washington County – Public Safety Training Center	2,250,000
Washington County – Regional Airport control tower	1,500,000
Washington County Convention & Visitors Bureau, Inc. – Visitor Center	1,290,000
Washington County Museum of Fine Arts, Inc.	1,250,000
Western Enterprises Fire Company	317,000
Williamsport – Byron Memorial Park	800,000
Williamsport – Memorial Library	1,150,000
Williamsport – Springfield Farm Manor House	1,270,000
Williamsport – Town Hall	400,000
	\$30,577,000

D. Capital Projects for State Facilities in the County

General Government

Washington County District Court	\$750,000

Department of Public Safety and Correctional Services

Correctional Institution Hagerstown – perimeter security upgrade	\$1,155,000
Roxbury Correctional Institution – perimeter fence system replacement	10,881,000
	\$12,036,000

Military Department

Hagerstown Readiness Center – vehicle maintenance shop	\$500,000
Hagerstown Readiness Center – vehicle maintenance shop (federal funds)	3,250,000
	\$3,750,000

Department of Natural Resources

Gathland State Park – South Mountain Battlefield Trail	\$200,000
Greenbrier State Park – road parking and trail access improvements	200,000
Indian Springs Wildlife Management Area – Beaver Pond access road	300,000
Sideling Hill Wildlife Management Area – access road/observation platform	400,000
	\$1,100,000

Maryland Environmental Service

Albert Powell Fish Hatchery – wastewater treatment plant upgrade	\$1,804,000
Fort Frederick State Park – water distribution system upgrade	1,007,000
Greenbrier State Park – wastewater treatment/sewer collection/electric	1,365,000
Maryland Correctional Institution – boiler plant improvements	1,337,000
Maryland Correctional Institution – wastewater treatment plant upgrades	624,000
	\$6,137,000

Wicomico County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
Foundation Aid	\$89,729	\$92,204	\$99,625	\$101,276
Compensatory Education	51,795	51,742	59,057	55,893
Student Transportation	6,916	7,100	7,490	7,547
Special Education	10,670	12,189	13,679	16,078
English Language Learners Grant	11,935	14,209	17,844	17,350
Guaranteed Tax Base	7,779	7,281	7,070	7,327
Blueprint Funding	12,141	15,381	20,137	25,383
Other Education Aid	1,925	1,947	1,766	1,933
Primary and Secondary Education	\$192,890	\$202,054	\$226,669	\$232,787
Libraries	\$1,261	\$1,286	\$1,300	\$1,333
Community Colleges	9,122	8,425	9,690	10,080
Health Formula Grant	6,441	5,132	5,416	4,692
Transportation ¹	4,847	5,546	6,231	6,238
Police and Public Safety ¹	1,971	3,604	2,041	1,927
Fire and Rescue Aid ¹	324	303	423	423
Disparity Grant	15,063	13,055	16,204	14,001
Teachers Retirement Supplemental Grant	1,568	1,568	784	0
Other Direct Aid	319	242	0	0
Total Direct Aid	\$233,806	\$241,216	\$268,757	\$271,480
Aid Per Capita (\$)	\$2,193	\$2,256	\$2,514	\$2,540
Property Tax Equivalent (\$)	2.93	2.74	2.81	2.64

¹ Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays a portion of the employer share on behalf of the subdivisions for these local employees. Fiscal 2024 to 2027 State payments for Wicomico County for teachers, librarians, and community college faculty are estimated to be \$67,269,000.

B. Estimated State Spending on Selected Health and Social Services

The Maryland Department of Aging, the Maryland Department of Health, the Department of Human Services, the Department of Housing and Community Development, and the Governor's Office of Crime Prevention and Policy fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. For many programs, the amounts shown for fiscal 2027 are based on the county's share of prior year funding (fiscal 2026) and may change. See the discussion at the beginning of this section for more detail on the types of services funded.

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
<u>Health Services</u>				
Medicaid	\$115,869	\$127,442	\$127,708	\$129,085
Family Health and Chronic Disease	1,622	840	842	974
Developmental Disabilities	31,204	52,999	64,235	55,729
Behavioral Health Services	35,361	32,177	33,198	36,878
Total	\$184,056	\$213,458	\$225,983	\$222,666
<u>Social Services</u>				
Homeless Services	\$911	\$958	\$959	\$884
Women's Services	219	226	170	227
Adult Services	60	66	63	133
Child Welfare Services	3,506	4,752	3,771	4,186
Foster Care	3,087	3,363	4,339	4,464
Temporary Cash Assistance	1,546	2,437	1,824	1,878
Total	\$9,329	\$11,802	\$11,126	\$11,772
<u>Senior Citizen Services</u>				
Long-term Care	\$617	\$794	\$782	\$865
Community Services	304	293	285	294
Total	\$921	\$1,087	\$1,067	\$1,159

Note: A portion of women's services funding supports services in Somerset, Wicomico, and Worcester counties. Senior citizen services funding supports services in Dorchester, Somerset, Wicomico, and Worcester counties.

C. Selected State Grants for Capital Projects**Public Schools**

Fruitland Primary School – construction	\$15,288,359
Mardela Middle/High School – construction	15,303,984
Parkside High School – renovations (roof)	10,896,032
Wicomico High School – renovations (roof)	2,323,782
Aging Schools Program	319,881
Supplemental Capital Grant Program for Local School Systems	4,902,179
	\$49,034,217

Public Libraries

Salisbury Library – replacement	\$3,353,000
Sarbanes Branch – HVAC replacement	131,000
Sarbanes Branch – replacement	2,943,000
	\$6,427,000

Wor-Wic Community College

Campuswide – facilities renewal	\$699,750
Maintenance Building – expansion	3,589,000
	\$4,288,750

Community Health Facilities Grant Program

Life Crisis Center, Inc.	\$2,267,000
Lower Shore Clinic, Inc.	1,346,035
	\$3,613,035

Business Facade Improvement Program

Delmar	\$50,000

Program Open Space

Park acquisition and development	\$2,802,268

Community Parks and Playgrounds

Delmar – Gordy Park	\$70,500
Delmar – Mason Dixon Sports Complex	300,500
Fruitland – Recreational Park	194,811
Pittsville – Town Park Playground	287,500

Salisbury – Doverdale Park Playground	223,936
Salisbury – Woodcock Park Playground	179,270
Sharptown – Gene Lowe Park	229,340
Willards – Town Park	149,674
	\$1,635,531

Chesapeake Bay Restoration Fund

Hebron WWTP – replacement	\$4,580,420

Comprehensive Flood Mitigation Program

Hebron – flood mitigation	\$1,659,000

Waterway Improvement

Cedar Hill Marina – boat ramp renovations and dredging	\$1,160,000
Cedar Hill Marina – bulkhead replacement	250,000
Leonards Mill Park – boat ramp replacement	310,000
Nanticoke Harbor – boat ramp replacement	75,000
Nanticoke Harbor – dredging	925,000
Pirates Wharf – boating facility construction	225,000
Salisbury Fire Department – outboard boat motor	5,603
	\$2,950,603

Hazardous Substance Cleanup Program

407 Anne Street – site remediation	\$425,000

Other Projects

Christian Shelter, Inc.	\$75,000
Delmar – Mason Dixon Sports Complex	200,000
Delmar Fire Department	20,000
Eastern Shore Baseball Museum	125,000
Eleven21, Inc. – Epoch Dream Center	250,000
Enoch Christian Ministries, Inc. – after school/community outreach program	250,000
Fruitland – recreational park	150,000
Hebron Train Depot, Inc.	50,000
Kennedy Krieger Institute – Eastern Shore Campus	5,000,000
Main Street Gym, Inc.	21,500
Parsonsborg Fire Company – community center	200,000

Part A – Budget and State Aid

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Salisbury – Fire Department training building	75,000
Salisbury – infrastructure upgrades	4,000,000
Salisbury Schools, Inc. – outdoor amphitheater	95,000
TidalHealth Peninsula Regional, Inc.	4,626,000
Veterans of Foreign Wars Post No. 10159	125,000
Wicomico County – airport terminal and hangar improvements	1,650,000
Wicomico County – Arthur Perdue Stadium	1,000,000
Wicomico County – Mason-Dixon Athletic Complex	1,550,000
Wicomico County – nursing home	75,000
Wicomico County Fraternal Order of Police Lodge No. 111	100,000
Wicomico County Humane Society, Inc.	320,000
	\$19,957,500

D. Capital Projects for State Facilities in the County

University System of Maryland

Salisbury University – Blackwell Hall renovation	\$65,987,000

Worcester County

A. Direct Aid and Retirement Payments

1. Direct Aid

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
Foundation Aid	\$8,276	\$8,374	\$8,865	\$9,115
Compensatory Education	9,988	10,168	10,627	10,567
Student Transportation	4,000	4,062	4,210	4,270
Special Education	2,471	2,818	2,981	3,530
English Language Learners Grant	491	599	741	681
Blueprint Funding	2,259	3,196	3,701	4,408
Prekindergarten Grants	767	754	0	0
Other Education Aid	1,963	1,500	1,348	1,524
<i>Primary and Secondary Education</i>	<i>\$30,217</i>	<i>\$31,472</i>	<i>\$32,473</i>	<i>\$34,095</i>
Libraries	\$190	\$197	\$203	\$208
Community Colleges	3,417	3,135	3,445	3,468
Health Formula Grant	5,410	4,085	4,353	3,510
Transportation ¹	3,349	3,886	4,354	4,359
Police and Public Safety ¹	1,138	2,876	1,036	956
Fire and Rescue Aid ¹	368	369	421	421
Gaming Impact Aid	5,379	5,318	5,360	5,411
Other Direct Aid	233	227	0	0
Total Direct Aid	\$49,702	\$51,565	\$51,645	\$52,428
 Aid Per Capita (\$)	 \$914	 \$947	 \$948	 \$963
Property Tax Equivalent (\$)	0.27	0.25	0.22	0.21

¹ Municipal governments within the county receive a share of these funds.

2. Retirement Payments

County teachers and librarians are members of either the teachers' retirement or pension systems maintained and operated by the State. Community college faculty may also be members of these systems. The State pays a portion of the employer share on behalf of the subdivisions for these local employees. Fiscal 2024 to 2027 State payments for Worcester County for teachers, librarians, and community college faculty are estimated to be \$36,181,000.

B. Estimated State Spending on Selected Health and Social Services

The Maryland Department of Aging, the Maryland Department of Health, the Department of Human Services, the Department of Housing and Community Development, and the Governor's Office of Crime Prevention and Policy fund the provision of health and social services in the counties either through the local government, private providers, or State agencies in the counties. For many programs, the amounts shown for fiscal 2027 are based on the county's share of prior year funding (fiscal 2026) and may change. See the discussion at the beginning of this section for more detail on the types of services funded.

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
	(\$ in Thousands)			
<u>Health Services</u>				
Medicaid	\$40,695	\$44,981	\$44,905	\$45,388
Family Health and Chronic Disease	910	380	635	736
Developmental Disabilities	5,582	9,498	11,512	9,988
Behavioral Health Services	12,492	15,883	16,067	17,177
Total	\$59,679	\$70,742	\$73,119	\$73,289
<u>Social Services</u>				
Homeless Services	\$911	\$958	\$959	\$884
Women's Services	47	54	54	55
Adult Services	86	107	95	130
Child Welfare Services	1,933	2,864	2,127	2,333
Foster Care	1,090	784	1,044	1,074
Temporary Cash Assistance	230	430	401	413
Total	\$4,297	\$5,197	\$4,680	\$4,889
<u>Senior Citizen Services</u>				
Long-term Care	\$617	\$794	\$782	\$865
Community Services	304	293	285	294
Total	\$921	\$1,087	\$1,067	\$1,159

Note: A portion of women's services funding supports services in Somerset, Wicomico, and Worcester counties. Senior citizen services funding supports services in Dorchester, Somerset, Wicomico, and Worcester counties.

C. Selected State Grants for Capital Projects**Public Schools**

Berlin Intermediate School – construction	\$1,092,958
Buckingham Elementary School – construction	1,867,000
Pocomoke Elementary School – renovations (roof)	943,000
Snow Hill Middle School – renovations (roof)	2,067,108
Snow Hill Middle School/Cedar Chapel Special School – renovations (roof)	62,475
Worcester Technical High School – renovations (roof)	590,987
Aging Schools Program	114,876
Supplemental Capital Grant Program for Local School Systems	1,680,029
	\$8,418,433

Public Libraries

Pocomoke Library – construction	\$4,241,000

Wor-Wic Community College

Campuswide – facilities renewal	\$699,750
Maintenance Building – expansion	3,589,000
	\$4,288,750

Federally Qualified Health Centers Grant Program

Three Lower Counties Community Services, Inc.	\$2,499,883

Business Facade Improvement Program

Ocean City Development Corporation	\$150,000
Pocomoke	50,000
	\$200,000

Program Open Space

Park acquisition and development	\$2,761,083

Community Parks and Playgrounds

Berlin – Dr. William Henry Park Playground	\$216,000
Berlin – Heron Park Skatepark	300,000
Ocean City – Little Salisbury Park	239,108
Ocean City – Northside Park Playground	267,140

Part A – Budget and State Aid

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Pocomoke City – Cypress Park	133,533
Snow Hill – Sturgis and Byrd Parks	62,644
Snow Hill – Sturgis Park	298,215
	\$1,516,640

Water Supply Financial Assistance Program

Pocomoke City – Market Street water main relining	\$844,306
Snow Hill – Coulbourne Lane well backup power	190,806
	\$1,035,112

Waterway Improvement

George Island Landing – boating facility improvements	\$250,000
George Island Landing – improvements	75,000
Little Salisbury Park – channel dredging	150,000
Pocomoke City – boating access improvements	150,000
Pocomoke City Volunteer Fire Company – rescue boat equipment	4,177
Public Landing Marina – retaining wall and rip rap construction	200,000
Snow Hill Public Marina – dredging	325,000
Stockton Volunteer Fire Department – purchase rescue vessel	80,000
	\$1,234,177

Other Projects

Atlantic General Hospital	\$514,000
Diakonia, Inc.	850,000
Ocean City – sports complex	500,000
Ocean City Elks Lodge No. 2645	23,300
Ocean Pines Volunteer Fire Department – South Station	75,000
Worcester County – fire training tower	250,000
Worcester County – recycling facility expansion	100,000
Worcester County Humane Society, Inc.	45,000
	\$2,357,300

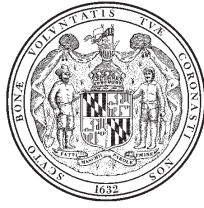
D. Capital Projects for State Facilities in the County

Maryland State Police

Berlin Barrack, Forensic Lab, and Garage	\$5,495,000

Department of Natural Resources

Assateague State Park – boat ramp and comfort station renovations	\$625,000
Assateague State Park – Rackliffe House parking lot	325,000
Bay Club State Forest – access road, parking, and bridge improvements	400,000
Natural Resources Police – marine facility bulkhead replacement	500,000
Ocean City – beach replenishment	10,500,000
Pocomoke River State Park – elevated boardwalk trail	2,000,000
Pocomoke River State Park – Shad Landing marina improvements	1,000,000
Pocomoke River State Park – Shad Landing marina services building	200,000
Pocomoke River State Park – Shad/Milburn Landings boat ramp	2,725,000
	\$18,275,000



Part B Taxes

Property Tax

Administration

Valuation Costs

The State Department of Assessments and Taxation (SDAT) conducts the assessment of all property in the State. Beginning in fiscal 2014, Baltimore City and county governments were required to reimburse SDAT for 50% of the costs associated with real property valuation, business personal property valuation, and information technology. The Budget and Reconciliation Financing Act (BRFA) of 2025 (**Ch. 604**) increased the local cost share amount, from 50% to 90%, that Baltimore City and county governments are required to pay SDAT for these costs.

Payment Plans and Transfers to an Heir or Legatee

Chapter 771 of 2024 required the State Tax Sale Ombudsman within SDAT to contract with a vendor to operate an installment payment program available to any homeowner for the payment of property taxes, whether in advance, currently due, or in arrears. **Chapter 771** also authorized counties and municipalities to establish installment payment programs for taxes in arrears on any residential property. Finally, **Chapter 771** provided exemptions from the requirement that all property taxes, assessments, and other charges due on a property be paid before a transfer. Specifically, **Chapter 771** established exemptions for a transfer of residential property from an estate of a decedent to an heir or legatee if the heir, legatee, or grantee enters into a payment plan.

Notification of Property Tax Assessment and Tax Rate Increases

Chapter 531 of 2023 repealed public notice requirements when a taxing authority sets a real property tax rate that exceeds the constant yield tax rate. Instead, a taxing authority is required to provide public notice of increases in the real property tax rate.

Fiscal 2025 Real Property Assessment Notifications

Real property is valued and assessed once every three years, and each year, SDAT is required to value one-third of all real property based on a review prior to the date of finality. When any change in value or classification is determined by the department, SDAT is required to notify the owner in writing of the change. Generally, these notices must be sent out within 30 days after January 1. A failure to send a notice of any change in value or classification within 30 days after January 1 creates an irrebuttable presumption that there has been no change in value or classification, except under certain circumstances. *Chapter 384 of 2024* extended the statutory deadline by which SDAT was required to send out reassessment notices to property owners for fiscal 2025 to May 1, 2024.

Homeowners' Property Tax Credit Program

Chapters 528 and 529 of 2023 allowed homeowners who receive income only from social security, a pension, or an annuity to file a short certification instead of the regular application for the homeowners' property tax credit in two out of every three years. The short certification requires the applicant to provide information only on residency, income sources, and household size.

Counties and municipalities are authorized to grant a local supplement to the homeowners' property tax credit and are responsible for covering the cost of the local supplement. *Chapter 530 of 2023* authorized local governments to provide a local supplement to homeowners whose combined gross income exceeds \$60,000.

Chapter 79 of 2024 authorized an applicant for the homeowners' property tax credit to attest to gross income on an application in lieu of providing an income tax return to SDAT if the applicant was not required by law to submit a tax return and did not file a tax return.

Chapters 972 and 973 of 2024 authorized SDAT to accept an application for the homeowners' property tax credit submitted by a homeowner within three years after April 15 of the taxable year for which the credit is sought if the homeowner is enrolled in the Homeowner Protection Program (HPP).

Homeowners generally must apply to SDAT annually on or before October 1 to receive the homeowners' property tax credit. *Chapter 782 of 2026* allowed homeowners to apply for the tax credit on a year-round basis.

Renters' Property Tax Relief Program

Chapters 898 and 899 of 2024 altered the definition of assets for purposes of qualifying for the Renters' Property Tax Relief Program to exclude the cash value of any qualified retirement savings plan or individual retirement accounts.

Homestead Property Tax Credit

Chapters 972 and 973 of 2024 required SDAT to grant retroactive homestead property tax credits for two years to a homeowner who is at least 70 years old if the homeowner applies for the credit by May 31, 2025, and for one year if the homeowner applies for the credit after May 31, 2025. To receive a retroactive credit, the homeowner must have been eligible for the credit in the prior taxable year but failed to file an application for the credit.

Property Tax Exemptions

Solar Energy Generating Systems

Chapter 595 of 2024 established and modified several solar energy property tax incentives, which:

- Extended, from December 31, 2025 to December 31, 2030, the date by which a community solar energy generating system must be approved by the Public Service Commission (PSC) in order to be eligible for a personal property tax exemption. The maximum eligible system size increased from two megawatts to five megawatts;
- exempted specified nonresidential solar energy generating systems that are constructed on the rooftops of buildings or on parking facility canopies from valuation and State or local property taxes for systems approved by PSC on or after July 1, 2024; and
- authorized local governments to reduce or eliminate, by law, the percentage of the assessment of any real property that is subject to the county or municipal property tax if the real property includes a parking facility on which a solar energy generating system has been constructed on its canopy for a system approved by PSC on or after July 1, 2024.

Chapters 45 and 46 of 2026 extended the deadline by which a community solar energy generating system located on land used for agrivoltaics must be approved by PSC in order to qualify for an agricultural use assessment from December 31, 2025 to December 31, 2030. The Acts also established a process for SDAT to determine in advance of construction whether a proposed agrivoltaics project will qualify for the agricultural use assessment.

Housing Authorities and Nonprofit Housing Corporations

Chapter 169 of 2025 standardized the tax treatment of real property owned by certain nonprofit entities created by public housing authorities by extending a property tax exemption to all nonprofit entities created by public housing authorities in the State.

Chapter 727 of 2026 altered the definition of a nonprofit housing corporation for purposes of an existing property tax exemption and expanded the tax exemption to cover subsidiary entities of a nonprofit housing corporation. The exemption does not apply in Baltimore City or to a housing project that, before July 1, 2026, received a financial contribution from a local government.

Payment in Lieu of Taxes Agreements

Affordable Housing

Chapters 106 and 107 of 2025 authorized county governments to exempt real property used for rental housing from the county property tax if the property owner agrees to maintain at least 25% of the rental housing units as affordable dwelling units for at least 15 years and enters into a payment in lieu of taxes (PILOT) agreement with the county government.

Broadband Service Providers

Chapters 208 and 209 of 2025 authorized county governments to enter into a PILOT agreement with a broadband service provider.

Tax Sales

Homeowner Protection Program

The HPP diverts eligible homeowners from the private tax lien sale process into an alternative program to minimize tax collection costs to homeowners, assist homeowners to pay their taxes, and allow homeowners to remain in their homes.

Chapter 647 of 2025 made several changes to the HPP, including (1) requiring an annual State appropriation of \$250,000 in the annual budget bill, and annual county payments totaling \$500,000, to the Homeowner Protection Fund; (2) requiring additional efforts to encourage participation in the program; and (3) prohibiting SDAT from charging interest to program enrollees for unpaid taxes.

Chapter 777 of 2026 required that a homeowner who has a terminal illness or medical hardship be given priority for enrollment in HPP. The Act also increased the maximum assessed value of a dwelling that is eligible for HPP from \$300,000 to \$450,000.

Procedural Revisions

Chapter 315 of 2023 increased the amount of time that must pass after an owner-occupied residential property is sold at a tax sale before the holder of the certificate of sale can file a complaint to foreclose the right of redemption from six months to nine months. *Chapter 315* also increased the amount of time that must pass after an owner-occupied residential property is sold at a tax sale before the holder of the certificate of sale can send a required notice and be reimbursed for expenses relating to filing a foreclosure complaint from four months to seven months.

Chapter 231 of 2025 made various changes to tax sale procedures. The significant changes included (1) authorizing local governments to withhold from tax sale residential property occupied by an heir of a deceased owner; (2) requiring local governments to withhold from tax sale owner-occupied property and residential property occupied by an heir of a deceased owner when the lien is less than \$1,000; (3) limiting redemption interest on owner-occupied properties to

10% per year; and (4) authorizing expedited procedures for local governments to take control of vacant and abandoned properties.

Chapter 777 of 2026 required that the dwelling of a homeowner who has a terminal illness or medical hardship be withheld from tax sale.

Legacy Protection Program

Chapters 718 and 719 of 2026 established the Legacy Protection Program within SDAT. Under the program, heirs will be eligible for (1) free legal assistance to navigate the probate process and become the record title holder of their dwelling and (2) grants to pay all or part of any taxes or fees required to complete the probate process and become the record title holder of their dwelling. An heir may qualify to receive free legal assistance or a grant if the heir's dwelling is valued at \$450,000 or less. The Acts also make an heir who is not shown as the record title holder of their dwelling eligible for the homeowners' and homestead property tax credits for up to three taxable years.

Tax Rate Setting Authority

Baltimore City and county governments are generally limited to a single property tax rate for all real property subject to the city or county property tax. **Chapter 277 of 2024** authorized Baltimore City and county governments to establish a subclass and set a special property tax rate for real property consisting of vacant lots or improved property cited as vacant and unfit for habitation or other authorized use on a housing or building violation notice.

Chapter 170 of 2025 authorized Baltimore City to impose the city's regular property tax rate and the city's special tax rate for vacant and abandoned property on real property owned by nonprofit educational, charitable, or religious organizations that would otherwise be exempt from taxation if the real property is a vacant lot or improved property cited as vacant and unfit for human habitation or other authorized use on a housing or building violation notice.

Income Tax

Personal Income Tax Reform

The BRFA of 2025 made several changes to the personal income tax for tax year 2025 and beyond. As detailed below, the changes included revenue-raising measures as well as tax relief measures aimed at low- to moderate-income taxpayers:

- **Enhanced Standard Deduction:** The Act increased the tax year 2025 standard deduction from \$2,800 to \$3,350 for single filers, dependent filers, and married individuals filing separately and from \$5,600 to \$6,700 for joint filers, heads of household, and qualified surviving spouses. Consistent with prior law, these amounts are subject to annual cost-of-living adjustments for tax years after 2025. The Act also repealed a provision of law that phased in the standard deduction at 15% of Maryland adjusted gross income

(AGI); thus, taxpayers may claim the full value of the enhanced standard deduction regardless of income.

- **Phase-out of Itemized Deductions for Certain Taxpayers:** The Act required taxpayers with federal AGI in excess of \$200,000 (\$100,000 if married filing separately) to reduce the amount of their otherwise allowable itemized deductions by an amount equal to 7.5% of federal AGI in excess of \$200,000 (\$100,000 if married filing separately).
- **New Top Marginal Income Tax Brackets:** The Act increased the top marginal income tax rate from 5.75% to 6.50% for Maryland taxable income in excess of \$1,000,000 (\$1,200,000 for joint filing types). The Act also increased the marginal income tax rate applied to taxable income from \$500,001 up to \$1,000,000 (for joint filing types, taxable income from \$600,001 up to \$1,200,000) from 5.75% to 6.25%.
- **Net Capital Gain Surtax:** For taxpayers with federal AGI in excess of \$350,000, the Act imposed a 2.0% surtax on the amount of certain net capital gain included in Maryland AGI and directed 37.5% of the proceeds from the surtax to the Transportation Trust Fund. The surtax does not apply to gain from the sale or exchange of a primary residential dwelling sold for less than \$1.5 million; assets held in specified retirement savings plans; cattle, horses, or breeding livestock held for more than 12 months; certain land subject to a conservation, agricultural, or forest preservation easement; section 179 property; or affordable housing owned by a nonprofit organization.

The BRFA of 2025 also increased the maximum income tax rate a county may impose on Maryland taxable income from 3.2% to 3.3%.

Earned Income and Child Tax Credits

Maryland's earned income tax credit offers both refundable and nonrefundable credits against the State income tax and a nonrefundable credit against the local income tax for low- to moderate-income taxpayers. **Chapters 3 and 4 of 2023** made permanent temporary expansions to Maryland's earned income credit that (1) increased the maximum value of the refundable component of the State credit to 45% of the amount of the federal earned income tax credit; (2) extended eligibility to taxpayers who would have been eligible for the federal credit but for the Social Security number requirement; and (3) allowed individuals without qualifying children to claim a fully refundable State credit equal to 100% of the federal credit. The Acts also eliminated a limit on the value of the State credit for individuals without qualifying children.

Chapters 3 and 4 also permanently extended and expanded the State's child tax credit for low-income taxpayers, which was originally enacted for tax years 2020 through 2022 only. The Acts (1) limited eligibility to residents, and expanded eligibility to taxpayers with federal AGI of up to \$15,000 (increased from \$6,000); (2) expanded the definition of a qualified child for purposes of the credit to include qualified dependents younger than age six, regardless of disability status; and (3) eliminated a requirement that the amount of the credit be reduced by the amount of any federal child tax credit claimed. The BRFA of 2025 further modified the credit to gradually phase

out the benefit for taxpayers with federal AGI in excess of \$15,000. The credit fully phases out for taxpayers with federal AGI in excess of \$24,000.

Other Notable Personal Income Tax Legislation

Military Retirement Income

Chapters 613 and 614 of 2023 increased the maximum amount of military retirement income that may be excluded from Maryland income tax from \$5,000 to \$12,500 for individuals younger than age 55 and from \$15,000 to \$20,000 for individuals age 55 and older.

Union Dues

The federal Tax Cuts and Jobs Act (TCJA) of 2017 temporarily suspended miscellaneous itemized deductions subject to the 2% AGI floor for tax years 2018 through 2025. The federal One Big Beautiful Bill Act (OBBBA) of 2025 subsequently made the suspension permanent. *Chapter 513 of 2023* allowed taxpayers to exclude from Maryland income tax the amount of previously-deductible union dues paid during the tax year.

Public Safety Retirement Income

An individual may exclude from Maryland income tax certain employee retirement system income attributable to service as a correctional officer, law enforcement officer, or fire, rescue, or emergency services personnel of the United States, the State, or a political subdivision of the State (public safety employee retirement income subtraction modification). *Chapter 686 of 2026* increased the maximum amount of public safety employee retirement income that may be excluded from \$15,000 to \$20,000 by tax year 2030, phasing in the change over five years.

Student Loan Debt Relief Tax Credit

Legislation enacted during the 2023, 2025, and 2026 sessions made various alterations to the student loan debt relief tax credit, a refundable State income tax credit of up to \$5,000 for individuals with eligible undergraduate and/or graduate student loan debt. *Chapter 738 of 2023* doubled the annual program cap from \$9.0 million to \$18.0 million and, among other changes, required the Maryland Higher Education Commission (MHEC) to reserve \$9.0 million annually for State employees and prioritize applicants who graduated from higher education institutions in the State at which at least 40% of attendees are eligible for federal Pell Grants. The BRFA of 2025 subsequently reduced the program cap back to \$9.0 million for tax year 2025 only, preserved the State employee set-aside, and required MHEC to submit a report to the Governor and the General Assembly recommending changes to better target the allocation of tax credits under the program. The BRFA of 2026 once again altered the program cap for tax year 2025 – increasing it from \$9.0 million to \$16.0 million – and decreased the tax year 2026 cap from \$18.0 million to \$9.0 million.

Additionally, *Chapter 755 of 2026* authorized MHEC to grant an extension of the period within which an individual must use the tax credit for repayment of eligible student loan debt if

the individual was unable to do so due to certain circumstances relating to a period of forbearance or understaffing at the U.S Department of Education. The Act also modified provisions relating to credit recapture such that only the portion of the amount of credit claimed that is not used toward eligible student loan debt within the required timeframe must be recaptured, as opposed to the total amount of credit claimed.

Federal Tax Decoupling

OBBBA made numerous individual and business tax changes, some of which directly affected the calculation of Maryland taxable income for purposes of the State's individual and corporate income taxes. Maryland automatically and temporarily decoupled from three business tax provisions projected to significantly impact Maryland revenues – the reinstatement of expensing for research and experimental expenditures, the enhancement to the business interest expense deduction limitation, and the special depreciation allowance for qualified production property. OBBBA also permanently restored 100% bonus depreciation, which applies to qualified business property placed in service after January 19, 2025. Maryland has historically disallowed this first-year special depreciation deduction but makes an exception for property placed in service by a qualified manufacturing entity after 2018.

The BRFA of 2026 permanently decoupled the Maryland income tax from the special depreciation allowance for qualified production property. The Act also partially decoupled the Maryland income tax from the enhancement to the federal bonus depreciation allowance as it applies to manufacturing entities; specifically, the Act limited the allowance to 20% of the adjusted basis of the qualified property for tax year 2026 and beyond.

Maryland automatically conforms to OBBBA's reinstatement of expensing for domestic research and experimental expenditures and enhancement to the business interest expense deduction limitation for tax year 2026 and beyond.

Pass-through Entity Tax Alterations

OBBBA also extended and temporarily enhanced the individual state and local tax deduction limitation, which was originally enacted under TCJA and which led Maryland and a number of other states to authorize pass-through entities (PTEs) to be taxed at the entity level for state income tax purposes. For tax year 2026 and beyond, the BRFA of 2025 enacted certain revenue-neutral changes to the PTE tax, which required an electing multistate PTE to include within the entity's taxable income each resident member's *pro rata* share of the PTE's net income, as opposed to only the portion of such income derived from or reasonably attributable to the PTE's trade or business in Maryland. The BRFA of 2026 clarified, delayed to tax year 2027, and allowed affected PTEs to elect out of the aforementioned changes to taxable income and required the Comptroller, in consultation with stakeholders, to study the impact of these changes.

Economic Development Tax Incentives

The Delivering Economic Competitiveness and Advancing Development Efforts (DECADE) Act (*Chs. 351 and 352 of 2026*) and other legislation enacted during the 2023 to 2026 term extended and modified various economic development tax incentives. For a discussion of the economic development provisions of *Chapters 351 and 352*, see the subpart “Economic Development” of Part H – Business and Economic Issues of this *Major Issues Review*. As detailed below, the changes included both measures to enhance and expand existing tax incentive programs and measures to contain the costs of certain programs.

Tax Credit Extensions

The following tax credits were extended:

- ***Employer Security Clearance Costs Tax Credit:*** *Chapter 438 of 2023* extended the employer security clearance costs tax credit through tax year 2027. *Chapters 351 and 352* subsequently extended the program for an additional five years, through tax year 2032. The program offers up to \$2.0 million in tax credits annually for certain security clearance administrative expenses, first-year rental costs for small businesses that perform security-based contracting work, and sensitive compartmented information facility construction and renovation costs.
- ***Job Creation Tax Credit:*** *Chapters 351 and 352* extended the job creation tax credit through 2031. The program offers up to \$4.0 million in nonrefundable tax credits annually for businesses that establish or expand a facility in the State that is primarily engaged in an eligible industry and create a specified minimum number of jobs within a 24-month period.
- ***Research and Development (R&D) Tax Credit:*** *Chapters 351 and 352* extended the R&D tax credit through tax year 2030. The program offers up to \$12.0 million in tax credits for Maryland qualified R&D expenses annually, including up to \$3.5 million in refundable credits for small businesses.
- ***Theatrical Production Tax Credit:*** *Chapters 18 and 19 of 2026* extended the theatrical production tax credit through tax year 2031 and capped the aggregate amount of unissued credit that may be carried forward and issued in a subsequent year to \$20.0 million. The program offers refundable State income tax credits for up to 25% of qualifying direct costs incurred by a qualified theatrical production entity for theatrical production activities in the State, subject to a \$5.0 million annual program cap.

Film Production Activity Tax Credit

The film production activity tax credit program offers refundable State income tax credits for up to 28% (30% for a television series) of qualified total direct costs for eligible film production activities in the State, subject to certain annual program caps and a \$10.0 million per-project cap for larger productions. *Chapter 434 of 2023* expanded eligible film production activities to include

documentaries and talk, reality, and game shows; restored cost eligibility for salaries, wages, and other compensation for writers, directors, and producers; increased the credit percentage; and temporarily increased the annual program cap from \$12.0 million to \$15.0 million for fiscal 2024, \$17.5 million for fiscal 2025, and \$20.0 million for fiscal 2026. The BRFA of 2025 subsequently reduced, from \$20.0 million to \$12.0 million, the fiscal 2026 program cap, thereby accelerating by one year the phaseout of temporary enhancements to annual program funding. **Chapters 351 and 352** codified the purpose of the program and authorized a qualified film production entity to amend its initial application if an independent auditor has verified that the projected total budget has increased or decreased by at least 50%.

Historic Revitalization Tax Credit

The historic revitalization tax credit offers refundable State income tax credits for commercial, small commercial, and owner-occupied residential property rehabilitations. Commercial rehabilitation credits are subject to available funding in the historic revitalization tax credit reserve fund. The BRFA of 2025 reduced the mandated annual appropriation to the reserve fund from \$20.0 million to \$16.5 million for fiscal 2026 through 2028 only.

More Jobs for Marylanders Program

The More Jobs for Marylanders (MJM) program offers refundable State income tax credits and certain other benefits to manufacturing businesses and businesses located in qualified opportunity zones that meet certain minimum job-creation requirements. The program enrollment period ended June 1, 2024. Income tax credits are available for up to 10 consecutive years and are funded through the MJM tax credit reserve fund. The BRFA of 2026 limited the total amount of final tax credit certificates Commerce may issue for fiscal 2027 to \$15.0 million, to be allocated among qualified business entities on a *pro rata* basis.

Enterprise Zone Program

The State's enterprise zone program offers income and property tax credits to businesses located within designated enterprise zones to encourage commercial development in economically distressed areas of the State. **Chapter 592 of 2026** allowed for the automatic designation of certain transit-oriented developments as enterprise zones, at the discretion of the applicable local government or multicounty agency and notwithstanding existing limitations on the number of enterprise zones the Secretary of Commerce may designate annually.

Sales Tax

Cannabis

Chapter 26 of 2022 and the passage of the associated voter referendum authorized an individual who is at least age 21 years of age to use or possess cannabis in the State beginning July 1, 2023, contingent on legislation regarding the use, distribution, possession, regulation, and taxation of cannabis. **Chapters 254 and 255 of 2023** implemented a regulatory framework for the

cannabis industry and established a State sales and use tax rate of 9% that applies to the sale of adult-use cannabis. The tax does not apply to the sale of medical cannabis and sales between licensed cannabis establishments.

Chapters 254 and 255 also required the Comptroller to distribute the sales and use tax collected from cannabis sales as follows: (1) to the Cannabis Regulation and Enforcement Fund, an amount necessary to defray operating costs of the Maryland Cannabis Administration; (2) 35% to the Community Reinvestment and Repair Fund for fiscal 2024 through 2033; (3) 5% of the revenue collected in each county to the county, which must pay to a municipality located in the county 50% of its share that is attributable to the sales and use tax revenue generated by a dispensary located in that municipality; (4) 5% to the Cannabis Public Health Fund; (5) 5% to the Cannabis Business Assistance Fund for fiscal 2024 through 2028; and (6) any remaining balance to the general fund.

The BRFA of 2025 increased the sales and use tax rate for cannabis beginning in fiscal 2026 from 9% to 12% and distributed the revenue attributable to the higher rate to the general fund.

Data and Information Technology

The BRFA of 2025 expanded the definition of taxable services under the State sales and use tax to include data or information technology (IT) services described under North American Industrial Classification System sectors 5132, 518, 519, and 5415. The BRFA imposed a 3.0% sales and use tax on these services and distributed the revenue to the general fund. The Act also exempted from the tax the sale of cloud computing services to a qualified cybersecurity business and sales to or by a qualified company in an emerging technology development area, which encompasses quantum computing research and development at the University of Maryland, College Park Campus.

Chapters 351 and 352 of 2026, among other things, exempted from the sales and use tax certain sales of data and IT services, software publishing services, digital codes, and digital products if both the vendor and the buyer are members of the same affiliated group within the meaning of § 1504 of the Internal Revenue Code.

Home Amenity Rental Tax

Chapter 805 of 2023 imposed the State sales and use tax on specified home amenity rental transactions facilitated by a home amenity rental intermediary or platform and required the intermediary or platform to collect and remit the tax.

Exemptions

Aircraft Parts and Equipment

Chapters 957 and 958 of 2024 extended, from June 30, 2025 to June 30, 2030, the termination date of a sales and use tax exemption for the sale of specified aircraft parts and equipment.

Advertising Material/Computer Software/Snack Foods

The BRFA of 2025 repealed State sales and use tax exemptions for sales of photographic and artistic material used in advertising, custom computer software, and specified snack food sold through a vending machine.

Construction Materials

Chapters 17 and 18 of 2023 extended, from June 30, 2026, to June 30, 2036, the termination date of a sales and use tax exemption for the sale of construction materials and warehousing equipment purchased by a person solely for use in a specified target redevelopment area in Baltimore County.

Chapter 410 of 2024 extended, from January 1, 2026, to January 1, 2029, a sales and use tax exemption for specified construction materials purchased for use in the construction or redevelopment of the Pimlico racing facility.

Chapter 731 of 2026 provided a State sales and tax exemption over a 10-year period for the sale of construction materials or warehousing equipment purchased by a person solely for use in a target redevelopment area in Washington County.

School Book Fairs

Chapters 185 and 186 of 2026 extended an exemption from the State sales and use tax to sales made at an in-person elementary or secondary school book fair conducted in partnership with a third-party vendor.

Nonprofit and Veterans Organizations

Chapter 791 of 2024 exempted from the sales and use tax sales made by specified nonprofit organizations that maintain a memorial on property that is owned by the State if the proceeds of the sale are used to maintain a memorial on State-owned property.

Chapters 257 and 258 of 2025, among other things, expanded the State sales and use tax exemptions for sales to military veterans organizations and sales of food or meals served by military veterans organizations to include nationally organized and recognized veterans organizations of the commission corps of the Public Health Service and the National Oceanic and Atmospheric Administration.

Miscellaneous Taxes

Transportation Taxes

Subject to specified exemptions, the vehicle excise tax is imposed for each original and subsequent certificate of title issued in the State for a motor vehicle, a trailer, a semitrailer, a moped, a motor scooter, or an off-highway recreational vehicle and for specified vehicles in interstate operation that are registered without a certificate of title. The BRFA of 2025 increased the vehicle excise tax rate from 6.0% to 6.5% of the fair market value of a vehicle that is not a rental vehicle beginning July 1, 2025. The BRFA of 2025 also repealed the exemption for short-term rental vehicles from the vehicle excise tax and imposed an excise tax rate of 3.5% of the fair market value of a short-term rental vehicle beginning July 1, 2025.

Tobacco and Electronic Smoking Device Taxes

The BRFA of 2024 (**Ch. 717**) altered the taxes on cigarettes, other tobacco products (OTP), and electronic smoking devices (ESD). The Act (1) increased the tobacco tax rate from \$3.75 per pack to \$5.00 per pack of 20 cigarettes; (2) increased from 17.5 cents to 25.0 cents the tax rate for each cigarette in a package of more than 20 cigarettes; and (3) increased the OTP tax rate for all products other than pipe tobacco and cigars from 53% to 60% of the wholesale price. In addition, the Act increased the sales tax on ESD from 12% to 20%. Revenues attributable to the increased tax rates are distributed to the Blueprint for Maryland's Future Fund.

Death Taxes

Inheritance Tax

The Maryland inheritance tax is imposed on the privilege of receiving property that has a taxable *situs* (*i.e.*, location, for legal purposes) in the State and passes from a decedent (*i.e.*, a deceased individual) to a collateral beneficiary (*i.e.*, a person other than a lineal relative or sibling of the decedent). **Chapters 503 and 504 of 2026** established that, for the purposes of the inheritance tax, the *situs* of intangible personal property is the domicile of the decedent. The Acts correspondingly repealed an exemption from the inheritance tax for the receipt of personal property, other than tangible personal property, that passes from a nonresident decedent under certain circumstances.

Estate Tax

Chapters 713 and 714 of 2023 altered the period of time within which a person is required to file a Maryland estate tax return for the purpose of allowing a surviving spouse to take into account the deceased spouse's unused exclusion amount consistent with the time for making a federal election. The Acts applied retroactively to decedents who died on or after January 1, 2019.

Chapter 551 of 2026 authorized a qualified recipient, within the meaning of the Maryland estate tax exclusion for qualified agricultural property, to transfer legal ownership of qualified

agricultural property to a limited liability company (LLC) without estate tax recapture if the ownership of the LLC consists only of qualified recipients and the qualified agricultural property is used for farming purposes for at least 10 years after the decedent's death.

Digital Advertising Gross Revenues

Chapters 677 and 678 of 2025 established an appeals process for persons who are subject to the digital advertising gross revenues (DAGR) tax and receive a notice of assessment from the Comptroller, thereby making the administration and appeals process for assessments of the DAGR tax made after December 31, 2025, the same as for other taxes collected by the Comptroller.

The BRFA of 2026 altered the annual interest rate paid for DAGR tax refunds resulting from a final decision that the tax is unconstitutional by requiring the Comptroller to use an annual interest rate equal to the average prime rate of interest during the 12 months preceding the month in which a final decision is rendered in the case.

Tax Administration and Collection

Chapters 443 and 444 of 2023 established a Taxpayer Advocate Division in the Comptroller's Office. Among other duties, the division is responsible for assisting taxpayers and their representatives to ensure that taxpayers and their representatives understand and utilize the policies, processes, and procedures available for the resolution of problems related to tax programs and debt collection programs administered by the Comptroller.

Chapter 728 of 2024 authorized the disclosure of tax information to a person, governmental entity, or tax compliance organization for the purpose of assisting the Comptroller in tax compliance activity, and requires parties to whom confidential tax information is to be disclosed to enter into a binding written data use agreement.

Chapters 729 and 730 of 2024 generally required the electronic filing of specified fee and tax returns as follows: (1) for periods beginning after December 31, 2026, tire recycling fee returns, bay restoration fee returns, admissions and amusement tax returns, alcoholic beverage tax returns, DAGR tax returns, motor fuel tax returns, sales and use tax returns, and tobacco tax returns; (2) beginning in tax year 2027, income tax withholding returns, income tax returns for pass-through entities, and income tax returns for corporations with at least 15 employees; and (3) beginning in tax year 2030, individual income tax returns, subject to specified exceptions.

Chapters 731 and 732 of 2024 addressed tax return preparer fraud by improving coordination between the Comptroller's Office and the State Board of Individual Tax Preparers, expanding the enforcement powers of the Field Enforcement Bureau, and authorizing the Comptroller's Office to pursue financial penalties against individuals engaging in unauthorized tax preparation services. The Acts required the State Board of Individual Tax Preparers, by January 1, 2026, to publish on its website a code of ethics and rules of professional conduct for engaging in the practice of individual tax preparation. The Acts also required the Comptroller's Office to notify the board after prohibiting an income tax return preparer from submitting income tax returns electronically. Lastly, the Acts prohibited an income tax preparer from willfully

preparing, assisting in preparing, or causing the preparation of an income tax return or claim for refund without being properly licensed or registered to provide income tax preparation services in the State.

Recordation and Transfer Taxes

Chapter 800 of 2023 increased the exemption threshold for certain indemnity mortgage transactions from \$3.0 million to \$12.5 million.

Miscellaneous Local Taxes

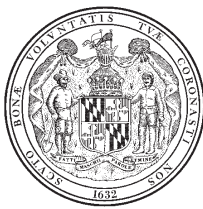
Chapter 805 of 2023 authorized counties to impose, by resolution, a home amenity rental tax, subject to certain limitations. The Act also authorized municipalities to impose, by ordinance or resolution, a home amenity rental tax not exceeding 1%. A municipality may not impose a home amenity rental tax if the municipality is located in a county that does not impose a home amenity rental tax.

Chapters 239 and 240 of 2024 authorized Baltimore City, counties, and municipalities in the State to (1) designate specified tourism zones; (2) exempt the gross receipts from any admissions or amusement charge levied by a qualifying tourism enterprise in a tourism zone from admissions and amusement taxes; and (3) grant property tax credits against county and municipal real and personal property taxes to qualifying tourism enterprises located in a tourism zone.

Chapter 894 of 2024 increased, from 5% to 6%, the maximum hotel rental tax rate that code counties on the Eastern Shore (Caroline, Kent, Queen Anne's, and Worcester) may impose.

Chapter 638 of 2025 established a centralized method of collecting local hotel rental taxes from accommodations intermediaries by requiring these entities to remit the tax to the Comptroller. This requirement applies to accommodations intermediaries with at least (1) \$100,000 in booking transactions or sales or (2) 200 or more booking transactions or sales. The BRFA of 2026 delayed the implementation of *Chapter 638* by one year until July 1, 2028.

Chapters 590 and 591 of 2026 prohibited a county or municipality from collecting development impact fees or excise taxes imposed on a residential real estate project, including a mixed-use development that includes residential units, until after construction is complete and all requirements for a certificate of occupancy, occupancy permit, or other equivalent have been met, subject to certain limitations. The Acts authorized denial, withholding, or revocation of a certificate, permit, or an equivalent if the fee or tax is not paid within a reasonable time period. A development impact fee or excise tax may be collected as a precondition to conducting a final inspection, but not more than 30 days before the date of the inspection.



Part C

State Government

C

State Agencies, Offices, and Officials/Regulations

State Officials

Salaries and Benefits of Governor and Constitutional Officers

The Governor's Salary Commission was established by a 1976 constitutional amendment to create a salary setting mechanism for the Governor and Lieutenant Governor. In 1981, the Governor's Salary Commission began making recommendations, per the Governor's request, on salaries for four constitutional officers: the State Treasurer; Comptroller of the Treasury; Attorney General; and Secretary of State. The commission most recently submitted recommendations for the Governor, Lieutenant Governor, and constitutional officers in its January 2026 report.

Joint Resolutions 1 and 3 of 2026 implemented the recommendations of the January 2026 report of the Governor's Salary Commission by increasing the salaries for the Governor and Lieutenant Governor for the next four-year term, effective January 20, 2027. The salaries increase in the second and fourth year of their term; under the joint resolutions, the salaries range from \$195,000 to \$210,000 for the Governor and \$175,000 to \$185,000 for the Lieutenant Governor.

Additionally, *Chapters 561 and 562 of 2026* implemented the recommendations of the January 2026 report by increasing the salaries of the State Treasurer, Comptroller, Attorney General, and Secretary of State for the next four-year term. The salaries increase in the second and fourth year of their term; under the Acts, the salaries of the State Treasurer, Comptroller, and Attorney General range from \$175,000 in 2027 to \$185,000 in 2030, and the salary of the Secretary of State ranges from \$120,000 in 2027 to \$128,000 in 2030.

State Agencies, Offices, and Programs

During the 2023-2026 term, the General Assembly created new State agencies, restructured existing State agencies, and created or altered other offices, programs, and units within State government.

Department of Social and Economic Mobility

Chapter 605 of 2025 established the Department of Social and Economic Mobility (DoSEM) as a principal department in the Executive Branch. DoSEM consists of three units that correspond to the three offices transferred to the new department: the Office of Minority Business Enterprises (OMBE) from the Maryland Department of Transportation; the Governor's Office of Small, Minority, and Women Business Affairs (GOSBA); and the Office of Social Equity (OSE) from the Maryland Cannabis Administration.

The purposes of DoSEM include (1) providing support for units of State government, individuals, and businesses for the maintenance of social equity policies in the State; (2) monitoring trends in social equity programs and policies across the nation; (3) proposing new and innovative approaches to social equity programs; (4) compiling and producing reports and recommendations related to social equity; (5) ensuring the fulfillment of the roles and responsibilities of the entities and social equity programs in the State for which it is the successor; (6) tracking the performance of social equity programs and small or disadvantaged business assistance programs; (7) promoting and encouraging full participation in the regulated cannabis industry by individuals from communities that have previously been disproportionately impacted by the war on drugs, as specified; (8) supporting small or disadvantaged businesses in the State through all duties assigned to GOSBA; and (9) carrying out OMBE's duties, including duties assigned to support small or disadvantaged businesses.

Chapter 605 also created the DoSEM Special Fund to pay the costs of the operation of OSE and OMBE in the department. The Governor must include in the annual budget bill an appropriation from the Transportation Trust Fund to the fund equal to the amount needed to cover OMBE's operating and administrative expenses. In addition, revenues collected from the sales and use tax imposed on the sale of adult-use cannabis must be deposited into the fund in an amount necessary to cover OSE's operating and administrative expenses.

Office of the Correctional Ombudsman

Chapter 836 of 2024 established the Office of the Correctional Ombudsman (OCO) as an independent unit of State government and moved the Juvenile Justice Monitoring Unit from the Office of the Attorney General (OAG) to OCO. The Act also established a Correctional Ombudsman Advisory Board to provide information to OCO and assist the office in identifying appropriate matters to investigate.

In response to a complaint or on the Correctional Ombudsman's initiative, OCO is required to investigate, conduct independent reviews and assessments, inspect facilities, and conduct other information gathering in an effort to resolve complaints against a correctional agency. OCO is also

required to maintain a website with specified information. The Act set forth certain procedures for investigating complaints and authorized OCO to interview certain persons, access certain records, and subpoena an individual to appear to give testimony or produce evidence that is reasonably necessary to carry out OCO's duties. The Act also prohibited certain personnel actions taken as a reprisal against certain employees disclosing information to OCO.

The Governor's Office for Children

Chapter 408 of 2024 codified the Governor's Office for Children (GOC). GOC was established by an executive order in 2005 to provide a coordinated, comprehensive interagency approach to the development of a continuum of care that is family- and child-oriented and emphasizes prevention, early intervention, and community-based services for all children and families, with special attention to at-risk populations. The Act required the Special Secretary of GOC to establish an Engaging Neighborhoods, Organizations, Unions, Governments, and Households (ENOUGH) Grant Program.

The Act also established an ENOUGH Grant Fund to increase community health and safety, provide access to high-quality education, connect residents to quality jobs, enable family-sustaining income, provide access to affordable housing, provide high-quality support for child welfare, connect individuals to State programs, and leverage federal, local, and private funding for eligible neighborhoods.

Department of Budget and Management

Chapters 364 and 365 of 2026 established an Audit and Finance Compliance Unit (AFCU) in the Department of Budget and Management (DBM) to monitor the efforts of Executive Branch agencies to correct audit findings reported by the Office of Legislative Audits. AFCU is required to assist agencies in resolving audit findings by providing objective assessment of corrective actions and monitoring progress in implementing the corrective action.

In addition, the Acts required AFCU to establish a specialized team to provide direct assistance to agencies with at least four repeat audit findings or unsatisfactory audits. Each year, AFCU must submit a report to the Joint Audit and Evaluation Committee on all audit findings for Executive Branch departmental units under examination. *Chapters 364 and 365* also authorized certain members of the General Assembly and State officials to view unredacted cybersecurity findings in an audit of a State or local agency.

Office of the Chief Medical Examiner

Chapter 268 of 2023 established the Office of the Chief Medical Examiner (OCME) as a unit within the Maryland Department of Health (MDH) to advance forensic science through medical education and research and carry out any other duty established in law. The State Postmortem Examiners Commission was also redesignated to be the Postmortem Examiners Advisory Committee, which is required to advise the Secretary of Health and OCME on the implementation of the Postmortem Examiners Commission Subtitle and OCME's duties.

Sustainable Growth Subcabinet

Chapters 91 and 92 of 2024 modified provisions governing the Smart Growth Subcabinet, including renaming the subcabinet as the Sustainable Growth Subcabinet. The Acts also repealed the Office of Smart Growth and transferred the powers and duties of the office to the subcabinet. In addition, the Acts modified existing duties of the subcabinet by replacing “smart growth” with “equitable and resilient growth” as one of the areas covered, along with development, neighborhood vitality, and resource management, in subcabinet discussions of local government issues, and added a requirement that the subcabinet work together to create, enhance, support, and revitalize equitable and sustainable communities across the State.

Maryland Department of Planning – Modernization

Chapters 61 and 62 of 2025 made various changes to State law that relate to the duties of the Maryland Department of Planning. More specifically, the Acts made changes to State law relating to (1) election precinct boundary data; (2) county water supply, sewerage, and solid waste disposal plans; (3) population projections; (4) real property information; (5) obsolete reporting requirements; (6) capital facilities planning information and access; (7) authorized funding for regional planning projects; and (8) geographic classification standards.

Nonprofit Organizations Navigator

Chapters 314 and 315 of 2025 established a nonprofit organizations navigator within the Department of Commerce to (1) provide technical assistance to nonprofit organizations in applying for State grant programs; (2) work with nonprofit organizations and units of State government to resolve procedural complexities and delays in State grant making processes; and (3) collect and share information on opportunities for federal, State, and local grants with nonprofit organizations. The Acts terminate June 30, 2027.

Maryland Corps Program

Chapter 99 of 2023 repealed and reestablished the Department of Service and Civic Innovation (DSCI) and statutorily transferred both the Governor’s Office on Service and Volunteerism and the Maryland Corps Program to DSCI. Within the Maryland Corps Program, the Act created two pathways and related special funds for service placements for eligible youth and young adults.

Chapters 93 and 94 of 2025 (1) altered provisions regarding the eligibility requirements and the reimbursement of Maryland Corps participants; (2) expanded DSCI’s flexibility in using Maryland Corps funds; (3) repealed the obsolete Executive Fellows Program within DSCI; and (4) made other clarifying and conforming changes to DSCI’s statutory authority and responsibilities.

Governor’s Office of the Deaf, Deafblind, and Hard of Hearing

Chapter 655 of 2026 renamed the Governor’s Office of the Deaf and Hard of Hearing to be the Governor’s Office of the Deaf, Deafblind, and Hard of Hearing. The Maryland Advisory Council on the Deaf and Hard of Hearing was renamed to be the Maryland Advisory Council on the Deaf, Deafblind, and Hard of Hearing, and its membership was expanded to include the Secretary of Disabilities or a designee from the Department of Disabilities.

State Facilities

Chapters 117 and 118 of 2023 established specified notice, public hearing, and reporting requirements when a principal department seeks to close a State facility. The Acts also modified existing notice and public hearing requirements that generally must be followed when a principal department seeks to (1) change the use, purpose, or function of a State facility; (2) lease or purchase property for the purpose of providing health, juvenile, or correctional services to clients or inmates; or (3) recommence operations of a State facility.

Permits and Licenses

Transparent Government Act of 2024

Several principal departments and independent units of State government administer and oversee the issuance of permits, licenses, and certificates for various purposes. *Chapters 412 and 413 of 2024* required each principal department and independent unit of State government to create a catalog containing specified information of each type of permit, license, or certificate that it issues and submit the catalog to the Governor. By December 1, 2024, each principal department and independent unit, to the extent practicable, was required to post on its website an interim description of the application process for each permit, license, or certificate it issues, including specified information, and a completed update of this information must be posted annually.

The Acts also established the Government Efficiency Commission, staffed by the Office of the Governor, to enhance government efficiency and economic competitiveness by monitoring efficiency in the processing of permits, licenses, and certificates. Each year, the commission is required to submit a report on its findings and recommendations to the Governor and the General Assembly.

Maryland Sign Language Interpreters

Chapters 269 and 270 of 2023 established a new regulatory framework for the licensure of individuals who provide sign language interpretation services in the State. The Acts established the State Board of Sign Language Interpreters in the Office of the Deaf and Hard of Hearing. Principal among its duties, the board must license qualified individuals to provide sign language interpretation services and set reasonable fees for the issuance and renewal of licenses. The Acts required the board to establish and publish licensing requirements by July 1, 2024, and beginning January 1, 2025, required an individual to be licensed by the board before providing sign language interpretation services in the State. Additionally, the Acts established the Sign Language

Interpreters Fund to collect associated revenues and pay for the board's costs. Subject to the evaluation and reestablishment provisions of the Maryland Program Evaluation Act, the board terminates July 1, 2033.

Chapters 269 and 270 also specified prohibited actions for individuals and licensees, subject to specified enforcement actions by the board or a court of competent jurisdiction. The board may use a restorative justice program in lieu of taking final action on a complaint against a licensee. An individual who violates any provision of Title 9, Subtitle 24, Part III (Sign Language Interpreters) of the State Government Article is guilty of a misdemeanor.

Chapters 195 and 196 of 2026 altered the membership of the State Board of Sign Language Interpreters and required the board to consult with specified stakeholders and submit a report to the Governor and specified committees of the General Assembly at least 60 days before adopting regulations regarding specialist areas.

Chapters 195 and 196 also delayed the requirement for the board to establish and publish licensing requirements for sign language interpreting in all settings from July 1, 2024, to July 1, 2027, and delayed the date, from January 1, 2025, to January 1, 2028, by which an individual must be licensed by the board before providing sign language interpretation services in the State. Beginning July 1, 2028, an individual who provides sign language interpretation services in an educational setting must meet licensure requirements. In addition, the Acts altered submission requirements for applicants for licensure and required the board to grant a waiver to certain applicants licensed to provide sign language interpretation services in another state.

Open Meetings Act

Under the Open Meetings Act (OMA), with limited exceptions, a public body must (1) meet in open session in locations reasonably accessible to potential attendees and (2) provide reasonable advance notice of the time and location of meetings, including, when appropriate, whether any portion of a meeting will be conducted in closed session.

Chapters 149 and 150 of 2023 made the State Ethics Commission (SEC) subject to enhanced requirements under the OMA. The Department of Information Technology is required to provide the technical staff, support, and equipment necessary to livestream the open meetings of SEC.

Chapters 147 and 148 of 2023 required the Board of Public Works (BPW), for each meeting of the board held on or after October 1, 2024, to allow members of the public to electronically submit comments on agenda items, including any updates to the agenda of the board.

Public Information Act

The Maryland Public Information Act (PIA) establishes that all persons are entitled to have access to information about the affairs of government and the official acts of public officials and employees. The Public Information Act Compliance Board (PIACB) resolves certain types of

PIA complaints. The board is required to issue a written decision and that decision is subject to judicial review in circuit court.

Chapter 156 of 2023 (1) authorized an applicant to appeal a decision by PIACB and (2) specified that for certain complaints involving allegations that an applicant's request or pattern of requests is frivolous, vexatious, or in bad faith, an appeal must be filed in the circuit court for the county where the applicant resides or has a principal place of business. The Act also authorized a party who is aggrieved by a final judgement of a circuit court in a proceeding for judicial review of a decision issued by PIACB to appeal to the Appellate Court of Maryland.

Federal Immigration Enforcement and Data Privacy

While immigration is controlled by federal law, the U.S. Immigration, Customs, and Enforcement Division (ICE) and Department of Homeland Security have initiated numerous programs that involve state and local law enforcement agencies as allies and additional resources. Federal law does not mandate that state and local law enforcement agencies become involved in immigration efforts. However, federal law does prohibit a state or local government from prohibiting or in any way restricting any government entity or official from sending to or receiving from ICE information regarding the citizenship or immigration status, lawful or unlawful, of any individual. It also prohibits restrictions on any of the following with respect to information regarding the immigration status, lawful or unlawful, of any individual (1) sending such information to, or requesting or receiving such information from, ICE; (2) maintaining such information; or (3) exchanging such information with any other federal, state, or local government authority.

Chapter 18 of the 2021 special session modified the PIA to require an officer, an employee, an agent, or a contractor of the State or a political subdivision to deny inspection of specified records, and deny inspection using facial recognition searches, by any federal agency seeking access for the purpose of enforcing federal immigration law unless provided with a valid warrant. In addition, a person who receives specified personal information under the PIA may not disclose the information to a federal agent or federal agency for the purpose of federal immigration enforcement unless presented with a valid warrant.

Chapter 718 of 2025 required certain State entities operating at sensitive locations to deny access to the nonpublic portion of the sensitive location to an individual seeking to enforce federal immigration law unless the individual presents a valid federal warrant or exigent circumstances exist. The Act also required the Attorney General to develop guidance relating to immigration enforcement at sensitive locations and requires public schools, public libraries, and State and local governments that operate at a sensitive location to implement a policy that is consistent with the guidance issued by the Attorney General.

Additionally, **Chapter 718** required State and local governments to develop procedures that prevent sale or redisclosure of personal records and geolocation data made available by the governmental entity in a way that harms the privacy of residents of the State. The procedures must consider possible contractual limitations that an entity may place on persons who receive the data,

the threat to privacy posed by data brokers, the way in which the data may be used for purposes other than those it was created for, and discouraging the development of a secondary commercial market for the data.

Equal Access to Public Services

Chapter 656 of 2024 required the principal departments of the Executive Branch, by July 1, 2025, to fully implement provisions that require the departments to take certain reasonable steps to provide equal access to public services for individuals with limited English proficiency (LEP). More specifically, the principal departments must provide oral language services for individuals with LEP and must translate vital documents ordinarily provided to the public into any language by an LEP population that constitutes 3% or more of the general population in a geographic served by a local office of a State program.

Chapter 434 of 2025 expanded on the requirements of *Chapter 656* and required the Governor's Office of Immigrant Affairs and the Department of Disabilities to convene a Maryland Language Advisory Group. Among other requirements, certain State entities must develop a language access plan and take reasonable steps to provide equal access to public services for individuals who need language assistance, including any oral, written, and sign language services. State entities identified by the Act must update the language access plan every two years.

Attorney General

Environmental and Natural Resources Crimes Unit

Chapters 689 and 690 of 2023 established the Environmental and Natural Resources Crimes Unit in OAG to (1) investigate and prosecute cases against persons that violate State criminal environmental and natural resources laws and (2) investigate and prosecute any other criminal offense discovered in the course of an investigation.

Health Care Fraud Investigations

The OAG Medicaid Fraud and Vulnerable Victims Unit (1) investigates and prosecutes fraud by Medicaid health care providers and in the administration of the Medicaid program; (2) investigates and prosecutes crimes involving the abuse or neglect of vulnerable adults in the State; and (3) addresses the opioid crisis by investigating the diversion of pharmaceuticals and the inappropriate dispensing of opioids. *Chapter 140 of 2024* authorized the Attorney General, a deputy Attorney General, or an assistant Attorney General designated by the Attorney General to issue a subpoena for the limited purpose of furthering an ongoing health care fraud investigation.

Chapter 141 of 2024 authorized the Attorney General to seek injunctive relief on behalf of the State on the basis of an imminent or ongoing violation of a specified basic right of residents of a facility or assisted living program. The Attorney General may not duplicate corrective action imposed by MDH for the same violation.

Francis Scott Key Bridge Collapse

On March 26, 2024, the cargo ship Dali struck the Francis Scott Key Bridge, causing its collapse and resulting in the death of six men and the injuries of two other individuals. The resulting wreckage from the collision fell into the Patapsco River, blocking the Fort McHenry Channel and interrupting all commercial vessel traffic into or out of the Port of Baltimore.

Chapters 2 and 3 of 2024 (“Maryland Protecting Opportunities and Regional Trade Act”) were enacted in response to the March 2024 collapse of the Francis Scott Key Bridge. Among other things, *Chapters 2 and 3* required the Attorney General to pursue all available options, including filing actions against the applicable parties, to recover for the State all possible economic damages arising from the collapse of the bridge and related closure of the Port of Baltimore, and to submit monthly status reports to the General Assembly.

On September 24, 2024, the Attorney General, on behalf of the State and all its agencies, filed a lawsuit against the owner and operator of the Dali, Grace Ocean Private Limited and Synergy Marine Pte Ltd., for causing the collision. On May 12, 2026, the State reached a final settlement of \$2.25 billion, resolving the State’s claims against those parties.

Chapter 98 of 2025 reduced, from monthly to every six months, the frequency by which the Attorney General must report to the General Assembly on the status of pursuing and recovering economic damages arising from the closure of the Port of Baltimore and the collapse of the Francis Scott Key Bridge. The State is still pursuing claims against the Dali’s shipbuilder, Hyundai Heavy Industries.

Federal Employee Protections

The Catastrophic Event Account, which is within the State Reserve Fund and administered by DBM, enables the State or a local government to respond quickly to a natural disaster or catastrophe that could not be addressed within existing State appropriations. The Federal Government Shutdown Employee Assistance Loan Fund, administered by the Maryland Department of Labor (MD Labor), is used to provide no-interest loans to federal employees who are (1) required to report to work at a work site located in the State and (2) not being paid because of a full or partial federal government shutdown due to a lapse in appropriations.

Chapters 18 and 19 of 2024 expanded the purposes of the Catastrophic Event Account and the Federal Government Shutdown Employee Assistance Loan Fund so that funds may be used to provide financial assistance to federal noncivilian employees, in addition to federal civilian employees as already authorized, in the event of a full or partial federal government shutdown due to a lapse in appropriations.

Chapter 97 of 2025 further expanded the purposes of the Catastrophic Event Account and the Federal Government Shutdown Employee Assistance Loan Fund (renamed as the Federal Government Employee Assistance Loan Fund, or FGEALF) so that funds may be used to provide financial assistance to former federal employees. Funds in the Catastrophic Event Account and FGEALF may be used to provide financial assistance to former federal employees facing financial

hardship from the closure, relocation, or mass layoff of a unit of the federal government, or other similar circumstances. Accordingly, funds in the Catastrophic Event Account may be used to assist a unit of State or local government in connection with a closure, relocation, or mass layoff of a unit of the federal government.

FGEALF was altered so that it may be used to provide no-interest loans to State residents who in the immediately preceding six months (and on or after January 1, 2025) were terminated from employment by the federal government – due to circumstances beyond the employees’ control – and are experiencing financial hardship as determined by MD Labor. MD Labor was required to conduct research and analysis on foreclosure activity in the State, particularly as it relates to federal workers, and report to the General Assembly by December 31, 2025.

After providing the Legislative Policy Committee with at least seven days to review and comment, the Governor is authorized to transfer up to \$5.0 million from the Revenue Stabilization Account (Rainy Day Fund) to FGEALF and \$1.5 million from the Rainy Day Fund to the expenditure accounts of the Attorney General to fund certain civil or criminal suits or actions, as described below.

Chapter 97 also expanded, under the Maryland Defense Act, the Attorney General’s authority to investigate, commence, and prosecute or defend any civil or criminal suit or action that is based on the federal government’s action or inaction that threatens the public interest and welfare of the residents of the State. More specifically, the authority was extended to protecting State residents who (1) are federal government employees who are not being paid because of a full or partial federal government shutdown due to a lapse in appropriations; (2) were federal employees who, on or after January 1, 2025, were terminated from federal employment due to circumstances beyond the employees’ control or separated from employment by the federal government as a result of a voluntary separation incentive payment; (3) are inappropriately denied federal benefits that they have earned, including Social Security benefits, Medicare, and Veterans Affairs benefits; or (4) are inappropriately denied federal entitlements, including Medicaid.

In addition, **Chapter 97** established the Expedited Hiring Program in DBM for the purpose of hiring former federal employees for vacant skilled and professional service positions in the State Personnel Management System. An eligible applicant is an individual applying for a vacant position in State government who (1) self-certifies (and provides documentation on request) having served in the federal government, as specified, and left federal service after January 15, 2025, and (2) has relevant federal expertise or experience to meet the requirements, based on the position description, for the vacant State position.

Regulation Adoption Procedures

State law specifies the procedures that a unit of State government must follow in adopting regulations. A unit of State government may not adopt a proposed regulation until the proposed regulation has been submitted to the Joint Committee on Administrative, Executive, and Legislative Review (AELR) and the Department of Legislative Services (DLS) for preliminary

review. The Division of State Documents (DSD) is required to make the Code of Maryland Regulations and any other material DSD determines to be in the public interest available to the public at no cost with direct online searching.

Chapters 349 and 350 of 2023 made various changes to the processes and procedures for units of State government to submit regulations to the DSD Administrator, AELR, and DLS. DLS was required to adopt procedures for the required submission of proposed and emergency regulations, work plans, and evaluation reports, and the DSD Administrator must consult with DLS to ensure that the notice of the receipt of proposed and emergency regulations is submitted from the Administrator to AELR and DLS in a timely manner. A promulgating unit must also take certain actions if it wishes to alter the text of a proposed regulation after it has been submitted for review and, depending on whether the change is substantive or nonsubstantive, those actions are different. Additionally, the administrative hold process was altered to require the promulgating unit to provide both written mail and email notice to AELR of the unit's intention to adopt a regulation, and the review period under the hold is extended in some circumstances.

The DSD Administrator was required, by October 1, 2023, to develop and maintain an electronic filing system for use by units of State government, AELR, DLS, and DSD for the submission and tracking of proposed and emergency regulations, as specified. The Acts also specified that DSD must make at least the 15 most recent issues of the *Maryland Register* available on its website.

Executive Nominations

Article II, § 13 of the Maryland Constitution, outlines the procedures and regulations for all civil officers nominated by the Governor and subject to confirmation by the Senate. **Chapter 40 of 2024** established that the Governor, with respect to appointments that require Senate confirmation, must submit a nomination to the Senate to fill the office within 40 days after the start of the regular session of the General Assembly if the term of the office will end during the next upcoming Senate recess. The Act also established conditions for the Governor to submit nominations when the Governor becomes aware that a term of an office will end during the next upcoming Senate recess. However, the Act allows the Governor, subject to specified provisions of the Election Law and Education Articles, to appoint members of the State Board of Elections and the Accountability and Implementation Board during the recess of the Senate regardless of whether the term of office of a member will end during the next upcoming recess.

Law Enforcement

Positive Community Feedback Process

The Maryland Police Training and Standards Commission (MPTSC) is required to establish a Police Complaint Mediation Program to which a law enforcement agency may refer a nonviolent complaint made against a police officer out of a standard process. **Chapters 548 and 549 of 2024** required MPTSC to develop a uniform citizen positive community feedback process to be adopted and followed by each law enforcement agency. The process must be simple

and posted on MPTSC's website and on the website of each law enforcement agency that maintains a website. Each law enforcement agency must maintain a record of positive community feedback for all law enforcement officers within the agency. A record of positive community feedback is not considered a personnel record under the PIA.

Maryland Capitol Police

Chapters 263 and 264 of 2026 altered and expanded the jurisdiction of the Maryland Capitol Police (MCP), within the Department of General Services (DGS), by establishing that DGS has statewide jurisdiction over and full police authority for the enforcement of the criminal laws and the parking and motor vehicle laws as to the operation, maintenance, and protection of (1) State-owned or State-leased buildings and grounds and extending to the surrounding area that encompasses 2,000 feet in any direction from the boundary of those buildings and (2) other public improvements or grounds designated by law or by BPW. If an MCP police officer exercises these powers, notification of the investigation and enforcement must be provided to specified State and local law enforcement agencies. Before an MCP police officer exercises the powers granted under the Acts in Baltimore City, MCP must enter into a memorandum of understanding with the Baltimore City Police Department.

Public Finances

State Disaster Recovery Fund

Chapter 559 of 2025 authorized funds appropriated to the Catastrophic Event Account to be transferred to the State Disaster Recovery Fund (SDRF) within the Maryland Department of Emergency Management if (1) the balance of the fund has been depleted due to use or transfer or (2) the estimated costs for providing adequate disaster relief for a natural disaster or catastrophic situation are in excess of the fund's balance. The Act also reduced, from 15 days to 10 days, the length of the Legislative Policy Committee's review and comment period before the Governor may transfer funds from the Catastrophic Event Account by budget amendment.

Chapter 450 of 2026 authorized the Governor, subject to BPW's approval, to transfer funds from the Rainy Day Fund to SDRF unless the transfer would result in the Rainy Day Fund balance dropping below 5% of the estimated general fund revenues for the fiscal year in which the transfer is made.

Delinquent Federal Funds

Chapter 248 of 2026 enabled the State to reserve jurisdiction with respect to land leased or otherwise held in the State by the United States, or any unit thereof, when the federal government is found not in compliance with court decisions upholding congressionally approved spending. BPW may determine the federal government to be delinquent in federal funds owed to the State in the event of federal noncompliance with court decisions upholding congressionally approved spending and must refer the delinquent federal funds to the Central Collection Unit (CCU) of DBM. CCU, in consultation with the Attorney General, may then (1) collect federal funds owed to the State; (2) place liens on federal property in the State; and (3) direct the

Comptroller to withhold payments to the federal government. The Comptroller may withhold State payments to the federal government for delinquent federal funds referred by CCU.

Military, Veterans, and Foreign Service

Veterans and Military Families

Chapters 11 and 12 of 2024 renamed the Maryland Department of Veterans Affairs (MDVA) to be the Department of Veterans and Military Families (DVMF) and the Secretary of Veterans Affairs to be the Secretary of Veterans and Military Families. The Secretary was required to appoint a Deputy Secretary of Military Family Policy and Programs.

Chapters 9 and 10 of 2024 established the Maryland Commission on Veterans and Military Families to (1) study and make recommendations for developing and implementing a statewide strategic plan to make Maryland the best state for veterans and military families, including legislative and budgetary recommendations; (2) consult with the Office of Military and Federal Affairs and the Maryland Military Installation Council in the Department of Commerce while forming the recommendations; and (3) identify key performance indicators to assess the quality of life for veterans and military families in Maryland relative to other states.

Military Department

The Military Department provides overall direction and maintenance of the Maryland National Guard, which comprises the Maryland Army National Guard and the Maryland Air National Guard. The Maryland National Guard may be called up by the Governor during State emergencies or may be activated by the U.S. Department of Defense. The Adjutant General is the head of the Military Department. The Maryland Defense Force (MDDF) is an all-volunteer force designed to assist the National Guard during stateside emergencies. The Governor is the Commander-in-Chief of MDDF, and MDDF generally cannot be deployed outside the borders of Maryland.

Chapters 96 and 97 of 2026 established that, during State active duty, all members of the Military Department are under the operational command and control of the Adjutant General, or any officer of the National Guard designated by the Adjutant General, whether the Adjutant General or designee is (1) in State active duty or (2) in a federal status in which the Governor is the Commander-in-Chief.

Chapter 481 of 2026 established the National Guard State Active Duty Mobilization Fund as a special, nonlapsing fund administered by the Office of the Adjutant General within the Military Department. The purpose of the fund is to pay for personnel and equipment for State active-duty mobilization of the National Guard, as ordered by the Governor.

Terminology and Benefits

Honorable Discharge Classification: Chapters 270 and 271 of 2025, with respect to any State program of benefits, rights, or privileges applicable to a veteran under Maryland law, altered

the definition of “honorable discharge” to include a discharge that is less than honorable if DVMF determines a discharge should be upgraded based on the criteria established in 38 C.F.R. § 3.12 (“benefit eligibility based on character of discharge”). This section of federal regulation provides for a “compelling circumstances exception” for a less than honorable discharge after an examination of specified factors that may generally mitigate certain forms of misconduct or an absence without official leave.

Uniform Definitions: The General Assembly passed several bills in 2025 and 2026 that generally established uniform definitions related to the military throughout the Annotated Code of Maryland that align with certain definitions in federal law, including “active duty,” “active service member,” “armed forces,” “reserve component,” “service member,” “uniformed services,” and “veteran.” While numerous alterations within the legislation represent only stylistic or technical changes, there are substantive changes. Generally, these changes expanded access to certain privileges, benefits, and programs to all members of the uniformed services, including members of the National Oceanic and Atmospheric Administration and Public Health Service.

Notable changes include:

- **Chapters 253 and 254 of 2025**, definitional changes to provisions related to election law, employment and housing discrimination, hiring preferences for veterans homes, and eligibility for burial in a veterans cemetery;
- **Chapters 255 and 256 of 2025**, definitional changes to provisions relating to education, including teacher licensure, credit that may be applied to licensing requirements for emergency medical services providers, and certain scholarships;
- **Chapters 259 and 260 of 2025**, definitional changes to provisions relating to health and housing, including fees for vital records, services provided by the Developmental Disabilities Administration, expedited health occupations licensure, certification, or registration, disciplinary proceedings, and health care facilities;
- **Chapters 257 and 258 of 2025**, definitional changes to provisions relating to State personnel law and taxes, including reemployment and reinstatement rights, income tax abatement, and property tax relief, starting in certain taxable years;
- **Chapters 5 and 6 of 2025**, definitional changes to provisions relating to employment, insurance, business, and labor provisions, including exemptions from license renewal fees and expedited business licenses, the use of uniformed services identification or pictures of uniformed services members, eligibility under specified loan programs, and certain provisions of the family and medical leave insurance program;
- **Chapters 261 and 262 of 2025**, definitional changes to provisions relating to applying certain judicial, family law, and public safety provisions, including those related to certain

age requirements for employment in a correctional facility, jurisdiction over a child in need of assistance, and court records fees;

- **Chapters 263 and 264 of 2025**, definitional changes to provisions relating to transportation and motor vehicle laws, including special registration plates, license expirations or renewals, and emissions inspection exemptions;
- **Chapters 265 and 266 of 2025**, definitional changes to provisions relating to the free entry to State parks, and hunting and fishing, including certain fishing and hunting license exemptions and the expansion of certain grant programs to additional service members; and
- **Chapter 494 of 2026**, definitional changes to provisions relating to local government personnel, trout stamps, and landlord remedies (under tenant holding over actions).

Expansion of Benefits, Privileges, and Programs: The General Assembly passed several bills from 2023 to 2026 which expanded certain benefits, privileges, and programs to certain members of the military, veterans, and their spouses and dependents.

- **Chapter 494 of 2026**, permitted county and municipalities to extend certain hiring preferences to an eligible spouse, an eligible veteran, the spouse of an eligible veteran who has a service-connected disability, or the surviving spouse of a deceased eligible veteran;
- **Chapters 615 and 616 of 2023**, required MDVA to bury the eligible spouse or eligible dependent (including a child or parent) of a veteran in a State veterans cemetery without charge;
- **Chapter 495 and 496 of 2026**, required DVMF to provide, with each interment location, an outer burial receptacle or columbarium niche and marker at no cost for the veteran or the veteran's eligible spouse or dependent and made definitional changes to "internment" and "internment location;"
- **Chapters 268 of 2025**, expanded eligibility for the Maryland Veterans Service Animal Program to include a spouse or dependent of an eligible veteran;
- **Chapter 269 of 2025**, required the Communications, Outreach, and Advocacy Program to expand certain services to include service members and their families;
- **Chapters 617 and 618 of 2025**, expanded the purpose of the Maryland Veterans Trust to include providing monetary and other assistance to members of the Maryland National Guard and their families, and authorized the Maryland Veterans Trust to expend money from the Maryland Veterans Trust Fund to provide grants or loans to members of the Maryland National Guard and their families;

- **Chapters 26 and 27 of 2024**, added members of the U.S. Space Force to several provisions of State law that refer to members of the U.S. Armed Forces; expanded existing statutory provisions to authorize military spouses and residents of the State who are members of the National Guard of another state or a part of a reserve component of the U.S. Armed Forces to terminate or suspend certain consumer-related contracts when called into military service; and authorized the Governor to award an MDDF commission, appointment, or promotion posthumously; and
- **Chapters 489 and 490 of 2026**, expanded certain educational benefits to veterans who have received an other than dishonorable discharge and to active duty and veterans' spouses; and expanded eligibility for hiring and promotion preferences relating to veterans.

Licensing Portability

Chapters 492 and 493 of 2026 explicitly authorized a member of the Foreign Service or the spouse of a member of the Foreign Service member who relocates to the State due to an assignment or detail to the State and holds certain licenses issued by another state to practice under that license for the duration of the assignment or detail within Maryland if the individual provides specified documentation and satisfies other criteria.

Similarly, **Chapter 694 of 2026** explicitly authorized an active service member or an active service member's spouse who relocates to the State due to orders for service and holds certain licenses issued by another state to practice under that license within Maryland if the individual submits an application including specified documentation and satisfies other criteria. The Act also modified the eligibility requirements for certain expedited licensing procedures for active service members and their spouses.

The licenses affected under the Acts include various professional and medical licenses, depending on the authorized individual. Examples include physician assistants, dentists, architects, barbers and cosmetologists, and teachers.

Reparations

The Governor vetoed **Senate Bill 587 of 2025**, and the General Assembly voted to override the veto. The bill became law as **Chapter 9 of the 2025 special session**, which established the Maryland Reparations Commission to (1) study and make recommendations relating to appropriate benefits to be offered to individuals impacted by historical inequality; (2) submit a preliminary report of its findings and recommendations to the Governor and the General Assembly by January 1, 2027; and (3) submit a final report of its findings and recommendations to the Governor and the General Assembly by November 1, 2027.

Elections

Voting Rights

The federal Voting Rights Act (VRA) enforces the Fourteenth and Fifteenth Amendments to the U.S. Constitution, prohibiting – under Section 2 of the Act – the denial or abridgment of U.S. citizens’ right to vote on account of race, color, or language minority status. Under the text of Section 2, a violation is established if, based on the totality of circumstances, it is shown that the political processes leading to nomination or election in a State or political subdivision are not equally open to participation by members of a class of citizens protected by the prohibition in that its members have less opportunity than other members of the electorate to participate in the political process and to elect representatives of their choice. Several U.S. Supreme Court decisions in recent decades have curtailed the VRA; most recently, in *Louisiana v. Callais* (2026), the court held, in the context of congressional redistricting, that Section 2 imposes liability only when the evidence supports a strong inference that the state intentionally drew its districts to afford minority voters less opportunity because of their race.

Chapter 157 of 2026 established State-level voting rights protections by prohibiting the imposition or application of a method for electing the governing body of a county or municipality in a manner that impairs the ability of members of a protected class (members of a race, color, or language minority group) to elect candidates of the members’ choice, or the members’ ability to influence the outcome of an election, as a result of the dilution or the abridgement of the rights of voters who are members of a protected class.

A violation of the prohibition is established if (1) elections in a county or municipality exhibit polarized voting and (2) the method of election dilutes or abridges the voting strength of members of a protected class to elect a candidate of the members’ choice, or the members’ ability to influence the outcome of an election, as demonstrated by the existence of one or more methods of election that could be constitutionally adopted that would likely mitigate the dilution. The Act defined “polarized voting” as voting in which there is a difference in the choice of candidates or other electoral choices that are preferred by voters in a protected class and in the choice of candidates and electoral choices that are preferred by another class or set of classes.

Chapter 157 authorized the Attorney General and any other person to bring an action – to enforce the prohibition – for injunctive relief, damages, or other relief. If the court finds a violation of the prohibition, it has broad authority to order appropriate remedies tailored to address the violation but may not impose election methods inconsistent with those used in counties in the State without the consent of the relevant jurisdiction.

Separately, Section 203 of the federal VRA requires states and political subdivisions to provide language assistance during elections to a language minority group when the number of citizens of voting age in the language minority group meets certain thresholds (generally, when more than 5%, or more than 10,000, of the citizens of voting age of the state or political subdivision are members of the language minority group and are limited-English proficient) and the illiteracy rate of the citizens in the language minority group is higher than the national illiteracy rate. The

Act requires that any election materials provided in English must also be provided in the minority language.

Chapters 277 and 278 of 2025 established a Language Assistance Program under which the State Board of Elections (SBE) must identify counties with a significant need for language assistance for voters in a language other than English. SBE is required to determine that a significant need for language assistance exists in a county if more than 2%, or more than 4,000, of the citizens of voting age in the county use a single shared language other than English and have limited English proficiency. Local boards of elections in designated counties must provide specified language services in each designated language, including (1) providing voters with the option to communicate with election judges through a translator at early voting centers and Election Day polling places; (2) posting signage notifying voters that language assistance is available; (3) providing translated online voting materials in each designated language; and (4) making reasonable efforts to recruit bilingual election judges.

Redistricting

In November 2025, the Governor established the Governor's Redistricting Advisory Commission to organize public hearings, obtain public feedback, and provide recommendations regarding the State's congressional district maps. The commission met through January 2026, and its work led to the introduction of **House Bill 488 of 2026 (failed)**, which would have (1) enacted a new congressional districting plan (newly defined congressional districts) in statute for the 2026 elections and (2) proposed a constitutional amendment (requiring approval of the voters) to apply the plan to the 2028 and 2030 elections, until redistricting occurred following the 2030 census. The proposed constitutional amendment would have also clarified that standards for legislative districts in Article III, § 4, of the Maryland Constitution apply only to districts used to elect members of the General Assembly (not to congressional districts) and authorized the General Assembly to grant the Supreme Court of Maryland original jurisdiction to review the congressional districting of the State.

Election Officials

During the 2023-2026 term, the General Assembly passed legislation that enhanced protections for election officials, clarified their roles and responsibilities, and established greater accountability at both the State and local levels.

Amid rising threats targeting election officials, staff, and poll workers, **Chapters 20 and 21 of 2024** prohibited a person from knowingly and willfully threatening to harm an election official or their immediate family member because of the official's role in administering the election process. The Acts defined "election official" broadly to include professional staff of the State and local boards of elections as well as election judges and Election Day pages, who are students age 14 or 15.

Chapter 579 of 2024 required (1) SBE to, at least annually, evaluate the performance of the State Administrator of Elections and (2) the State Administrator to, at least annually, provide

a performance evaluation of the election director of each local board of elections, to the local board, including any recommended disciplinary actions for failure to comply with State laws, regulations, and policies.

Chapter 153 of 2023 modified the removal process for the State Administrator by repealing (1) a requirement that a removal be for incompetence, misconduct, or other good cause; (2) a requirement that SBE issue written charges stating the grounds for dismissal, and provide notice and an opportunity to be heard, prior to removal; and (3) an authorization for the State Administrator to continue to serve until a successor is appointed and confirmed by the Senate.

C

Election Judges

Legislation was enacted to improve local boards' ability to recruit and retain election judges. **Chapter 157 of 2023** established minimum compensation levels for election judges. An election judge serving for the first time must be compensated at least \$250 per Election Day or early voting day served, while a returning election judge must receive at least \$100 above the amount paid to first-time election judges. Election judges must receive at least \$50 for completing the required training course. SBE must reimburse each local board \$50 of the additional compensation paid to each returning election judge. **Chapter 157** also required SBE to develop and provide to the local boards a marketing campaign to recruit individuals to serve as election judges.

Chapter 504 of 2024 clarified that a "returning election judge" is one who served during the immediately preceding statewide election. The Act also (1) required SBE to implement the marketing campaign to recruit election judges, instead of SBE providing the marketing campaign to the local boards; (2) required that a county employee serving as an election judge during scheduled work hours receive both administrative leave and election judge compensation; and (3) required SBE to adopt regulations standardizing and minimizing forms required of election judges.

Chapter 390 of 2025 established that a local board is required to pay an election judge for each completed training only after the election judge actually serves on Election Day or an early voting day. The Act also authorized a public school student serving as an election judge to either (1) earn service-learning graduation credit or (2) receive the applicable election judge compensation.

Voting Locations

Although the proportion of voters who use mail-in voting has increased in recent elections, the majority of voters continue to vote in person, either at an early voting center in their county of residence or their assigned polling place on Election Day. **Chapter 221 of 2023** required a local board of elections to provide notice and hold a public meeting before changing a polling place location, with notice provided to individuals and organizations who sign up to receive notices as well as elected officials representing affected voters. **Chapter 221** also required each local board, at least six months before each statewide primary election, to submit a polling place plan to SBE

for approval that included (1) an analysis of how to maximize voter participation in each precinct (a geographic segment of voters assigned to the same polling place) and (2) evidence that the plan complied with requirements (which already existed at the time), relating to the location, environment, and arrangement of a polling place. **Chapter 221** also required that plans that proposed to reduce the number of polling place locations below the 2018 general election level include specified additional information, including an analysis of the impact on the ability of historically disenfranchised communities to cast a ballot.

Chapter 281 of 2025 established greater uniformity in the process for review and approval of early voting centers, polling places, and ballot drop boxes by requiring local boards to submit a consolidated election plan to SBE for approval – at least seven months before each statewide primary election – that includes an early voting center plan, the polling place plan, and a ballot drop box plan. The Act also (1) consolidated analysis of how to maximize voter participation under the broader election plan, requiring that the analysis be conducted with respect to the county as a whole as well as each precinct, and (2) established requirements for early voting center plans and ballot drop box plans that were largely consistent with factors required at the time to be considered, or taken into account, when determining early voting center and ballot drop box locations. The Act also established procedures for public notice and comment when a local board adopts an election plan (prior to submitting the plan to SBE). SBE must approve an election plan if it meets all applicable requirements, has been reviewed by the State Administrator of Elections, and will not negatively affect access to voting for historically disenfranchised communities.

Finally, **Chapter 281** modified the requirement under **Chapter 221** that additional information be included in a polling place plan if it proposed to reduce the number of polling place locations below the 2018 general election level. In place of comparison to the 2018 general election level of polling place locations, the requirement was modified to instead apply if a plan proposes to reduce the number of polling place locations below the level in the first statewide general election after the most recent statewide redistricting based on the census or, if the upcoming election is the first election after statewide redistricting based on the census, the level in the immediately preceding general election.

When selecting an early voting center, local boards of elections must consider, among other factors, its accessibility by public transportation. **Chapters 106 and 107 of 2026** required that if an early voting center is located within one-half mile of a fixed local bus route, each bus on that route must, to the maximum extent practicable, allow passengers to embark and disembark at the entrance of the early voting center on days it is open for voting. The requirement does not apply to express or commuter routes or to routes operated by the Maryland Transit Administration or the Washington Metropolitan Area Transit Authority.

Mail-in Voting

The use of mail-in voting surged during the COVID-19 pandemic in 2020 and has remained well above pre-pandemic levels in subsequent elections. (Mail-in voting and mail-in ballots are predominantly referred to as absentee voting and absentee ballots in statute and legislation;

however, statute requires election officials to use the terms “mail-in voting” and “mail-in ballots” in communications with voters and the general public.)

Legislation in the 2022 session sought to authorize local boards of elections to begin processing absentee ballots eight business days before the start of early voting to allow for more timely processing of the ballots; however, the Governor vetoed the legislation, and SBE subsequently sought (and was granted) emergency authorization from the courts for local boards to conduct early processing of mail-in ballots during the 2022 general election. **Chapters 151 and 152 of 2023** required local boards to begin processing absentee ballots starting on the day that is eight business days before the first day of early voting, unless granted a waiver from the requirement by the State Administrator of Elections. A local board may conduct vote tallying (recording of votes in the voting system) when absentee ballots are processed; however, a local board may not (1) conduct absentee ballot vote tabulation (aggregation of votes to produce vote totals) before the polls open on Election Day or (2) release absentee ballot vote totals before the polls close on Election Day.

Chapters 151 and 152 also:

- established requirements that absentee ballots be sent to voters at least 43 days before an election for requests made at least 60 days before the election and as soon as practicable for later requests;
- established standards for (1) the prompt availability of information to a voter that a local board has received an absentee ballot cast by the voter and (2) local boards’ communication with voters who fail to sign the oath on the absentee ballot envelope to provide them an opportunity to correct the omission; and
- modified provisions governing which ballot is counted if more than one ballot is received from the same individual in an election (e.g., an absentee ballot returned by mail and a provisional ballot cast at a polling place or early voting center), requiring that the first ballot determined to be legally sufficient be counted.

In the context of a pending 2026 U.S. Supreme Court decision (*Watson v. Republican National Committee*) addressing whether votes cast for federal offices, on ballots that are received by election officials after the federal general election day in November, can be counted, **Chapter 440 of 2026**:

- codified, in State law, SBE regulations governing when an absentee ballot is considered timely and may be counted (which allow absentee ballots mailed on or before Election Day to be counted if received by a local board by 10 a.m. on the second Friday after Election Day); and
- provided that, if federal law or a federal court impose timeliness requirements for federal contests that differ from the State timeliness requirements, (1) votes in nonfederal contests

must still be counted on ballots that are returned timely under State law; (2) SBE must adopt specified regulations governing the conduct of the absentee ballot canvass under the differing federal and State timeliness requirements; and (3) SBE must provide specified notice to voters of the federal and State timeliness requirements.

Chapter 440 also required SBE and the local boards to refer to absentee ballots delivered to voters by the Internet as “print-at-home ballots” in communications with voters and the general public.

Voter Registration

Individuals convicted of a felony are disqualified from voter registration and are not eligible to vote during their incarceration. **Chapters 427 and 428 of 2026** required the Department of Public Safety and Correctional Services to electronically transmit, on a monthly basis, information on individuals released from State correctional facilities to SBE for the purpose of restoring the voter registration of those individuals previously registered to vote in the State whose residential addresses remain in the State.

Presidential Electors

Before a presidential general election, each party and petition candidate nominates and certifies presidential electors to SBE. Although electors do not appear on the ballot, votes cast for President and Vice President are counted as votes for the corresponding electors. The electors associated with the candidates receiving the most votes in the State represent the State in the Electoral College and cast its electoral votes. **Chapters 469 and 470 of 2026** (1) required electors to pledge to vote in a manner consistent with their nominating party or candidate; (2) established procedures for appointing substitute electors to fill vacancies; and (3) established that an elector vacates the office if the elector refuses to present a ballot, presents an unmarked ballot, or votes contrary to their pledge.

Election Disinformation and Misinformation

During the 2023-2026 term, the General Assembly addressed concerns about the potential for disinformation (intentionally incorrect or misleading information) and misinformation (other incorrect or misleading information), including content created or manipulated using generative artificial intelligence, to affect elections in the State.

Chapter 126 of 2024 required SBE to maintain a web portal where the public may report election misinformation and disinformation. SBE must periodically review submissions and, to the extent necessary, issue corrective information or refer submissions to the State Prosecutor. The Act defined (1) “election misinformation” as incorrect or misleading information regarding the time, place, or manner of an election, election results, or voting rights in the State and (2) “election disinformation” as any such incorrect or misleading information that is knowingly and deliberately disseminated. **Chapter 126** also – for purposes of existing provisions that prohibit willfully and knowingly influencing or attempting to influence, through specified improper means, a voter’s decision whether or how to vote – established that “influence” includes the use of pressure,

deception, trickery, or direct or indirect authority to induce action or to change the decision or act of another, regardless of the medium used.

Chapter 444 of 2026 established a criminal prohibition against a person knowingly or with reckless disregard creating, using, or disseminating a “deepfake” to produce specified materially false information relating to an election that results in harm or has the intent to result in harm. The Act defined “deepfake” as an image, an audio recording, or a video recording that has been intentionally created or manipulated with the use of generative artificial intelligence or other digital technology to create a realistic but false depiction of a person that an ordinary person would conclude is an actual visual or audio representation of the person depicted. **Chapter 444** also (1) required the State Administrator of Elections to disseminate accurate information to correct election misinformation or disinformation; (2) authorized the State Administrator to seek an injunction for the removal of election misinformation or disinformation from an online platform; and (3) authorized SBE to file a civil action to recover costs of correcting election misinformation or disinformation.

Petitions and Ballot Questions

Chapter 439 of 2026 required petitions to place a question on the ballot, and ballot questions, to be written in plain language. Specifically, a petition signature page or ballot question must include a brief title describing the topic, goal, or outcome of the ballot question, a plain-language summary of the substantive provisions of the proposal (in the case of a petition) or plain-language condensed statement describing the change in policy to be adopted (in the case of a ballot question), and a brief statement explaining what the practical outcome of each voting choice would be. **Chapter 439** also required SBE and the local boards of elections to post the full text of measures to be voted on at least 90 days before the general election, in a manner widely accessible to the public.

Risk-limiting Audits

SBE and the local boards of elections conduct several procedures to verify and audit election results. **Chapters 320 and 321 of 2025** required SBE, in collaboration with each local board, to conduct a “risk-limiting audit” of at least one statewide contest, and any other contests selected by SBE, following each statewide election. A local board may conduct a risk-limiting audit of a local contest at its discretion, and SBE, in collaboration with the local boards, may conduct a risk-limiting audit following a special general election. The Acts defined “risk-limiting audit” as a postelection audit procedure that employs statistical methods to ensure a large, predetermined minimum chance of requiring a full manual count of voter-verifiable paper records in an audited contest if a full manual count of the voter-verifiable paper records would find a different outcome than the outcome determined by the electronic count. The Acts also (1) modified an existing automated software audit requirement so that it is instead an authorization and (2) repealed a requirement to conduct a specified manual audit following each statewide general election.

Local Boards of Elections

Chapters 303 and 304 of 2025 required each local board of elections to post a meeting agenda and other specified materials, including items to be voted on, on its website at least 48 hours before each board meeting, or as far in advance as practicable if the meeting is held under emergency circumstances. *Chapters 303 and 304* also required each local board to livestream each open meeting (with certain exceptions) and maintain complete, unedited archived video recordings of each meeting for at least five years.

Municipal Elections

State law generally does not apply to municipal elections, with certain exceptions. Municipal elections are generally administered by each municipality in accordance with the law of the municipality. The General Assembly passed several measures to bring greater transparency and support to the conduct of municipal elections.

Chapters 162 and 163 of 2023 required SBE to publish municipal election results on its website.

Chapter 471 of 2026 required each municipality that maintains a website to prominently display on its website information regarding upcoming municipal elections, including election dates and offices to be voted on. Each municipality must also report the date of its next regular election, and offices to be voted on, to SBE, which must publish the information on SBE's website.

Chapters 522 and 523 of 2026 required a municipality to submit to SBE, in advance of each election, specified election information for publication on SBE's website, including (1) at least three months in advance of the candidate filing deadline (for a regular election), candidate qualification requirements; (2) within 10 business days after the candidate filing deadline, a list of qualified candidates; and (3) information on how and where to vote. A municipality conducting elections using ranked-choice voting must also submit its ballot tabulation regulations to SBE for publication on SBE's website.

Chapter 124 of 2025 authorized the State Administrator of Elections to enter into a memorandum of understanding with a municipality to support its elections and lease voting equipment to the municipality. The Act also altered requirements for including municipal offices and questions on the State ballot by (1) changing deadline for a municipality to request inclusion on the State ballot from 18 months before the candidate filing deadline to 9 months and (2) requiring that municipal deadlines and procedures for voter registration and voting align with those used in State and county elections.

Ethics

Financial Disclosures and Conflicts of Interest

The Public Ethics Law is generally administered and implemented by the State Ethics Commission (SEC), with two statutory exceptions. First, the Joint Ethics Committee of the Maryland General Assembly administers and implements provisions related to conflicts of interest as they apply to members of the General Assembly. Second, the Commission on Judicial Disabilities, Judicial Ethics Committee, or another body designated by the Supreme Court of Maryland, administers and implements provisions related to conflicts of interest and financial disclosure as they apply to State officials of the Judicial Branch.

Chapter 300 of 2025 required the Governor, within six months of taking the oath of office, to (1) place all of the Governor’s interests in a blind trust except those exempted by SEC or (2) divest interests that SEC determines may pose a conflict of interest. The Act also required the Governor annually to certify compliance with the Act’s requirements and mandated SEC to adopt regulations that establish standards and requirements for exempting interests from the blind trust requirement. SEC was further required to publish on its website any blind trust agreement, nonparticipation agreement, and supporting documents regarding the Governor’s interests. **Chapter 300** additionally required business entities in which the Governor or specified “restricted individuals” hold interests to disclose those interests to SEC if the business seeks to obtain a State grant, competitive award, or contract. Finally, the Act established a fine for noncompliance by the Governor and penalties for business entities that fail to comply with the disclosure requirements.

Chapters 102 and 103 of 2026 repealed a provision of law requiring the Administrative Office of the Courts (AOC) or another body designated by the Supreme Court of Maryland to send a copy of the financial disclosure statements submitted by judges, candidates for judgeships, or judicial appointees to SEC. The Acts also clarified that:

- AOC is responsible for (1) administering and implementing the financial disclosure provisions of the Public Ethics Law and (2) maintaining financial disclosure statements of State officials and candidates to be State officials of the Judicial Branch and making those statements available for public inspection; and
- the Commission on Judicial Disabilities, the Judicial Ethics Committee, or another body designated by the Supreme Court of Maryland is responsible for administering and implementing the provisions of law regarding conflicts of interest as they apply to State officials or candidates to be State officials of the Judicial Branch.

The Maryland Public Ethics Law requires local boards of education to adopt conflict of interest and financial disclosure provisions for members of the school board that are equivalent to or exceed the State provisions for officials and employees. **Chapter 299 of 2025** required that, by October 1 of each year, school boards in the State, including the Baltimore City Board of School Commissioners, certify to SEC that they are in compliance with these requirements.

Training

SEC is required to provide a training course on the Maryland Public Ethics Laws to certain State officials, public officials, and State employees. **Chapters 73 and 74 of 2025** removed the requirement that the ethics training courses be at least two hours and clarified that the training courses can be provided online or in person. The Acts further clarified that required financial disclosure statements by officials and candidates for office as State officials include the name and address of any source of compensated employment.

Open Meetings Act

The OMA, with limited exceptions, requires a public body to (1) meet in open session in places reasonably accessible to potential attendees and (2) provide reasonable advance notice of the time and location of meetings, including, when appropriate, whether any portion of a meeting will be in closed session.

Certain public bodies are subject to additional requirements under the OMA, including (1) making each open meeting agenda and other specified documents available on the body's website at least 48 hours in advance; (2) offering live video streaming of each portion of a meeting held in open session; and (3) maintaining on its website past meeting minutes for at least five years after the date of the meeting, and a complete and unedited archived video recording of the open meeting for at least one year after the date of the meeting. **Chapters 149 and 150 of 2023** made SEC subject to these enhanced requirements. The Acts also required that the Department of Information Technology provide the technical staff, support, and equipment necessary to livestream open meetings of SEC.

Procurement

Procurement Reform

Comprehensive procurement reform was last implemented in 2017 with the enactment of Chapter 590, which, among other things, centralized the oversight of procurement for most Executive Branch agencies under the Department of General Services (DGS) and created the position of Chief Procurement Officer (CPO) for the Executive Branch. **Chapter 601 of 2025**, the Procurement Reform Act, expanded the responsibilities of the CPO and the Special Secretary for the Office of Small, Minority, and Women Business Affairs (OSBA) to expedite the review and implementation of State contracts. Among the changes, CPO was given authority to approve agencies' use of intergovernmental cooperative purchasing agreements, and oversight over the Employment Works Program was transferred to the Special Secretary from DGS.

The Act authorized primary procurement units to limit or revoke a unit's ability to conduct small procurements if the unit fails to adhere to small procurement regulations. It delegated authority over transportation-related services and supplies, including information technology supplies and services, to the Maryland Department of Transportation (MDOT). The Act required

the Department of Information Technology to establish a technical procurement team, and it also mandated that bidders or offerors provide oral presentations for specified procurements.

Chapter 601 also expanded the Small Business Reserve (SBR) program by requiring that all contracts up to \$1.0 million be set aside for SBR (as opposed to only contracts between \$50,000 and \$500,000). Further, the Act reduced the amount of time within which the State must pay vendors under SBR from 30 days to 15 days after receipt of a proper invoice. The Act revised requirements and procedures for task orders issued under master contracts.

The Act required that specified contracts not categorized as public work contracts use apprentices or interns and established fines for failure to comply. It established a Good Labor Practices evaluation factor to provide an advantage for competitive sealed proposals from businesses that institute good labor practices, as specified, and provided penalties for violations of the provisions.

Lastly, **Chapter 601** modified aspects of the Minority Business Enterprise (MBE) program and created a new Veteran-owned Small Business Enterprise (VSBE) Preference Program for procurements by the Department of Veterans and Military Families and the Military Department. It authorized units to require bidders and offerors to submit workforce diversity plans and supplier diversity plans prior to the award of a contract over specified amounts. It also authorized procurement units to modify the MBE and VSBE participation goals on a contract before or after contract execution, as specified. Additionally, the Act altered the circumstances under which a bidder or offeror may correct a deficiency in its MBE or VSBE participation schedule and outlined procedures for making the correction.

General Administration and Oversight

Procurement Processes and Administration

An agency may make small procurements using simplified administrative procedures in accordance with regulations adopted by primary procurement agencies. **Chapter 161 of 2023** raised the maximum dollar value threshold for most small procurements from \$50,000 to \$100,000. For construction contracts by DGS and MDOT as well as for capital or maintenance contracts by the Department of Natural Resources, the Act increased the small procurement threshold from \$100,000 to \$200,000.

Chapters 395 and 396 of 2026 made various changes to State procurement-related processes and requirements. The Acts required that all procurement contracts include a provision authorizing a contractor to request a contract modification to provide an equitable adjustment to compensate a contractor for increases in cost and time due to changes in State law. The Acts also made changes to procedures and timelines for bid protests and contract claims, including specifying that recovery under a contract claim is not allowed for any expense incurred more than 60 days (instead of 30 days) before the required submission of a notice of a claim or, unless otherwise specified, more than 150 days (instead of 120 days) before the required submission of the claim. The Acts codified existing requirements for procurement units to provide, upon request, debriefings to unsuccessful offerors. Finally, the Acts specified that a prospective bidder or offeror

is not prohibited from submitting a bid or proposal for a procurement solely because it provided information to a procurement unit drafting specifications for a solicitation as long as doing so does not give an unfair competitive advantage to the prospective bidder or offeror.

Chapters 154 and 155 of 2023 established that it is the policy of the State to make payments under specified grant agreements with nonprofit organizations within 37 days of (1) the payment becoming due under the grant agreement or (2) if later, receiving a proper invoice. Interest accrues at the rate of 9% per year on any amount for which a grant-making entity has received and failed to submit a proper invoice to the Comptroller within 30 days of its receipt. However, interest does not begin accruing until the thirty-eighth day after the grantor receives a proper invoice. The Acts do not apply to a unit in the Judicial Branch of State government, to grants funded from general obligation bond proceeds, or from a general fund capital appropriation to the Board of Public Works (BPW).

Chapters 820 and 821 of 2024 authorized the Maryland State Board of Contract Appeals (Appeals Board) to award reasonable attorney's fees to an "interested party" who prevails in appealing a bid protest and altered the conditions under which the Appeals Board may award attorney's fees for a contract claim. For all contract claims (instead of just claims related to construction contracts), the Appeals Board may award the reasonable costs of filing and pursuing a claim, including reasonable attorney's fees, if the board finds that the conduct of the unit in processing the claim is in bad faith, without substantial justification, or in violation of the law.

Source Selection

State procurement law identifies multiple procurement methods available to State procurement officials depending on the nature and circumstances of the procurement. The two most common methods are competitive sealed bids and competitive sealed proposals. Procurement officials generally have the discretion to use the method that best suits the nature and circumstances of the procurement.

Chapter 612 of 2024 established that the competitive sealed proposal procurement method is the preferred method to solicit security services if the contract is expected to have a value greater than \$1.0 million.

Chapter 496 of 2024 authorized "proof of concept" procurements as a formal competitive procurement method used to solicit proposals for the conduct of a proof of concept prior to full implementation. "Proof of concept" means a test, evaluation, or pilot project of a good, service, or technology in a real-world environment to evaluate whether the good, service, or technology can be successfully deployed and is beneficial to the State. Although **Chapter 496** originally established that a proof of concept procurement could be conducted using any source selection method authorized in statute, and required separate procurements for the demonstration phase and implementation phase of a proof of concept procurement, **Chapter 265 of 2026** altered these provisions. It established proof of concept as a distinct source selection method and allowed a unit to award contracts for the full implementation of a good, service, or technology evaluated during the proof of concept phase (*i.e.*, without conducting a separate implementation procurement) if doing so is in the best interest of the State.

Real Estate Acquisitions and Leases

BPW maintains oversight over the State’s acquisition of land and leasing of real property. DGS administers these functions and, unless otherwise specified, must submit contracts or leases to BPW for approval. In addition, for acquisitions of real property with an appraised value of \$500,000 or more, BPW must provide the Legislative Policy Committee (LPC) with specified information about the acquisition prior to BPW approval.

Chapters 75 and 76 of 2025 raised the size limit for real property leases exempt from State procurement law from 2,500 square feet to 5,000 square feet and decreased the number of days that DGS must advertise a need for the State to rent building space from 30 days to 20 days before proposals for a lease are due.

Following an audit that raised concerns about DGS’s management of building leases, **Chapter 368 of 2026** established a Real Estate Advisory Committee in DGS to advise DGS, BPW, and the General Assembly on industry trends, developments and movement in the commercial real estate sector, and best practices for real estate asset management in the State. The committee must conduct an annual review of the State’s long-term real estate plans and goals and report annually on its findings and recommendations. The Act also expanded the information that BPW must provide to LPC on each acquisition or lease in advance of BPW approval.

Liquidated Damages

State procurement contracts are required to include clauses allowing for the payment of liquidated damages as appropriate. **Chapter 206 of 2023** required BPW to publish a model policy concerning the inclusion and use of liquidated damages provisions in procurement contracts and further required each unit of State government (including a unit otherwise exempt from State procurement law) to adopt a written policy substantially similar to the model policy. The Act required that, if a procurement unit decides not to include a liquidated damages provision in a contract, the unit must obtain the approval of the head of the unit. Among other provisions, **Chapters 366 and 367 of 2026** further required that, if a unit decides not to pursue liquidated damages in the event of a breach of contract, it must obtain the approval of the head of the unit and maintain specified documentation related to the decision not to pursue damages. The Acts also required the unit to provide documentation to BPW and the Joint Audit and Evaluation Committee on the rationale for not pursuing liquidated damages.

Procurement Preferences

State law establishes a number of requirements for units of State government to give preference to certain types of entities or products when purchasing goods or services. The State or a State-aided entity must buy supplies and services, if available, from Maryland Correctional Enterprises (MCE), Blind Industries and Services of Maryland, or a community service provider or an individual with disability-owned business under the Employment Works Program (if not required to buy from another unit), in that order of priority. Maryland also has preferences for small, minority-owned, veteran-owned, and disabled veteran-owned businesses as well as for certified local farm enterprises.

Minority Business Enterprise Program

The State's MBE program requires that a statewide goal for MBE contract participation be established biennially; the goal is currently 29%. Based on constitutional requirements, prior to each reauthorization of the State's MBE program, the State conducts a disparity study to determine whether there is continued evidence that MBEs are underutilized in State contracting. The most recent disparity study was completed in September 2025 and identified continued and ongoing disparities in annual wages, business earnings, business ownership rates, and utilization in State contracts for minority- and women-owned businesses when compared to nonminority and male-owned businesses.

Based on the findings of the 2025 disparity study, *Chapter 82 of 2026* extended the termination date for the MBE program by five years to July 1, 2031, and made corresponding adjustments to termination and due dates for MBE contracting requirements and related disparity analyses. The Act also required quarterly reporting for specified procurement preference programs.

Chapters 213 and 214 of 2023 required OSBA to develop a scorecard to evaluate State agencies on their performance toward meeting the State's MBE participation goal and the VSBE goal. The scorecard must include a grading scale developed by OSBA as a weighted system that includes each agency's contribution toward meeting each of the two participation goals. OSBA must publish each agency's grades on its website and, within 30 days, submit the information to the General Assembly.

Preferred Providers

Chapter 578 of 2024 authorized the Pricing and Selection Committee for Preferred Providers to grant a waiver to a State or State-aided or -controlled entity from the statutory requirement to purchase supplies or services first from MCE. The committee may issue a waiver only if (1) MCE's price for the needed supplies or services is at least 10% above market rates for similar supplies and services or (2) the time at which the needed supplies and services would be delivered by MCE does not meet the entity's needs. The Act also required MCE to report annually on the length of time between each order and delivery of supplies and services.

Small Business Preferences

Under the Small Business Preference (SBP) Program, a qualified small business may receive up to a 5% price preference, a veteran-owned small business may receive up to a 7% price preference, and a disabled veteran-owned small business may receive up to an 8% price preference on any contract that is designated as eligible under the program. SBP previously applied only to DGS, MDOT, the University System of Maryland (USM), and Morgan State University (MSU), but *Chapter 653 of 2024* expanded the program to all Executive Branch units and agencies while repealing its application to USM and MSU. The Act required BPW to implement and oversee the program and authorized each procurement unit to designate procurements for SBP with the approval of the head of the unit.

The SBR Program previously required most State agencies to structure their procurements so that at least 15% of the total dollar value of their procurements was made directly to small businesses. Each agency had to prepare an annual forecast of its total procurement spending and develop a plan to allocate at least 15% of its forecasted spending to contracts for small businesses serving as prime contractors. However, an agency could apply toward its total SBR participation goal only payments made under a contract that is designated as an SBR procurement (not all payments to small businesses). **Chapters 582 and 583 of 2024** raised the goal, from 15% to 20% and allowed all contract awards made to small businesses to count toward achievement of the goal.

Other Price Preferences

Chapters 2 and 32 of 2021 established the Certified Local Farm Enterprise Program and office in the Maryland Department of Agriculture (MDA) to encourage State agencies (including public four-year universities) to achieve an overall goal of purchasing 20% of food from certified local farm enterprises. **Chapters 575 and 576 of 2023** expanded the program to include preferences for the purchase of food made from specified invasive species. The Acts added certified Chesapeake invasive species providers to the calculation of the 20% goal as well as to certification requirements and grant-making opportunities.

Chapters 1 and 15 of the 2025 special session required BPW to raise an existing percentage price preference for providers of food from certified local farms bidding on local school food contracts from 5% to 10%. In an effort to connect local food vendors with local school systems, the Acts also required the Maryland State Department of Education (MSDE), in coordination with MDA and DGS, to establish a program focused on that effort, pending available funding. The program required the creation of a centralized platform to facilitate the procurement of food by local school systems and for MSDE to report annually on the procurement of local food.

Chapters 736 and 737 of 2025 authorized the Maryland Stadium Authority, MSU, St. Mary's College of Maryland, and Baltimore City Community College (BCCC) to establish a procurement evaluation factor of up to 10%, subject to approval by BPW, for offerors that use an employee stock ownership plan. The evaluation factor applies to contracts that are less than \$80 million and solicited on or before June 30, 2030.

Contract Provisions and Requirements

State law specifies various provisions that are prohibited from being included in most State procurement contracts. **Chapter 433 of 2024** prohibited, except as required by State or federal law, State contracts from including provisions (1) that require the State to indemnify, defend, or hold harmless another person without an appropriation of State funds for that purpose; (2) by which the State agrees to binding arbitration or certain other dispute resolution processes; (3) that name a jurisdiction or venue other than a court or proper jurisdiction in the State for any action or dispute against the State; (4) that require the State to agree to limit certain liability; (5) that require the State to be bound by a term or condition that is unknown to the State at the time of signing the contract, may be unilaterally changed by the other party, or is electronically accepted by a State employee without authorization; (6) that provide for a person other than the Attorney General

of Maryland to serve as legal counsel for the State except under certain circumstances; (7) that are inconsistent with certain State obligations or are prohibited by certain law; (8) that provide for automatic renewal under certain circumstances; or (9) that limit the State's ability to recover the cost of a replacement contractor. A State contract containing any of these provisions is void and the contract shall be enforceable as if it did not include the provision and shall be governed by State law. The prohibitions on State contract provisions in the Act do not apply to State contracts relating to the purchase, redevelopment, or operation of a certain racing facility or training facility.

Apprenticeship Requirements

Procurements that meet specified criteria require contractors to either participate in an apprenticeship training program, make payments to a registered apprenticeship program or to an organization that operates registered programs, or contribute to the State Apprenticeship Training Fund (SATF). *Chapters 409 and 410 of 2026* required contractors and subcontractors on covered public works projects that are subject to prevailing wage law to use apprentices and journeyworkers for a specified percentage of the work (20% starting in January 2027, and adjusted biennially by the Secretary of Labor beginning in 2029). The Acts apply to public four-year universities and BCCC, which are otherwise exempt from most provisions of State procurement law, and also made changes to authorized sources of funding for and uses of the SATF.

Chapters 532 and 533 of 2026 required that any apprenticeship program that provides apprentices for specified contracts and has graduated at least one apprenticeship cohort must have a completion rate of at least 25%. Contractors that opt to make payments to a registered apprenticeship program in lieu of participating in an apprenticeship program under current law must make the payments to an apprenticeship program that meets the same criteria. The types of contracts subject to the Acts' requirements generally include (1) procurements of \$1.0 million or more that meet criteria established by CPO or Secretary of Information Technology; (2) public work contracts of \$250,000 or more that are subject to prevailing wage rates; (3) public works projects of \$500,000 or more; and (4) capital construction projects that are valued at \$500,000 or more and are funded with at least \$1.0 million from the State capital budget.

Natural Resources, Environment, and Agriculture

Chapters 201 and 202 of 2023 required DGS to establish a maximum acceptable global warming potential for each category of cement or concrete mixture used in the construction of an eligible project, defined as a capital project under the State's High Performance Building Program. "Global warming potential" means the degree that a given mass of a chemical contributes to global warming over a given time period when compared to the same mass of carbon dioxide. The Acts required producers of these materials to submit specified environmental product declarations (EPDs) to DGS for analysis. Beginning July 1, 2026, State agencies must specify in each solicitation for a construction project the cement or concrete mixture that will be used in the project and the reasonable minimum usage thresholds below which the Acts' requirements do not apply; contractors may not install any cement or concrete mixture before they submit EPDs. The Acts also established an Environmental Product Declaration Assistance Fund, administered by the

Department of Commerce, to award grants to producers of eligible materials to support the development, standardization, and transparency of EPDs.

A State or local agency responsible for the maintenance of public lands must, to the maximum extent practicable, give consideration and preference to the use of compost in any land maintenance activity paid for with public funds. *Chapters 169 and 170 of 2023* required the Maryland Green Purchasing Committee to establish specifications for purchasing compost, mulch, or other soil amendments or aggregate produced from municipal solid waste, food waste, dredged material, construction waste, yard waste, clean wood waste, or other recycled or organic materials.

C

Personnel

The State workforce grew significantly during the 2023-2026 term, with total regular positions growing by 3,792 (4.6%), including 3,036 regular positions in the Executive Branch of State government (6.2%). Executive Branch vacancies peaked in October 2022 at nearly 6,500 vacancies, but through sustained efforts, including increasing State employee compensation, providing additional benefits, and easing hiring practices, vacancies have substantially lowered. Additionally, there were significant expansions and changes to collective bargaining rights of State employees during the term.

Impact of Budget Actions on State Employees

State employees received compensation increases each year during the 2023-2026 term, and funding was included for Annual Salary Review increases each year. The fiscal 2024 budget included a 2% general salary increase and increments for most State employees, effective July 1, 2023. Additionally, funds were allocated for bonuses for correctional officers and negotiated salary increases.

The fiscal 2025 budget included funding for a 3% general salary increase beginning July 1, 2024, increments, and an additional increment for State employees who have been continuously employed with the State since June 30, 2019. Specified law enforcement bargaining unit members received a 5% salary increase and an increment. The fiscal 2025 budget also included funding to increase the shift differential for State employees working outside of normal working hours from \$0.625 per hour to \$1 an hour for other specified union members, along with funding for recruitment and retention bonuses for correctional officers.

The fiscal 2026 budget included a 1% general salary increase effective July 1, 2025, and increments for State employees in bargaining units. However, the budget also required the abolishment of 150.5 vacant positions. The fiscal 2027 budget included funding for a 1.5% general salary increase for most State employees, effective July 1, 2026; expansions to salary step widths; and salary step increments for law enforcement.

During the 2023-2026 term, the number of authorized positions across State government grew from 82,582 regular positions in fiscal 2024 to 86,374 positions projected for fiscal 2027. Employee costs totaled \$11.1 billion in fiscal 2024 and represented 17.6% of the State budget,

while the fiscal 2027 budget includes \$13.18 billion in total personnel funds, representing approximately 17.7% of the State budget.

State Employee Collective Bargaining

Binding Arbitration

Title 3 of the State Personnel and Pensions Article establishes statutory collective bargaining rights for a large number of State employees. Title 3 requires the State, State institutions of higher education, and the Maryland Environmental Service (MES) to meet and confer with exclusive employee representatives about negotiable terms. *Chapters 155 and 156 of 2026*, contingent on the enactment of a proposed constitutional amendment in November 2026, would alter the statutory collective bargaining process for State employees (excluding those in State institutions of higher education) by establishing binding arbitration in the event of an impasse in negotiations. The proposed constitutional amendment included in the Acts, if approved by the voters at the November 2026 general election, would require the Governor to include in the annual budget bill the appropriations necessary to implement and fund all terms of memoranda of understanding resulting from collective bargaining involving the State, State institutions of higher education, and MES and the exclusive representatives of their respective employees, whether reached through mutual agreement (including State institutions of higher education) or binding arbitration (excluding State institutions of higher education). In addition, the Acts would require the selection of a neutral arbitrator to oversee all aspects of collective bargaining in specified circumstances; expand the matters subject to negotiation to include health and fringe benefits, not including pension benefits; and make various conforming changes. However, matters requiring a change in law or an appropriation would be contingent on either the enactment of legislation making the change or the General Assembly's approval of the appropriation. Further, an arbitrator's decision related to wages would be subject to the limitations of the State budget.

Chapters 653 and 654 of 2025 also established binding arbitration in the event of an impasse in negotiations for uniformed fire employees of the Baltimore-Washington International Thurgood Marshall Airport Fire and Rescue Department, though an arbitrator's decision related to wages is subject to the limitations of the State budget.

Collective Bargaining Rights Extended to Additional State Employees

Chapters 133 and 134 of 2024 repealed the statutory exclusion from collective bargaining for most supervisory State employees in Executive Branch agencies, excluding higher education institutions, thereby establishing collective bargaining rights for those employees. These supervisory employees must have a separate bargaining unit.

Chapter 695 of 2026 extended collective bargaining rights to specified nontenure track faculty at the University System of Maryland (USM), Morgan State University, and St. Mary's College of Maryland. However, certain nontenure track faculty were excluded, including faculty (1) employed at fully online institutions; (2) whose positions are fully funded by grants, contracts, or clinical revenues; or (3) whose regular place of employment is outside the State. *Chapter 774 of 2026* authorized graduate assistants, including fellows and postdoctoral

interns, at the University of Maryland, College Park Campus and the University of Maryland, Baltimore County to collectively bargain beginning July 1, 2028.

Public Employee Relations Act

The collective bargaining rights of State employees, employees of public institutions of higher education, employees of community colleges, or public school employees, including teachers, were previously administered by one of three labor relations boards, depending on the nature of the employees' employer: the State Labor Relations Board (SLRB) for Executive Branch employees; the State Higher Education Labor Relations Board (SHELRB) for employees of public colleges and universities; and the Public School Labor Relations Board (PSLRB) for employees of local school boards. **Chapter 114 of 2023**, the Public Employee Relations Act (PERA), consolidated different collective bargaining laws that apply for different employees into one set of rules and procedures for public employees. The PERA also repealed SLRB, SHELRB, and PSLRB, and instead established the Public Employee Relations Board (PERB) to oversee collective bargaining for all the previously mentioned public employees. In addition to consolidating three labor boards into one, the PERA consolidates different collective bargaining laws into one law, including provisions regarding employee access, unfair labor practices, management and employee rights, prohibited employer and employee actions, designation of bargaining units, elections, and certification of exclusive representatives.

Subsequently, **Chapters 51 and 52 of 2024** and **Chapter 607 of 2025** made alterations to the PERA. **Chapters 51 and 52** defined the term “interested employee organization,” altered the timing of exclusive representative access to new employees under the PERA, and clarified responsibilities of specified deputy directors and the process for investigations under the PERA. **Chapter 607** required PERB to appoint up to three deputy directors who are attorneys (instead of three deputy directors that have specialized responsibilities), allowed an exclusive representative to meet with a new employee by video or similar technology under any circumstances (repealing the condition of a public health concern for virtual meetings), and repealed the minimum requirement of 10 days of voting for in-person voting for an exclusive representative of a bargaining unit (allowing PERB to designate the time period for in-person voting after consulting with the public employer and the employee organizations on the ballot).

Compensation and Benefits

Compensation

The State has experienced high turnover in key financial and information technology management roles at State agencies, so the fiscal 2027 budget included \$4.0 million in the Dedicated Purpose Account (DPA) to strengthen the State's fiscal leadership capacity. Among other provisions, **Chapters 366 and 367 of 2026** authorized the Secretary of Budget and Management to set the pay scale for chief financial officer (CFO) positions in order to assist with recruitment and retention for units of the Executive Branch (except USM) with annual budgets of at least \$1.75 billion. In addition, the Secretary of Budget and Management must establish, and the Department of Budget and Management (DBM) must incorporate into regulations by

November 1, 2026, minimum qualifications for CFO positions. For applicable units, appointing authorities must appoint a CFO that meets those qualifications, who must in turn provide the Comptroller's Office with specified information. Similarly, the Acts authorized the Secretary of Budget and Management to set the pay scale for chief information officer positions in order to assist with recruitment and retention for units of the Executive Branch (except USM).

Chapter 801 of 2023 authorized the Maryland Community Health Resources Commission, in consultation with the Secretary of Health, to set the compensation or pay scale of unique positions in the commission or commission positions that require specific skills or experience. In addition, the Comptroller, the Treasurer, and the Attorney General, in consultation with the Secretary of Budget and Management, may also set the compensation or pay scale of similarly identified positions.

Chapters 630 and 631 of 2024 included Maryland Department of Health employees in bargaining unit G who are classified as a teacher or a librarian in the requirements under statute that the pay rate for specified employees at the Clifton T. Perkins Hospital shall be at least two grades higher than the employee's pay rate effective June 30, 2020. Additionally, under the Acts, the same pay rate applies to specified employees at the Regional Institutes for Children and Adolescents – Baltimore and Rockville.

Benefits

Chapter 48 of 2022 established the Family and Medical Leave Insurance (FAMLI) Program. The program generally provides up to 12 weeks of paid leave to a covered individual who is taking leave from employment due to caring for or bonding with certain family members, the individual's own serious health condition, or a qualifying exigency arising out of a family member's military deployment. The weekly benefit is based on an individual's average weekly wage and is indexed to inflation. Employers may opt out of the FAMLI Program if they provide comparable paid leave benefits to their employees.

Separate from the FAMLI Program, Chapter 752 of 2018 provided up to 60 days of paid parental leave to an employee in the Executive Branch who is the primary caregiver responsible for the care and nurturing of a child to care for the child immediately following either the child's birth or the adoption of a child who is younger than age six. In fall 2024, DBM engaged in collective bargaining regarding the FAMLI Program with exclusive representatives of State employees. The parties reached agreement that paid family and medical leave (PFML) is available beginning July 1, 2026, without eligibility and contribution requirements, in exchange for eliminating the paid parental leave program.

Accordingly, **Chapter 606 of 2025** repealed the existing paid parental leave program for Executive Branch employees effective July 1, 2026. Instead, the Act established new PFML benefits beginning on July 1, 2026, for Executive Branch employees (including temporary employees) that generally mirror the benefits available under the FAMLI Program. The Secretary of Budget and Management or the governing body of a public institution of higher education must adopt regulations governing PFML benefits, which include conditions and procedures for requesting and approving PFML to the extent that the regulations do not conflict with the Act.

Chapters 419 and 420 of 2024 entitled any State employee, including a temporary employee, to use up to 10 days of paid parental bereavement leave within 60 days after the death of the employee's child, who is at least six months old but younger than 27. An employee may use up to 60 days of parental bereavement leave within 60 days after the employee experiences a stillbirth or the death of the employee's infant younger than six months of age. An employee must notify the employee's appointing authority of the employee's intention to use parental bereavement leave prior to taking leave. An employee's appointing authority may not require an employee to use any other paid leave available to the employee.

The State provides death and funeral expenses for survivors of specified State and local employees. **Chapter 479 of 2024** increased the cap on reasonable funeral expenses, from \$10,000 to \$25,000, paid to surviving family members or the estate of specified public safety employees who are killed or die in the performance of duties, and indexed the cap to inflation beginning in fiscal 2026. The funeral benefit may not be reduced by any related workers' compensation benefits paid. Additionally, the Act increased the death benefit, from \$100,000 to \$125,000, for surviving family members of Maryland National Guard members and all State employees (including employees in the Legislative and Judicial branches) who are killed in the performance of their duties, and provided for reasonable funeral expenses, of up to \$25,000, to be paid for these employees. The death and funeral benefits, along with the existing death benefit of \$50,000 for public safety employees, were indexed to inflation beginning in fiscal 2026.

Disaster Service and Uniformed Services Leave

On request, any State employee was previously entitled to disaster service leave with pay if the employee was certified by the American Red Cross as a disaster service volunteer and the American Red Cross requested the services of the employee during certain disasters. **Chapter 563 of 2023** expanded the applicability of disaster service leave for State employees who are members of identified organizations and granted appointing authorities additional authority to award this type of leave. The Act also broadened the eligibility for military administrative leave to include "uniformed services" members, as defined by federal law. **Chapters 7 and 8 of 2024** increased, from 15 days to 30 days, the amount of disaster service leave that an Executive Branch employee may use in any 12-month period after obtaining approval from the employee's appointing authority. Additionally, the Acts increased, from 15 days to 30 days, the amount of paid leave that the Secretary of Budget and Management may provide by regulation for uniformed services training or active uniformed services duty in a reserve unit of the armed forces or in the organized militia.

Hiring Practices

Specified individuals are entitled to receive credits on selection tests for positions within the State Personnel Management System (SPMS). **Chapter 6 of 2024** required all appointing authorities in SPMS to apply a credit of 10 points on a selection test for an applicant who is an "eligible spouse," defined as an individual who is married to a full-time active duty member of any branch of the uniformed services. The definition of veteran for selection test credits was also expanded to include a veteran of any branch of the uniformed services, not just the armed forces.

Additionally, the Act authorized employers to grant a hiring and promotion preference to the spouse of an eligible service member.

When a skilled service or professional service position within SPMS is to be filled, the appointing authority must complete a position selection plan. **Chapter 459 of 2024** repealed the requirement that an appointing authority send a copy of the selection plan and job announcement to the Secretary of Budget and Management at least one week prior to posting a job announcement for a vacant skilled service or professional service position in SPMS. The Act also repealed the requirement that an appointing authority wait until after the close of a position announcement to review qualified applicants for a skilled service or professional service position in SPMS.

As part of an effort to reduce the size of the federal workforce, thousands of federal workers have been laid off since President Donald J. Trump took office on January 20, 2025. **Chapter 97 of 2025** established the Expedited Hiring Program in DBM for the purpose of hiring former federal employees for vacant skilled and professional service positions in SPMS. The Secretary of Budget and Management may contract with another entity to assist with the implementation of the program, subject to available funding. An appointing authority may recruit for a vacant skilled and professional service position in accordance with the Act and must aim to complete the recruitment for the position within 40 days. An eligible applicant is an individual applying for a vacant position in State government who (1) self-certifies (and provides documentation on request) having served in the federal government, as specified, and left federal service after January 15, 2025, and (2) has relevant federal expertise or experience to meet the requirements, based on the position description, for the vacant State position. The fiscal 2026 budget included \$2.0 million in the DPA specifically for the expedited hiring of former federal employees.

Pensions and Retirement

State Retirement and Pension System Administration

System Funding and Operations

Under the amortization schedule enacted by Chapters 475 and 476 of 2013, the State Retirement and Pension System (SRPS) amortized all existing liabilities and future gains and losses in a single 25-year closed amortization period. Under that policy, the risk of contribution volatility would have increased as the State approached the end of the 25-year closed amortization period. **Chapters 195 and 196 of 2023** altered the statutory policy for amortizing unfunded accrued liabilities or surpluses for SRPS into layered, closed periods with the liabilities and surpluses from each fiscal year creating a new layer. Gains and losses are amortized over 15-year closed layers. The SRPS Board of Trustees, on the recommendation of the system's actuary, was authorized to adjust the period of amortization under the new policy for the purpose of mitigating volatility in the annual contribution rate. The SRPS board may not certify contribution rates that are below the normal cost, as determined by the system's actuary.

Chapters 764 and 765 of 2025 altered the method for funding the operations of SRPS and the State Retirement Agency. The Acts repealed a requirement that the State and participating local

governmental employers pay administrative fees to SRPS that represent their *pro rata* share of administrative and operational costs for the system. Instead, the Acts required that the normal contribution rate paid by employers include the amount necessary to cover SRPS’s administrative and operational expenses.

Prior to the enactment of Chapter 1 of the 2012 first special session, the State paid 100% of the employer pension contribution for members of the Teachers’ Retirement System/Teachers’ Pension System (TRS/TPS), including those employed by local school systems, community colleges, and libraries. Chapter 1 required local school systems to pay the “normal cost” portion of the employer contribution for their members. The State has continued to pay 100% of the employer contribution on behalf of community colleges and libraries, as well as employer contributions attributable to the systems’ unfunded liabilities for all TRS/TPS participants.

The Budget Reconciliation and Financing Act (BRFA) of 2025 (**Ch. 604**), reduced by \$97.7 million, beginning in fiscal 2026, the State share of annual employer pension contributions for members of TRS/TPS. A requirement for employer contributions by county governments was also established in proportion to their respective shares of TRS/TPS membership totaling \$97.7 million in aggregate. The Comptroller was required to setoff any money due or coming due to a county government that is delinquent in making a payment to the system. The BRFA of 2026 (**Ch. 6**) further increased the county contribution amounts by \$39.3 million, beginning in fiscal 2027.

Chapter 1 of the 2012 first special session also mandated a general fund appropriation of \$27.7 million each year for the Teacher Retirement Supplemental Grant for nine jurisdictions (Baltimore City and Allegany, Baltimore, Caroline, Dorchester, Garrett, Prince George’s, Somerset, and Wicomico counties). The grant was established to partially offset costs associated with a requirement, beginning in fiscal 2012, that local school systems pay a portion of employer contributions for teacher pensions. **Chapter 604 of 2025** phased out, over two years, the annual mandated appropriation for teacher retirement supplemental grants to eight counties and Baltimore City, by reducing the mandated appropriation from \$27.7 million to \$13.8 million in fiscal 2026 and permanently repealing the mandate in fiscal 2027.

Chapter 604 also eliminated two supplemental funding requirements. Beginning in fiscal 2024, a requirement that the Governor include an appropriation to the Postretirement Health Benefits Trust Fund equal to one-quarter of the amount by which the unappropriated general fund surplus exceeds \$10.0 million in the second preceding fiscal year, up to a maximum of \$25.0 million, was repealed. Beginning in fiscal 2026, the \$50.0 million annual supplemental contribution to SRPS required to be paid until the system’s funding ratio reaches 85% was repealed.

Cost-of-living Adjustments Calculation

State pension law defines “consumer price index” (CPI) as the annual average CPI (all urban consumers, U.S. city average, all items, not seasonally adjusted, 1982-1984 = 100) for the calendar year ending December 31 as published by the U.S. Department of Labor, Bureau of Labor Statistics (BLS). BLS has traditionally released 12 monthly CPI reports per year. In accordance

with statutory requirements, the State calculates the CPI value for each calendar year as the average of all 12 reports from the previous calendar year. However, due to the federal government shutdown in October and early November 2025, BLS did not publish a CPI report for October 2025. The State uses the CPI from the previous two calendar years to calculate the cost-of-living-adjustment (COLA) rate. *Chapters 55 and 56 of 2026* established that, for the annual calculation of the COLA for State retirees, the October 2025 CPI value is the average of the CPI values for September 2025 and November 2025. This method was applied to data from previous years and resulted in replicating COLA rates similar to the rate actually used for that year, before any caps were applied.

Compensation and Staffing Committee

Chapters 772 and 773 of 2025 repealed the Objective Criteria Committee of the SRPS Board of Trustees and created a Compensation and Staffing Committee of the board. The responsibilities of the Objective Criteria Committee, and some responsibilities of the board's Investment Committee, were transferred to the Compensation and Staffing Committee. The conditions under which the Chief Investment Officer and Investment Division staff are paid incentive compensation were also modified.

Benefits

Judges' Retirement System

Chapters 485 and 486 of 2024 established a line-of-duty death benefit that is payable to the surviving spouse or dependents of a member of the Judges' Retirement System (JRS) who is killed without willful negligence by the member and with death arising out of or in the course of the actual performance of duty. A similar retroactive benefit for any surviving spouse of a JRS member killed in the line of duty prior to the Acts' effective date was also established. A surviving child or dependent parent of a JRS member killed in the line of duty may enroll and participate in the State health insurance plan. In addition, *Chapters 485 and 486* established that surviving spouses or dependent children of State employees killed in the line of duty are entitled to the maximum State health insurance subsidy provided to State retirees.

Law Enforcement Officers' Retirement System and State Police Retirement System – Line-of-duty Catastrophic Injury Disability

Chapter 306 of 2026 established a catastrophic disability benefit for members of the Law Enforcement Officers' Retirement System (LEOPS) and the State Police Retirement System (SPRS). Under the new benefit, a member of LEOPS or SPRS who is totally and permanently unable to engage in any substantial gainful activity because of a medically determinable physical impairment that is the natural and proximate result of an accident that occurred in the actual performance of duty at a definite time and place without negligence by the member is entitled to a catastrophic disability benefit. The benefit is equal to the sum of an annuity that is the actuarial equivalent of the member's accumulated contributions and a pension equal to 100% of the member's average final compensation. A member of LEOPS or SPRS who is awarded a

catastrophic disability benefit is not eligible for an accidental, a special, or an ordinary disability benefit.

Health Benefits

The State Employee and Retiree Health and Welfare Benefits Program offers medical, prescription, and dental plans to State retirees and active employees. ***Chapters 127 and 128 of 2023*** clarified the definition of “creditable service” for the purpose of determining eligibility for retiree health benefits to include any period during which an individual was employed by the State in the Executive, Legislative, or Judicial branch and enrolled as a member of any plan in SRPS or in the Optional Retirement Program.

Immediate Vesting

Chapters 191 and 192 of 2023 clarified which State government employees vest immediately. Additionally, ***Chapters 53 and 54 of 2024*** gave the State Superintendent of Schools immediate vesting rights in the SRPS plan in which the superintendent is a member. Other positions in State government with immediate vesting include State constitutional officers, secretaries of principal units of State government, and other specified heads of units of State government.

Correctional Officers’ Retirement System

Membership – Clarification

During the 2023-2026 term, several pieces of legislation moved certain employee classifications into the Correctional Officers’ Retirement System (CORS). ***Chapters 197 and 198 of 2023*** required the SRPS Board of Trustees to transfer service credit earned in the Employees’ Retirement System/Employees’ Pension System (ERS/EPS) to CORS for specified individuals whose membership was transferred in recent years. Affected members were authorized to opt out of the transfer of service credit. However, members who transfer into CORS with no creditable service in EPS from before July 1, 2008, are not eligible to opt out of the transfer of service. Any individual who retires is entitled to a normal service retirement benefit based on creditable service in CORS. Affected members were also made exempt from a requirement that they remain in CORS for at least five years before they are eligible for CORS benefits. The SRPS board was also required to include any credit for unused sick leave accrued during membership in ERS/EPS in its calculation of unused sick leave credit for specified individuals whose membership was transferred by statute from ERS/EPS to CORS.

Chapters 135 and 136 of 2024 made specified employees of the Maryland Department of Health (MDH) and the Department of Public Safety and Correctional Services members of CORS as a condition of their employment. ***Chapters 776 and 777 of 2025*** clarified that certain supervisors and managers of MDH are members of CORS as a condition of their employment. ***Chapters 294 and 295 of 2026*** clarified that certain mental health specialists of MDH are members of CORS as a condition of their employment.

General Assembly

Joint Resolutions

New Federal Bureau of Investigation Headquarters

Following efforts in preceding years to plan for and fund the relocation of the Federal Bureau of Investigation's (FBI) headquarters, Congress, in 2022, directed the U.S. General Services Administration (GSA) to select a new headquarters site from three finalist sites: Greenbelt, Maryland; Landover, Maryland; and Springfield, Virginia. The General Assembly, in *Joint Resolutions 1 and 2 of 2023*, urged GSA to select one of the two Maryland locations. (The State and Prince George's County have also made funding commitments toward the relocation project.) In November 2023, GSA announced the selection of the Greenbelt site; however, subsequently, in July 2025, GSA and the FBI announced plans to instead keep the headquarters in Washington, D.C. and relocate the headquarters to the Ronald Reagan Building. The State and Prince George's County filed a lawsuit in November 2025 (which is ongoing) against the FBI, GSA, and the U.S. Department of Justice, seeking to set aside (and prevent implementation of) the selection of the Ronald Reagan Building, arguing that it violated federal statutes and was arbitrary and capricious.

Equal Rights Amendment

Article V of the U.S. Constitution states that Congress may propose amendments to the Constitution with votes of two-thirds of both Houses. States may also apply to Congress to call a convention for proposing amendments, upon application of two-thirds of the states. Amendments in either case must be ratified by three-fourths of the states. In 1972, Congress passed House Joint Resolution 208, which proposed the Equal Rights Amendment (ERA). The ERA amends the U.S. Constitution by declaring that equality of rights under the law must not be denied or abridged by the United States or any state on account of sex. The amendment gives Congress the authority to enforce the amendment through legislation. House Joint Resolution 208 included a seven-year time limit for ratification, which was subsequently extended to 1982. (Maryland ratified the ERA in 1972.) The threshold for ratification – three-fourths of the states (38 states) – was not reached by 1982; however, additional states have since ratified the ERA and, in January 2020, Virginia became the thirty-eighth state to do so.

Joint Resolution 1 of 2024 stated the opinion of the General Assembly that the ERA meets the requirements of Article V of the U.S. Constitution and should be recognized as the Twenty-eighth Amendment. The joint resolution (1) urged the federal Executive Branch to publish, without delay, the ERA as the Twenty-eighth Amendment; (2) urged Congress to pass a joint resolution affirming the ERA as the Twenty-eighth Amendment; and (3) called on other states to pass similar resolutions.

In December 2024, the Archivist of the United States and the Deputy Archivist issued a statement indicating that, at that time, the ERA could not be certified as part of the U.S. Constitution, based on U.S. Department of Justice opinions and judicial decisions affirming

that the ratification deadline established by Congress for the ERA was valid and enforceable. Subsequently, in January 2025, before leaving office, President Joseph R. Biden, Jr. issued a statement expressing his view that the ERA had become law, as the Twenty-eighth Amendment; however, to date, the ERA has not been published by the National Archives as the Twenty-eighth Amendment to the U.S. Constitution.

Legislative Committees

Committee References and Membership

Chapter 152 of 2026 altered references in the Maryland Annotated Code to General Assembly standing committees to reflect (1) the current name and subject matter jurisdiction of the Senate Committee on Education, Energy, and the Environment and (2) the recent restructuring of House standing committees that established the House Health Committee and the House Government, Labor, and Elections Committee (in place of the House Health and Government Operations Committee). The Act also altered the membership of the Legislative Policy Committee to include the chairs of both the House Health Committee and the House Government, Labor, and Elections Committee.

Committee Chairs and Vice Chairs – Gender-neutral Terminology

Chapter 441 of 2024 altered terminology in provisions of law relating to the General Assembly so that references to “chairman,” “cochairman,” “chairmen,” “cochairmen,” and “vice chairmen” within the General Assembly are replaced with terms that are gender neutral.

Information Technology/Cybersecurity

Artificial Intelligence

Artificial intelligence (AI) is a broad field of computer science that deals with the creation of “intelligent” systems that can reason, learn, and act autonomously. AI’s ability to quickly synthesize and summarize vast amounts of data and apply the results have made it a useful tool in modern society while also raising questions about its use.

Chapter 496 of 2024 expanded the responsibilities of the Secretary of Information Technology and the Department of Information Technology (DoIT) as they relate to the procurement and use of AI by State agencies, including the establishment of AI policies and procedures. The Act prohibited a unit of State government from procuring or deploying a new system that employs AI unless the system complies with the policies and procedures established by DoIT. It also required units of State government to conduct data inventories, inventories of systems that use high-risk AI, and impact assessments of systems that use high-risk AI. The Office of the Attorney General, the Comptroller, the Treasurer, and certain public institutions of higher education are exempt from many provisions of the Act; however, those entities must establish policies and procedures related to systems that employ high-risk AI that are comparable to those established by DoIT.

Senate Bill 597 of 2026 established the Maryland AI Partnership in the University System of Maryland (USM) to provide a single nexus for AI stakeholders to advance innovation, economic growth, workforce development, and public good across the State. The Act also established an AI Incubation Lab at USM, with guidance from DoIT. Subject to a memorandum of understanding with the Department of Budget and Management, the lab must assist State agencies to accelerate the responsible use of AI. Additionally, Morgan State University's Center for Equitable AI and Machine Learning Systems must support State agencies on questions relating to productive and ethical use of AI. Finally, the Act established the AI Public Service Fellowship within USM to match students with State agencies to address AI projects.

Through federal regulation, the telephone number 3-1-1 is assigned nationwide for nonemergency police and other government services. The State authorizes a county or multicounty system to establish a 3-1-1 system to reduce congestion on the 9-1-1 system. Following the enactment of **Chapter 450 of 2024**, which required DoIT to evaluate the potential uses of AI in 3-1-1 systems, **Chapter 434 of 2026** established a State 3-1-1 program that utilizes AI and that must be managed by the Maryland 3-1-1 Oversight Board. More specifically, the program must develop and deploy an AI chatbot and AI voicebot in participating counties to respond to or transfer calls directed at a 3-1-1 system.

Information Technology Modernization and Project Management

Major Information Technology Development Projects

A major information technology development project (MITDP) undertaken by a State agency is generally funded through the Information Technology Investment Fund (ITIF) rather than the State agency's individual budget, and DoIT must oversee the project. In response to a legislative audit that identified issues with DoIT's oversight of MITDPs, **Chapter 497 of 2024** modified and enhanced DoIT's formal authority and oversight over these projects. Under the Act, a project is eligible for funding from the ITIF if the project is estimated to cost at least \$5.0 million and meets other specified criteria.

Chapters 845 and 846 of 2025 made additional modifications and enhancements to the statutory framework governing the funding, management, and oversight of MITDPs. Broadly, and among other changes, the Acts (1) defined and expanded the responsibilities of DoIT related to the oversight of MITDPs; (2) established multiple new offices within DoIT with responsibilities related to project oversight and management and collaboration with State agencies for improved service delivery; (3) established the Information Technology Advisory Board within the Department of Legislative Services as an expert advisory body for the Legislative Policy Committee; (4) established, modified, and/or repealed various study and reporting requirements related to MITDP oversight and management; and (5) authorized the use of funding from the ITIF and the transfer of certain staff to DoIT to implement the legislation.

Financial Management Information System

The State's Financial Management Information System (FMIS) is the legacy information technology (IT) infrastructure used to maintain the general ledger and accountability for the State,

including subledger functions that enable the management of all paychecks and fund transfers throughout the State. **Chapters 22 and 23 of 2023** initiated a concentrated IT modernization effort by the Comptroller and other agencies to transform FMIS into the 21st Century Financial Systems Enterprise, a modern cloud-based system that meets the policies, objectives, and priorities of future users. A final report on the financial system transformation is due to the General Assembly on January 1, 2027.

Protecting Critical Infrastructure

A key focus of cybersecurity policy is protecting systems and entities that need to be functional to support public safety, public health, and economic stability. To that end, several pieces of legislation strengthened preparedness against cybersecurity attacks on critical infrastructure.

Community Water and Sewerage Systems

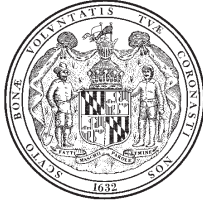
Chapter 495 of 2025 established various requirements for the Maryland Department of the Environment, DoIT, the Maryland Department of Emergency Management, community water system (CWS) providers, and community sewage system (CSS) providers, related to planning and preparing for cybersecurity attacks on CWS and CSS and the water and wastewater sector.

Healthcare Ecosystems

Chapters 5 and 18 of the 2025 special session established the Healthcare Ecosystem Stakeholder Cybersecurity Workgroup to develop strategies to (1) prevent cybersecurity disruptions to healthcare ecosystem operations; (2) ensure the continuous delivery of essential healthcare ecosystem services; and (3) enhance recovery efforts of the healthcare ecosystem following a cybersecurity incident. The workgroup's final report is due December 1, 2026.

Public Service Commission and Utilities

Chapter 499 of 2023 established cybersecurity responsibilities and requirements for the Public Service Commission (PSC) and the public service companies regulated by PSC. Additionally, the Act authorized the use of Dedication Purpose Account funds by DoIT for fiscal 2024 for the purpose of adding additional staffing and operational capacity to improve State and local cybersecurity.



Part D

Local Government

D

Local Government – Generally

Municipalities

Open Drainage Inlets – Inventory and Improvements

Chapter 356 of 2026 required municipalities to:

- inventory the number and location of all publicly and privately owned existing open drainage inlets in the municipality by July 1, 2027;
- develop a prioritization plan for making improvements to publicly and privately owned existing open drainage inlets that pose the greatest public safety risks by April 1, 2028;
- notify a private property owner with a privately owned existing open drainage inlet of the requirements to install improvements on the drainage inlets by April 1, 2028; and
- make improvements to all publicly and privately owned existing open drainage inlets identified in the prioritization plan, as specified, within the municipality by April 1, 2031.

Under *Chapter 356*, any new open drainage inlet installed within the municipality must have an approved grating system. Municipalities are responsible for the cost of installing improvements on publicly and privately owned existing drainage inlets and may apply to the Comprehensive Flood Management Grant Program within the Maryland Department of the Environment (MDE) to cost-share a portion of the installation costs.

Annexation

Chapter 303 of 2026 required a municipality seeking to annex land located in a different legislative district to provide written notice by electronic communication and the U.S. Postal Service to the members of the General Assembly who represent (1) the district in which the land

is located and (2) the district to which the land is being annexed. The Act required the municipality to provide this notice after an annexation resolution is introduced.

Audits

Chapter 727 of 2025 established an annual audit exemption for a municipality in any fiscal year in which municipal annual revenues are less than \$100,000. A municipality that qualifies for an audit exemption under the Act is still required to file an annual Uniform Financial Report (UFR) with the Department of Legislative Services. If a UFR filed by a municipality that qualifies for an audit exemption under the Act indicates a financial or accounting irregularity or concern, the Joint Audit and Evaluation Committee may request or require the municipality to conduct a review or audit of its financial records.

Counties and Municipalities

Local Comprehensive Plans

Chapters 63 and 64 of 2025 replaced 12 existing “visions” that were previously required to be implemented through a local jurisdiction’s comprehensive plan with 8 “planning principles” collectively intended to create sustainable communities and protect the environment in order to foster a high quality of life for all residents of the State. To accomplish these goals, the Acts established that residents should be active partners in the planning and implementation of community initiatives and sensitive to their responsibilities as stewards in balancing and achieving community goals.

Chapters 110 and 111 of 2026 modified and reorganized the elements that a local jurisdiction must include in a comprehensive plan so that the elements are consistent with the established planning principles and apply consistently across all local jurisdictions. The required elements are (1) land; (2) transportation; (3) housing; (4) economy; (5) equity; (6) resilience; (7) place; and (8) ecology. **Chapters 110 and 111** also established general requirements for comprehensive plans concerning (1) the broad purpose; (2) the format and structure; (3) the content; (4) the statement of goals and objectives, policies, and standards; (5) development regulations, policies, programs, and other mechanisms; and (6) assistance from the Maryland Department of Planning (MDP).

Chapter 122 of 2026 required each planning commission to notify MDP when beginning a review of their comprehensive plan. The Act required MDP, within 60 days after receiving notification, to provide the planning commission with guidance materials and resources that may support the review, revision, or amendment of the comprehensive plan. The Act also required MDP to develop and maintain the guidance materials in consultation with other State agencies and offices.

Chapters 89 and 90 of 2024 required charter counties (including Baltimore City) and code counties that exercise land use powers under the Express Powers Act to affirmatively further fair housing through their housing and urban development programs. The Acts also required the counties to include an assessment of fair housing in the housing element of a comprehensive plan

enacted or amended on or after January 1, 2025. On request of a county, MDP, in consultation with the Department of Housing and Community Development (DHCD), is required to provide technical assistance for the purpose of developing the housing element of the comprehensive plan. The Acts neither required a county to take, nor prohibited a county from taking, specific action to affirmatively further fair housing.

Land Use and Zoning

Accessory Dwelling Units: Chapters 798 and 799 of 2023 established the Accessory Dwelling Unit (ADU) Policy Task Force to (1) survey and document a representative sampling of the variety of ordinances, laws, codes, and policies regarding ADUs at the State and local level in areas zoned for single-family residential use and (2) make related legislative and policy recommendations. As a result of these legislative and policy recommendations, **Chapters 196 and 197 of 2025** established a statutory framework for ADUs in the State. Specifically, the Acts:

- established that it is the policy of the State to promote and encourage the creation of ADUs on land with a single-family detached dwelling unit as the primary dwelling unit in order to meet the housing needs of the citizens of the State;
- required adoption of specified local laws authorizing ADUs;
- prohibited a restriction on use of a property from unreasonably limiting the ability of an owner to develop or offer for rent an ADU; and
- authorized homeowners associations to treat an ADU as a separate lot for purposes of voting and assessments.

Except as specified, the Acts did not alter or abrogate any zoning power or related authority granted to a local jurisdiction under Title 4 of the Land Use Article; however, local jurisdictions are required to establish policies that further the intent of the Acts.

Patuxent Research Refuge and Beltsville Agricultural Research Center: The Patuxent Research Refuge is a 12,800-acre wildlife refuge that is managed by the U.S. Fish and Wildlife Service (USFWS) and is located between the District of Columbia and Baltimore City. The Beltsville Agricultural Research Center is owned and operated by the U.S. Department of Agriculture (USDA) as a research park for soil, water, air, plant, and animal sciences. The center consists of over 6,500 acres and is located in Prince George's County. **Chapter 541 of 2026** required federally owned land that is part of the refuge and the center or any other USDA property in Beltsville or its vicinity to be designated and maintained in a zoning classification that restricts the uses to open space, reserved open space, or, in the case of the refuge, other resource conservation uses. A central natural area in the property of the refuge or center may not be converted to be used for agriculture, active recreation, forestry, or other plant harvesting. The Act also required that, prior to any development on land in the property of the refuge or center, the local zoning authority or the district council, respectively, (1) hold a public hearing and (2) make a final decision, in consultation with the Maryland Department of Natural Resources (DNR) and

MDE, that the proposed development will not have a substantial impact on land in a central natural area.

Utility-designated Pollinator Areas: Chapters 463 and 464 of 2023 prohibited a local government from imposing any unreasonable limitation, including a land use restriction, on a utility-designated pollinator area maintained by a public service company if (1) the area is subject to a Candidate Conservation Agreement between USFWS and the public service company or (2) the public service company maintains and regularly tends to the area by performing or overseeing pollinator friendly vegetation management, as specified.

Housing

In addition to prohibiting certain actions by common ownership communities, ***Chapter 375 of 2025*** generally prohibited a local jurisdiction from limiting the number of children for which a family child care home or large family child care home provides family child care to a number below the number authorized by the Maryland State Department of Education.

Chapters 297 and 298 of 2024 authorized counties and municipalities to establish a local trust fund or other appropriate fund for the purpose of repairing or rehabilitating infrastructure within communities that are subject to the Maryland Condominium Act or the Maryland Homeowners Association Act.

Chapter 213 of 2024 required each local jurisdiction with at least 150,000 residents to annually report to DHCD and MDP specified information relating to building or development permit applications considered by the local jurisdiction that include a residential housing component as part of the development. A local jurisdiction must make the report publicly available on its website unless it does not maintain a website, in which case the report must be made available through any other reasonable method. An announcement posted to a local jurisdiction's website stating that a person should contact the relevant local department for access to the report does not meet this requirement. To the extent practicable, a local jurisdiction may submit and transmit the report as part of another report required to be filed under the Land Use Article.

Chapters 768 and 769 of 2023 prohibited the governing body of a county or municipality from enacting local laws or ordinances that (1) establish a threshold number of requests to summon law enforcement or emergency services to a residential property as grounds for designating a property as a nuisance or (2) otherwise penalize or authorize a penalty against an operator, owner, owner-occupant, or tenant for the act of summoning law enforcement or emergency services to a residential property (including if another individual summoned the assistance).

Chapter 146 of 2023 established reporting requirements for local jurisdictions that adopt a local law to limit the rent increase that a landlord may charge a current tenant for a subsequent term without a gap in tenancy. However, these provisions do not apply to a local jurisdiction that adopts a rent increase law if the limitation on rent increases applies only in specified situations.

Firefighter Cancer Screening

Chapter 319 of 2026 required each county in which a volunteer fire company is located to offer no-cost, annual, preventive cancer screenings in accordance with the latest screening guidelines issued by the International Association of Fire Fighters. Each volunteer firefighter who volunteers and each retired volunteer firefighter who volunteered with the fire company is eligible for the screening. **Chapter 319** also required that each county in which a volunteer fire company is located maintain a list of all volunteer firefighters who volunteer and all retired firefighters who volunteered in the county. Additionally, the Act allowed a county to apply for a grant under the Health – General Article to pay for cancer screening technologies, including a multicancer early detection blood test.

Chapters 655 and 656 of 2025 required a county that offers a self-insured employee health benefit plan to provide to each firefighter employed by the county coverage for preventive cancer screenings in accordance with the latest screening guidelines issued by the International Association of Fire Fighters. Additionally, **Chapters 655 and 656** prohibited a county from imposing a copayment, coinsurance, or deductible on such coverage. Each county subject to the Act must collect and submit specified data to the Maryland Health Care Commission, which must consider the data and study and report on the impact of expanding coverage for preventive cancer screenings for firefighters to the commercial insurance market by December 1, 2028. **Chapters 655 and 656** also established that a county may satisfy the preventative cancer screening requirement by applying for a grant through an existing program.

Personnel

Chapter 274 of 2025 authorized counties or municipalities to provide disaster service leave with pay, on request, if (1) the employee is certified by the American Red Cross as a disaster service volunteer and the American Red Cross requests the services of the employee during certain disasters designated at level II or above or (2) the employee is a member of the Civil Air Patrol, U.S. Coast Guard Auxiliary, Maryland Voluntary Organizations Active in Disaster, a volunteer emergency medical services department, a volunteer fire department, a volunteer rescue company or volunteer rescue squad, or a community emergency response team. Eligible employees may use up to 30 days of disaster service leave in any 12-month period only after obtaining approval from their local governmental unit. Additionally, the Act authorized local government employers to provide leave with pay for jury service, attendance at employee organizational events, uniformed services training as defined under federal law, court testimony, or administrative leave, as specified.

Chapters 272 and 273 of 2025 authorized counties and municipalities to grant hiring and promotion preferences to (1) an eligible veteran; (2) the spouse of an eligible veteran who has a service-connected disability; (3) the spouse of an eligible service member; or (4) the surviving spouse of a deceased eligible veteran. Any such preference, if awarded, does not violate any State or local equal employment opportunity law. The Acts further authorized counties or municipalities that use selection tests to hire or promote employees to award 10 credit points on the test, or their equivalent, to the same individuals. A county or municipality that elects to offer

hiring or promotion preferences or credits under the Acts may adopt a local law granting the preferences or credits before implementing the preferences or credits.

Audits

Chapters 498 and 499 of 2024 imposed a financial penalty through the reduction of 20% of State funding for local highway user revenues and disparity grants if a local government fails to submit required audited financial reports within two calendar years after the deadline. Under the Acts, the reduction of funds remains in effect until the jurisdiction submits the required reports.

Revenue Structures

Chapter 17 of 2026 established the Task Force to Modernize County and Municipal Revenue Structures to study and evaluate the revenue structure of county and municipal governments within the State and to make recommendations regarding the authority of county and municipal governments to increase sources of revenue. The task force must submit a report of its findings and recommendations to the Governor and various committees of the General Assembly by December 1, 2026.

Bi-county Agencies

Washington Suburban Sanitary Commission

The Washington Suburban Sanitary Commission (WSSC) provides water and sewer services to 1.9 million residents in Montgomery and Prince George's counties. It has more than 475,000 customer accounts, serves an area of nearly 1,000 square miles, and has a network of 5,900 miles of drinking water pipelines and over 5,600 miles of sewer main lines.

Commission Membership, Reporting, Billing, and Planning

Chapter 593 of 2025 altered the membership and operations of WSSC by requiring the Director of the Montgomery County Department of Environmental Protection, or a designee, to serve as a commissioner from Montgomery County and exempting that position from specified statutory requirements. *Chapter 593* also established enhanced financial planning and reporting requirements, including the development of a long-range financial plan with stress testing, expanded public disclosure of financial and operational information, and periodic external peer review of the Office of the Inspector General.

Chapter 593 further required additional oversight and evaluation of commission operations, including independent assessments of efficiency, sustainability, and rate-setting practices. The Act also strengthened reporting requirements related to customer billing practices and high-bill mitigation and required coordination with State and local entities on tax- and debt-related matters.

Personnel Management

Chapter 559 of 2026 authorized WSSC employees to appeal disciplinary suspension actions to the Office of Administrative Hearings, which is required to conduct a hearing or otherwise dispose of the case and issue a final decision. *Chapter 559* retained the requirement that employee suspensions be without pay and not exceed 30 days in a calendar year.

Minority Business Enterprise Program

Chapter 240 of 2023 extended the termination date for the WSSC's Minority Business Enterprise (MBE) program to July 1, 2028. The Act also eliminated the distinction between MBE programs by WSSC for construction and goods and services if WSSC determines that there is a strong basis in evidence that MBEs are subject to discrimination and that a program is necessary to remedy the effects of that discrimination. Lastly, the Act streamlined certification requirements and other administrative provisions governing program participation.

Procurement

Chapter 560 of 2026 expanded WSSC's preference program to include local businesses, small businesses, local small businesses, Maryland-based businesses, and specified veteran-owned and disabled veteran-owned businesses and provided preference for local small businesses and local businesses in procurement.

System Development Charge

Chapter 594 of 2025 required the Montgomery County Council and the Prince George's County Council to grant full or partial exemptions from the WSSC system development charge for specified categories of properties in Montgomery County, including revitalization projects, youth and child care services, after-school programs, services for individuals with developmental disabilities, planned retirement communities, elderly housing, and certain manufacturing and biotechnology research facilities.

Single Jurisdictions

Prince George's County – Contracts for Service Near Regional Transit Districts and Neighborhood Centers: Chapter 241 of 2023 authorized WSSC to enter into agreements with the District of Columbia or the District of Columbia Water and Sewer Authority to provide water and sewer service to certain border properties in Prince George's County. *Chapter 241* established requirements governing cost allocation, billing, rate setting, customer notification, and service standards under such agreements and applied prospectively to new connections. The Act terminates in 2028.

Maryland-National Capital Park and Planning Commission

The Maryland-National Capital Park and Planning Commission (M-NCPPC) serves various planning, zoning, development review, and parks and recreation functions in Montgomery and Prince George's counties.

Collective Bargaining – Dispute Arbitration

Chapter 605 of 2023 authorized the appointment of a mediator-arbitrator in the collective bargaining process for M-NCPPC employees and established the powers and responsibilities of that role, with costs shared equally by the commission and the employee organization. **Chapter 605** also clarified that provisions of a final agreement with fiscal or regulatory implications are subject to approval by the county councils of Montgomery County and Prince George's County.

Single Jurisdictions

Montgomery County – Commissioner Discipline, Disclosures, Training, and Ethics: **Chapter 239 of 2023** altered provisions governing commissioners to the M-NCPPC appointed from Montgomery County by revising financial disclosure requirements, authorizing the Montgomery County Council to discipline commissioners, subject to specified due process requirements, and prohibiting the chair of the Montgomery County Planning Board from engaging in other full-time employment. **Chapter 239** also established additional ethics restrictions, including limitations on political fundraising and post-employment activities, required specified training for commissioners, and required a report on the board's ability to provide timely public information on certain regulatory matters.

Montgomery County – Conditions for Tentative Approval of Subdivision Plats: **Chapter 695 of 2024** authorized the Montgomery County Planning Board, or its designee, to grant tentative approval of a subdivision plat subject to specified conditions. Further, **Chapter 695** prohibited recordation or final endorsement of a plat until all conditions are satisfied and eliminated the requirement for a post-completion hearing once those conditions are met prior to final approval and recordation.

Montgomery County – Municipal Authority to Regulate Structures: Chapter 780 of 2025 updated provisions governing the authority of municipalities and special taxing districts within the Montgomery County Regional District to impose building requirements that are stricter than State, regional, or county standards for certain residential structures. The Act authorized the application of such standards to residential buildings with up to four dwelling units, regardless of zoning classification, while providing that requirements imposed on buildings with two to four dwelling units are prohibited from exceeding those applicable to single-family homes.

Prince George's County – Board of Appeals Membership: Chapter 592 of 2025 clarified the appointment and voting requirements for the Prince George's County Board of Appeals by requiring the Prince George's County Council to appoint at least three members to the board.

Chapter 592 also revised the decision-making threshold by providing that a simple majority of board members, rather than a minimum of two members, must concur in any resolution.

Prince George’s County – Chesapeake and Atlantic Coastal Bays Critical Area Protection Program: Chapter 595 of 2025 required the Prince George’s County Department of Permitting, Inspections, and Enforcement to record a lien within 90 days after issuing a notice of violation for tree-cutting activities in the Critical Area on specified parcels in order to hold current property owners responsible for a violation of the previous owner. **Chapter 595** applied retroactively to violations occurring on or before November 7, 2018, required the release of liens and reimbursement of certain costs to good-faith purchasers, and required the county to vacate related administrative enforcement actions and release associated liens.

Washington Suburban Transit Commission

The Washington Suburban Transit Commission (WSTC) is responsible for administering the Washington Suburban Transit District and is authorized to develop a transportation system, including mass transit facilities, for Montgomery and Prince George’s counties. It coordinates mass transit programs with the two county governments, the Washington Metropolitan Area Transit Authority (WMATA), and the Maryland Department of Transportation (MDOT). MDOT provides annual operating grants to the commission, which then provides funding to WMATA for operation of the Metrorail, Metrobus, and MetroAccess systems.

Washington Suburban Transit Commission Reform Act

Chapter 697 of 2024 repealed the authority of the governing bodies of Montgomery and Prince George’s counties to review and approve contracts and agreements entered into by WSTC. **Chapter 697** also authorized the reappointment of the commission’s representative to the WMATA Board of Directors and expanded provisions governing representation by the Secretary of Transportation’s designee, including granting the designee full authority when attending board meetings on the Secretary’s behalf.

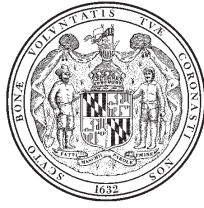
Multiple Bi-county Agencies

Financial Disclosure

Chapter 558 of 2026 required applicants for appointment as bi-county commissioners in Prince George’s County to submit paper financial disclosure statements to the Prince George’s County Office of Ethics and Accountability. **Chapter 558** further required the county’s chief administrative officer to transmit all such statements to the Office of Ethics and Accountability for retention during the commissioner’s term or to return the original statement and copies to unsuccessful applicants and required deletion of electronically filed statements for applicants not appointed. The Act also required the Office of Ethics and Accountability to maintain a log of individuals who review or copy disclosure statements, including identifying information for both the reviewer and the subject of the record.

Open Meetings Act – Live Streaming

Chapter 591 of 2025 clarified that project site visits and educational field tours conducted by the Montgomery County Planning Board and WSSC are not considered open meetings and are exempt from livestreaming requirements when no organizational business is conducted.



Part E

Crimes, Corrections, and Public Safety

Criminal Law

Crimes Involving Firearms

Transporting a Firearm in a Sensitive Place

The U.S. Supreme Court in its *New York State Rifle & Pistol Association, Inc. v. Bruen*, 597 U.S. 1 (2022) decision held that the Second Amendment to the U.S. Constitution provides a right for a law-abiding citizen to carry a handgun outside the home for self-defense. However, the court also noted that “sensitive places,” including schools, government buildings, legislative assemblies, polling places, and courthouses, are locations “where arms carrying could be prohibited consistent with the Second Amendment.”

Chapter 680 of 2023 generally prohibited a person from wearing, carrying, or transporting a firearm in an “area for children or vulnerable individuals,” a “government or public infrastructure area,” or a “special purpose area.” A person who willfully violates these prohibitions is guilty of a misdemeanor, and on conviction, subject to maximum penalties of one year imprisonment and/or a \$1,000 fine.

In addition, **Chapter 680** prohibited a person wearing, carrying, or transporting a firearm from entering or trespassing in the dwelling of another unless the owner or owner’s agent has given express permission, either to the person or to the public generally, to wear, carry, or transport a firearm inside the dwelling. The Act also prohibited a person wearing, carrying, or transporting a firearm from (1) entering or trespassing on property unless the owner or owner’s agent has posted a clear and conspicuous sign indicating that it is permissible to wear, carry, or transport a firearm on the property or (2) entering or trespassing on property unless the owner or the owner’s agent has given the person express permission to wear, carry, or transport a firearm on the property. “Property” is defined as a building. A person who willfully violates any of these prohibitions is guilty of a misdemeanor and on conviction subject to maximum penalties of one year imprisonment and/or a \$1,000 fine.

Unlawful Wearing, Carrying, or Transporting a Handgun

Chapter 651 of 2023 increased the maximum incarceration penalty from three to five years that may be imposed on a violator of the prohibition against wearing, carrying, or transporting a handgun when the person has no prior convictions under § 4-203 (wearing, carrying, or transporting a handgun), § 4-204 (use of a handgun or antique firearm in the commission of a crime), § 4-101 (wearing or carrying dangerous weapons), or § 4-102 (deadly weapons on school property) of the Criminal Law Article.

Access to Firearms by Children

Chapter 622 of 2023 modified and expanded the existing prohibition on access to a firearm by an unsupervised child (defined as an individual younger than age 16) by establishing that a person may not store or leave a loaded firearm in a location where the person knew or should have known that an unsupervised minor (an individual younger than age 18) has access to the firearm. A person who violates the Act's prohibition is guilty of a misdemeanor and subject to an existing penalty of a \$1,000 maximum fine.

In addition, the Act required the Deputy Secretary for Public Health Services to develop a youth suicide prevention and firearm safe storage guide by January 1, 2024. The Maryland Department of Health was required to post the guide on its website and make an electronic version of the guide available to families, health and social services providers, and other interested entities. In addition, the department must provide grants to local school systems, local health departments, and nonprofit agencies to support the education of families on the safe storage practices recommended in the guide.

Rapid Fire Activators

An auto-sear or switch, also referred to as a “Glock switch,” is a small device that converts a semiautomatic firearm into a machine gun. The devices are illegal under federal law, which defines a machine gun to include any part designed and intended to convert a weapon into a machine gun. *Chapter 713 of 2024* clarified that these parts are illegal under State law, altered the defined term “rapid fire trigger activator” to be “rapid fire activator”, and expanded the definition of “rapid fire activator” to include a “switch/auto-sear” for purposes of existing prohibitions and penalties.

Machine Gun Convertible Pistols

Chapter 771 of 2026, with specified exceptions, prohibited a person from manufacturing, selling, offering for sale, purchasing, receiving, or transferring a machine gun convertible pistol beginning January 1, 2027. Subject to specified exceptions, the Act also altered the definition of a rapid-fire activator to include a pistol converter. As a result of the expanded application of an existing penalty, a violator is guilty of a misdemeanor punishable by imprisonment for up to three years and/or a \$5,000 maximum fine. A person who lawfully obtained and possesses a machine gun convertible pistol may sell or otherwise transfer the machine gun convertible pistol

to an immediate family member who is not prohibited under federal or State law from possessing a firearm.

For a more detailed discussion of firearm laws, see the subpart “Public Safety” within this Part E of this *Major Issues Review*. **Chapters 622 and 680** are discussed in both subparts.

Sexual Crimes

Repeals

Unnatural or Perverted Sexual Practice: Chapters 796 and 797 of 2023 repealed the crime of unnatural or perverted sexual practice and made various conforming and technical changes. The Acts also prohibited expungement of a conviction for unnatural or perverted sexual practice, as the offense existed prior to October 1, 2023, under certain circumstances.

Marital Exemption: Prior to 2023, a person could not be prosecuted for rape in the first degree, rape in the second degree, sexual offense in the third degree, or sexual offense in the fourth degree if the victim was the person’s legal spouse at the time of the alleged rape or sexual offense. This exemption prosecution did not apply under certain circumstances, including if force or threat of force was used and the act was without consent, or if the parties were living separate and apart under a separation agreement or decree of limited divorce. **Chapters 728 and 729 of 2023** repealed the exemption from prosecution in its entirety.

Sexual Offenses Involving Minors

Sexual Solicitation of a Minor – Expansion: Chapters 834 and 835 of 2024 expanded the crime of sexual solicitation of a minor (§ 3-324 of the Criminal Law Article) by prohibiting a person from committing the crime of sexual solicitation of a minor with the intent to commit a violation of the prohibition against production or distribution of child pornography under § 11-207 of the Criminal Law Article. Violators are subject to the existing penalties for sexual solicitation of a minor, which is a felony punishable by a maximum of (1) 10 years imprisonment and/or a \$25,000 fine for a first offense or (2) 20 years imprisonment and/or a \$50,000 fine for a second or subsequent offense.

Indecent Exposure in the Presence of a Minor: Under common law, indecent exposure is the willful and intentional exposure of the private parts of one’s body in a public place in the presence of an assembly. The main elements of the offense are the willful exposure, the public place in which it is performed, and the presence of persons who saw it. There is no distinction between the act being committed in the presence of an adult or a minor. **Chapters 858 and 859 of 2024** codified the prohibition on committing indecent exposure. A violator is guilty of a misdemeanor and subject to the existing statutory penalty of imprisonment for up to three years and/or a fine of up to \$1,000. The Acts also established a new offense that prohibits a person from committing indecent exposure with prurient intent when the person knows or reasonably should know that a minor is present and the minor is at least two years old and more than four years

younger than the perpetrator. Violators are guilty of a misdemeanor and subject to imprisonment for up to five years and/or a \$10,000 maximum fine.

School Resource Officers: Chapters 452 and 453 of 2026 expanded existing statutory prohibitions on specific sexual activity for law enforcement officers to include sexual contact, vaginal intercourse, or a sexual act with a student enrolled in a school where the officer serves as a school resource officer. A school resource officer is (1) a law enforcement officer who has been assigned to a school in accordance with a memorandum of understanding between the chief law enforcement agency and local school system or (2) a Baltimore City school police officer.

Person in a Position of Authority: Chapter 730 of 2023 altered the definition of a “person in a position of authority” under the fourth-degree sexual offense statute to mean a person who (1) is at least 21 years old and works for remuneration or as a volunteer for a public or private preschool, elementary school, or secondary school and exercises supervision over or works or interacts with one or more minors who attend the school or (2) is at least 22 years old and works for remuneration or as a volunteer for a “program” and exercises supervision over or works or interacts with one or more minors who participate in the program.

The Act defined a “program” as (1) an individual, a business, a religious or faith-based institution, or an organization that provides, on a for-profit or nonprofit basis, instructional, coaching, recreational, spiritual, character-building, or supervisory services or activities for minors or (2) any unit of local, State, or federal government. In addition to the existing school-related prohibitions, the Act generally prohibited a person in a position of authority from engaging in a sexual act, sexual contact, or vaginal intercourse with a minor who, at the time of the act, contact, or intercourse, (1) is participating in a program for which the person in a position of authority works and (2) is at least six years younger than the person in a position of authority. A violator is guilty of a misdemeanor and subject to existing penalties for fourth-degree sexual offense.

Chapter 426 of 2026 (1) increased the penalty for the existing sexual crime involving a person in a position of authority who has specified prior convictions; (2) established a new sexual crime involving a person in a position of authority, subject to a specified penalty; (3) required specified individuals to register as Tier III sex offenders; and (4) designated specified sexual offenses by a person in a position of authority as qualifying crimes for sexual solicitation of a minor.

Child Sexual Abuse Material

Accessing and Intentionally Viewing: Chapter 759 of 2023 prohibited a person from knowingly or intentionally accessing and intentionally viewing a film, videotape, photograph, or other visual representation showing an actual child or a computer-generated image that is indistinguishable from an actual and identifiable child younger than age 16 (1) engaged as a subject of sadomasochistic abuse; (2) engaged in sexual conduct; or (3) in a state of sexual excitement. A violator is subject to existing penalties; for a first offense, a violator is guilty of a misdemeanor punishable by imprisonment for up to 5 years and/or a maximum fine of \$2,500, while a subsequent

violator is guilty of a felony punishable by imprisonment for up to 10 years and/or a maximum fine of \$10,000.

Numerous Images and Child Under Age 13: *Chapter 530 of 2026* prohibited a person from violating child pornography-related prohibitions under § 11-207(a)(4) or § 11-208(b)(1) of the Criminal Law Article with 100 or more images. The Act also prohibited a person from violating § 11-207(a)(4) or § 11-208(b)(1) or (2) with any image depicting a minor or an individual indistinguishable from an actual and identifiable child younger than age 13. A violator is guilty of a felony punishable by imprisonment for up to 10 years. A sentence imposed for a violation of these prohibitions may be separate from and consecutive to or concurrent with any other sentence imposed by the court for any other crime based on the acts establishing a violation of § 11-207 or § 11-208 of the Criminal Law Article.

Sexual Extortion, Revenge Pornography, Harassment, and Stalking

Statutes of Limitations: Unless otherwise provided, a prosecution for a misdemeanor must be instituted within 1 year after the offense is committed. *Chapters 772 and 773 of 2024* established that (1) the statute of limitations for a prosecution of the crime of sexual extortion in violation of § 3-709 of the Criminal Law Article is 5 years; (2) the statute of limitations for a prosecution of the crime of stalking in violation of § 3-802 of the Criminal Law Article is 10 years; and (3) an individual may be prosecuted at any time for revenge porn in violation of § 3-809 of the Criminal Law Article.

Revenge Porn – Definition of Visual Representation: Maryland law prohibits a person from knowingly distributing a visual representation of another identifiable person that displays the other person with intimate parts exposed or while engaged in an act of sexual activity (1) with the intent to harm, harass, intimidate, threaten, or coerce the other person; (2) under circumstances in which the person knew that the other person did not consent to the distribution or with reckless disregard as to whether the other person consented to the distribution; and (3) under circumstances in which the other person had a reasonable expectation that the image would remain private. *Chapter 219 of 2025* defined “visual representation” of an identifiable person for purposes of the existing prohibition as an unaltered image of the person or an image created with or without using other existing depictions of the person that is indistinguishable from the person, from the perspective of an ordinary person. “Visual representation” includes a computer-generated image but does not include a drawing, sculpture, cartoon, or painting. The Act also authorized a person to bring a civil action for defamation per se or invasion of privacy against any person who distributes a visual representation in violation of the criminal prohibition.

Visual Surveillance with Prurient Intent – Protected Locations: *Chapters 152 and 153 of 2025* expanded the prohibition on conducting or procuring another person to conduct visual surveillance with prurient intent of an individual by adding (1) a residence and (2) another place of private use or accommodation to the list of protected locations in the definition of a “private place.” The Acts also clarified that nonconsensual visual surveillance of the “private areas of an individual” by use of a camera is prohibited regardless of the location of the individual.

Harassment – Visual Surveillance in Area of Residence with Reasonable Expectation of Privacy: ***Chapters 574 and 575 of 2025*** expanded § 3-803 of the Criminal Law Article (harassment) to prohibit an individual from conducting visual surveillance of an area of another person's residence where the other person has a reasonable expectation of privacy. A violator is subject to the existing statutory penalty for violations of § 3-803. The Acts also prohibited the general harassment statute from being construed in a manner that infringes on any right guaranteed under the U.S. Constitution or the Maryland Declaration of Rights.

Aggravated Stalking: ***Chapter 429 of 2026*** altered existing penalties for stalking if a person committed the act and either (1) the person had an interim, temporary, or final protective order in effect against the person at the time of the offense in which the victim was the petitioner; (2) the person had a court order in effect against the person at the time of the offense prohibiting stalking involving the victim; (3) the person has a previous conviction in this State for stalking; or (4) the person has a previous conviction under the laws of another state that would constitute the crime of stalking if committed in this State. A violator who engages in stalking under these circumstances is guilty of a felony punishable by imprisonment for up to 10 years and/or a \$10,000 maximum fine.

Other Sex Crime-related Measures

Definition of Crime of Violence and Offenses Subject to Lifetime Sexual Offender Supervision: ***Chapters 691 and 692 of 2023*** expanded the definition of a "crime of violence" under § 14-101 of the Criminal Law Article to include sexual abuse of a minor meeting certain criteria and expanded the list of offenses that subject an offender to lifetime sexual offender supervision to include certain circumstances involving a conviction for sexual abuse of a minor and all circumstances involving a conviction for second-degree sexual offense and an attempt to commit second-degree sexual offense (as that crime existed before October 1, 2017) when committed by an adult.

Consent as an Element of a Sexual Crime: Previously, in order to prove that a defendant committed an act constituting second-degree rape under § 3-304 (a)(1) of the Criminal Law Article, the State was generally required to show that the defendant (1) engaged in vaginal intercourse or a sexual act with another; (2) used force or threat of force; and (3) committed the act without the consent of the other. ***Chapter 761 of 2024*** established that it is second-degree rape under § 3-304 (a)(1) for a person to engage in vaginal intercourse or a sexual act with another person without the consent of the other person. The Act also defined "consent" for purposes of Title 3, Subtitle 3 of the Criminal Law Article (sexual crimes); established that consent, lack of consent, and withdrawal of consent must be determined based on the totality of the circumstances; and specified other factors related to consent as an element of a sexual crime.

Third-degree Sexual Offense – Burglary: Depending on the nature of the offense, engaging in unlawful sexual contact with another person may be classified as a third-degree or fourth-degree sexual offense. ***Chapter 499 of 2026*** established that it is a third-degree sexual offense to engage in sexual contact with another person without the other person's consent in

connection with a burglary in the first-, second-, or third-degree. A person who conspires to, attempts to, or commits this offense is (1) a Tier I sex offender if the victim is not a minor; (2) a Tier II sex offender if the victim is a minor who is at least age 13; or (3) a Tier III sex offender if the victim is a minor who is younger than age 13.

Crimes Against Public Administration, Public Safety, and Critical Infrastructure

False Reports and Public Service Answering Point Interference

Anti-swatting Act: Chapters 698 and 699 of 2023 prohibited a person from making, or causing to be made, a statement, report, or complaint of an emergency or alleging the commission of a crime that the person knows to be false as a whole or in material part to a governmental emergency report recipient with reckless disregard of causing bodily harm to an individual as a direct result of a response to the statement, report, or complaint. A violator is guilty of a misdemeanor punishable by imprisonment for up to 3 years and/or a maximum fine of \$2,000. The Acts also prohibited a person from making a false statement, report, or complaint of an emergency or alleging the commission of a crime resulting in a response from law enforcement and serious physical injury to a person or the death of a person as a proximate result of lawful conduct arising out of the response. Under these circumstances, a violator is guilty of a felony punishable by imprisonment for up to 10 years and/or a \$20,000 maximum fine.

Unauthorized Access to Computer With Intent to Impair Functioning of a Public Safety Answering Point: The State's 9-1-1 system operates primarily through public service answering points (PSAP). A PSAP is a 24-hour communications facility that (1) first receives 9-1-1 requests for emergency services in a 9-1-1 service area and (2) appropriately dispatches public safety services, transfers 9-1-1 requests, or transmits incident data. **Chapters 160 and 161 of 2025** prohibited a person from violating § 7-302 of the Criminal Law Article, the prohibition on unauthorized access to computers and related material, with the intent to interrupt or impair the functioning of PSAP. A violator is guilty of a felony punishable by imprisonment for up to five years and/or a maximum fine of \$25,000.

Critical Infrastructure: Chapters 520 and 521 of 2026 prohibit a person from intentionally, willfully, and without authorization committing a violation of § 7-302 of the Criminal Law Article with the intent to interrupt or impair the functioning of critical infrastructure or a PSAP. Violators are guilty of a felony and subject to the existing penalty of imprisonment for up to 5 years and/or a \$25,000 maximum fine. The Acts also established a new offense by prohibiting a person from intentionally, willfully, and without authorization committing a violation of § 7-302 that denies access to an authorized user of or interrupts or impairs the functioning of critical infrastructure or a PSAP. The new offense is a felony, punishable by imprisonment for up to 10 years and/or a \$50,000 maximum fine.

Protection of Public Officials

On October 19, 2023, Judge Andrew F. Wilkinson, a Maryland circuit court judge for Washington County, was murdered in the driveway of his personal residence by a disgruntled litigant. **Chapters 414 and 415 of 2024** established the Office of Information Privacy (OIP) in the Administrative Office of the Courts. A “protected individual,” or OIP (on behalf of a protected individual), is authorized to make a request for a person or governmental entity to not publish the protected individual’s personal information or to remove such information from an existing publication. The Acts established related requirements and procedures, as well as civil remedies for noncompliance, and prohibited an individual from knowingly publishing the personal information of a protected individual if (1) the individual knows or reasonably should know that publishing the personal information poses an imminent and serious threat to the protected individual and (2) the publishing results in an assault in any degree, harassment, trespass, or malicious destruction of property. A violator is guilty of a misdemeanor and subject to a maximum penalty of 18 months imprisonment and/or a \$5,000 fine.

Damaging Telecommunications Infrastructure

In general, scrap metal processors and junk dealers must be licensed to operate in the State. For each of these professions, State law requires licensees to keep detailed records about junk or scrap metal purchases and specifies the circumstances under which these records must be submitted to a regulatory agency or a law enforcement officer. **Chapter 546 of 2026** prohibited a person from recklessly or willfully and maliciously defacing, damaging, or destroying telecommunications infrastructure. Violators are guilty of a misdemeanor and subject to imprisonment for up to six months and/or a fine of up to \$500. The Act expanded the definition of junk or scrap metal used in provisions that address licensing, recordkeeping, and procedural requirements for junk dealers and scrap metal processors. The Act also prohibited a junk dealer or scrap metal processor from purchasing telecommunications equipment from an individual unless the individual, through specified documentation, can establish the necessary legal authority to conduct the transaction.

Controlled Dangerous Substances

Paraphernalia

In general, before 2025, State statute prohibited a person from possessing or distributing drug paraphernalia and controlled paraphernalia. **Chapter 180 of 2025** reduced the penalties for offenses involving drug paraphernalia and controlled paraphernalia and repealed the prohibition on a person using controlled paraphernalia to administer a controlled dangerous substance.

Controlled Dangerous Substances and Firearms

Chapter 136 of 2025 (1) established reduced penalties for various cannabis-related violations of the prohibitions on being a “volume dealer” under § 5-612 of the Criminal Law Article and a “drug kingpin” under § 5-613 of the Criminal Law Article; (2) authorized specified

individuals incarcerated for violations of §§ 5-612 and 5-613 to file an application for a modification or reduction of a mandatory minimum sentence; (3) modified penalties and crime classifications for specified firearms offenses; and (4) authorized a person at least age 21 to manufacture a personal use amount of cannabis products or concentrated cannabis. The Act also specified that, with the exception of a violation involving cannabis, a violation of the volume dealer statute is a felony.

Fraud and Theft

Organized Retail Theft

Chapters 191 and 192 of 2025 established the felony offense of organized retail theft of property with an aggregate value exceeding \$1,500. The Acts also clarified the venue for prosecuting cases involving multiple thefts in multiple counties committed by the same person under a single scheme or continuing course of conduct and required the court, on the State's Attorney's request, to make a finding of fact after specified dispositions for certain offenses as to whether a crime constitutes organized retail theft. The maximum penalties that may be imposed for a violation vary based upon the value of the property involved. A conviction for organized retail theft merges into a conviction under the general theft statute (§ 7-104 of the Criminal Law Article) for the purposes of sentencing where the two convictions arise from the same acts or transactions.

Gift Card Theft

Chapters 456 and 457 of 2026 prohibited a person, with the intent of defrauding another, from altering or tampering with a gift card or its packaging. A violator is guilty of a misdemeanor punishable by imprisonment for up to 18 months and/or a \$500 maximum fine. The Acts also established a valuation method for gift cards for purposes of the general theft statute.

Identity Fraud

Chapter 445 of 2026 expanded the prohibitions under the identity fraud statute to include prohibiting a person from knowingly, willfully, and with fraudulent intent using the personal identifying information of an individual, without the consent of the individual, to cause harm, and knowingly and willfully assuming the identity of another, including a fictional person, to harm, harass, intimidate, threaten, or coerce. The Act also prohibited a person from using artificial intelligence or deepfake representations with fraudulent intent for specified purposes. A victim of a prohibited act may bring a civil cause of action for injunctive or other appropriate relief against the person or persons who committed the act.

Fraud Involving Real Property

Counterfeit Leases: Section 8-601 of the Criminal Law Article prohibits a person from engaging in specified counterfeit-related activities involving private instruments and documents.

Chapter 550 of 2026 added leases of real property and rental agreements relating to real property to the list of documents subject to the prohibitions and penalties under § 8-601.

Task Force to Study Deed Fraud: Chapter 399 of 2026 established the Task Force to Study Deed Fraud to (1) study incidents of deed fraud in the State, including the number of complaints, resolved cases, restitution amounts, and geographic and demographic trends; (2) study how other states combat deed fraud; (3) identify patterns in the methods used by deed fraud perpetrators and patterns in the demographics of deed fraud victims; (4) develop recommendations for deed fraud detection tools; (5) conduct an analysis on victims of deed fraud that identifies the economic impact on victims; and (6) make recommendations to combat deed fraud in the State, including strategies for intergovernmental coordination to more effectively detect and prevent deed fraud.

Benefits Exploitation

Chapters 662 and 663 of 2026 prohibited a person from knowingly recruiting, harboring, transporting, or obtaining an individual through deception, coercion, exploitation, or isolation for the purpose of appropriating the individual's government benefits or benefitting another. The Acts also prohibited a person from knowingly benefiting financially or by receiving anything of value from participating in this prohibited conduct. The Acts established graduated penalties based on the aggregate value of the government benefits involved.

Crimes Involving Animals

Aggravated Abuse or Neglect

Chapter 183 of 2025 prohibited abuse or neglect of an animal that results in (1) the death of a domestic animal or (2) the need to euthanize a domestic animal or livestock based on the recommendation of a licensed veterinarian, validated by a second licensed veterinarian. A violator is guilty of a misdemeanor and subject to imprisonment for up to one year and/or a fine of up to \$5,000. The Act also authorized a court, as a condition of sentencing, to (1) order a defendant to participate in and pay for psychological counseling and pay costs of removing, housing, treating, or euthanizing the animal and (2) prohibit the defendant from owning, possessing, or residing with an animal for a period of time determined by the court.

Restraint of Roosters

Chapters 184 and 185 of 2025 prohibited, with specified exceptions, a person who keeps individually maintained roosters from restraining their movement with an enclosure or tether, beginning January 1, 2027. The Acts may be enforced by any State or local law enforcement officer or a local animal control authority for the jurisdiction where the violation occurs. A violator is subject to (1) for a first offense, a warning; (2) for a second offense, a civil penalty of up to \$500 per rooster; and (3) for a third or subsequent offense, a civil penalty of up to \$1,000 per rooster.

Harm to Emergency Response Animal

Chapters 401 and 402 of 2026 repealed the felony prohibition against intentionally inflicting bodily harm, permanent disability, or death on an animal owned or used by a law enforcement unit and instead established misdemeanors that more broadly prohibit specified intentional harm to, harassment of, or interference with, an emergency response animal (including a dog or horse used by a law enforcement unit). The Acts also specified that the new criminal provisions do not prohibit a defendant from asserting the defense of necessity or self-defense to a charge of violating the Acts' provisions.

Miscellaneous

Commission on Hate Crime Response and Prevention

Chapter 773 of 2023 established the ongoing Commission on Hate Crime Response and Prevention in the Office of the Attorney General. The commission is charged with developing strategies to prevent and respond to hate crime activity and evaluating State laws and policies relating to hate crimes. On or before December 1 each year, beginning in 2024, the commission must report to (1) the Maryland State Department of Education on policy recommendations to address hate crimes that occur in schools and (2) the General Assembly on legislative recommendations to address hate crimes in the State.

Task Force to Study Crime Reclassification and Penalties

Chapter 712 of 2023 established the Task Force to Study Crime Classification. The task force was charged with (1) studying and making recommendations regarding a method for classifying crimes and civil offenses under State law and (2) identifying and logically categorizing all crimes and civil offenses that exist under State law. The task force was required to report its findings and recommendations to the Governor and the General Assembly by December 31, 2023.

Chapter 935 of 2024 renamed the task force as the Task Force to Study Crime Reclassification and Penalties, added several members, extended the life of the task force by two years to June 30, 2026, and altered the responsibilities of the task force to (1) review the penalties for all criminal and civil violations in the Criminal Law Article, Criminal Procedure Article, Public Safety Article, and Maryland Sentencing Guidelines and (2) make recommendations regarding the current scheme for criminal and civil violations in the Criminal Law Article, Criminal Procedure Article, Public Safety Article, and Maryland Sentencing Guidelines.

Criminal Trespass – Exception

In general, Maryland law contains various criminal prohibitions relating to trespassing on the property of others. *Chapters 606 and 607 of 2024* created exceptions to criminal prohibitions against trespass on property for a professional land surveyor or an agent or employee of a professional land surveyor who enters the property of another to practice land surveying.

Criminal Organizations – Expansion of Definition of Underlying Crime

Title 9, Subtitle 8 of the Criminal Law Article contains several prohibitions on engaging in activities as part of a criminal organization. Under § 9-804 of the Criminal Law Article, a person may not (1) participate in a criminal organization knowing that the members of the criminal organization engage in a “pattern of organized crime activity” and (2) knowingly and willfully direct or participate in an “underlying crime” or an act by a juvenile that would be an underlying crime if committed by an adult, committed for the benefit of, at the direction of, or in association with a criminal organization.

Chapter 934 of 2024 expanded the meaning of “underlying crime” for the purposes of establishing a “pattern of organized criminal activity” to include (1) use of a firearm in the commission of a crime under § 4-204 of the Criminal Law Article; (2) contraband – in general under § 9-412 of the Criminal Law Article; (3) a felony violation of Title 8 of the Criminal Law Article (fraud and related crimes); (4) bribery under Title 9, Subtitle 2 of the Criminal Law Article; (5) false statements under Title 9, Subtitle 5 of the Criminal Law Article; (6) impersonating a police officer under § 3-502 of the Public Safety Article; (7) threat of mass violence under Title 3, Subtitle 10 of the Criminal Law Article; (8) child pornography under § 11-207 or § 11-208 of the Criminal Law Article; (9) a felony violation of Title 27, Subtitle 4 of the Insurance Article (insurance fraud); (10) removal or falsification of a vehicle identification number under § 14-107 of the Transportation Article; and (11) abuse or neglect of a vulnerable adult under § 3-604 or § 3-605 of the Criminal Law Article.

Boating – Failure to Stop or Render Aid

Under State law, the operator of a vessel involved in a collision, accident, or other casualty must render all practical and necessary assistance to affected persons in order to save the persons from danger caused by the accident to the extent that the operator can do so without serious danger to the operator’s own vessel or persons aboard. A boat operator must also provide specified identifying information to any person injured and the owner of any property damaged. **Chapter 275 of 2025** expanded these provisions by requiring the operator of a vessel involved in a collision, accident, or other casualty that results in bodily injury to or the death of another person to stop the vessel as close as possible to the scene of the accident for the operator to render assistance and provide information. The Act also established criminal penalties for failure to comply.

Malicious or Fraudulent Burning Resulting in Death of or Injury to Firefighter

In general, State statute prohibits a person from willfully and maliciously setting fire to or burning the personal property of another and setting fire to or burning property of any kind with the intent to defraud another. **Chapters 189 and 190 of 2025** prohibited a person from committing a “crime of malicious or fraudulent burning” that results in the death of or serious physical injury to a firefighter. A violator is guilty of a felony and subject to imprisonment for up to 10 years.

Tampering with Human Remains

Chapter 545 of 2025 prohibited a person, with the intent to conceal a crime, from knowingly and willfully dismembering, destroying, removing, burying, disposing of, or obliterating any portion of human remains. The Act also prohibited aiding or abetting another person in committing such an act. A violator is guilty of a felony and subject to imprisonment for up to five years.

Religious Protection

State law contains a variety of prohibitions against disturbing the peace and disorderly conduct. **Chapters 424 and 425 of 2026** added to these crimes by prohibiting a person from using force, threat of force, or physical obstruction to interfere with or physically injure another person while the other person is lawfully exercising or attempting to exercise the right of religious freedom under the First Amendment of the U.S. Constitution at a place of religious worship. A violator is guilty of a misdemeanor punishable by imprisonment for up to 90 days and/or a \$1,000 maximum fine.

E

Criminal Procedure

Court Procedures

Pretrial Release Procedures

Immigration Detainers: In most cases, pretrial release determinations are made at a defendant's initial appearance before a District Court commissioner. A commissioner may not, however, authorize the release of certain defendants. Pretrial release of such defendants may be authorized only by a judge, and only on suitable bail, on any other conditions that will reasonably ensure that the defendant will not flee or pose a danger to others, or on both bail and such other conditions. **Chapter 872 of 2026**, in part, authorized a judge or a District Court commissioner to consider whether a defendant charged with a felony is the subject of an immigration detainer when deciding whether to authorize pretrial release of the defendant or to set bond or bail for the defendant.

Case Disposition Procedures

Probation Before Judgment: In general, a disposition of probation before judgment requires a finding of guilt by a judge or jury – either after trial or after a guilty plea by the defendant. While probation before judgment is not considered a conviction under Maryland law, it is considered a conviction under federal law, including immigration law. **Chapters 710 and 711 of 2023** authorized a court to place a defendant on probation before judgment if the defendant pleads not guilty, the court finds facts justifying a finding of guilt beyond a reasonable doubt, and specified conditions are met, including the consent of the State and a finding by the court that the

best interests of the defendant and the public welfare would be served by granting a probation before judgment under this circumstance.

Post-conviction Procedures

Motion to Reduce Duration of Sentence: Chapter 61 of 2021, also known as the Juvenile Restoration Act, authorized an individual convicted as an adult for an offense committed when the individual was a minor to file a motion with the court to reduce the duration of the individual's sentence if the individual was sentenced before October 1, 2021, and had served at least 20 years of the sentence imposed. ***Chapter 96 of 2025***, also known as the Maryland Second Look Act, expanded these provisions to allow for a motion to reduce a sentence to be filed by an individual who (1) was convicted of an offense committed when the individual was at least age 18 but younger than age 25; (2) was not sentenced to life without the possibility of parole; (3) was not a sex offender; (4) had been imprisoned for at least 20 years for the offense; and (5) was not convicted of murder involving a victim who was a first responder who was killed in the line of duty. ***Chapter 498 of 2026*** repealed the requirement that an individual convicted as an adult for an offense committed when the individual was a minor have been sentenced before October 1, 2021.

Motion to Vacate: Chapters 686 and 687 of 2023 added the unauthorized use of a motor vehicle (under § 14-102 of the Transportation Article) and soliciting or offering to solicit prostitution or assignation (under § 11-306 of the Criminal Law Article) to a list of qualifying offenses for which a person who was convicted of a qualifying offense may file a motion to vacate a judgment if the person's participation in the offense was a direct result of being a victim of human trafficking. Specific procedural requirements apply to these motions, and a conviction that has been vacated under these provisions may not be considered a conviction for any purpose. A person who was convicted of a crime and had the conviction vacated under these circumstances is eligible to file a petition to expunge records regarding the vacated conviction, as specified in statute.

Criminal Records and Expungement

Section 10-105 of the Criminal Procedure Article authorizes an individual charged with the commission of a crime or a civil offense or infraction to file a petition for expungement of the records under certain circumstances. Similarly, § 10-110 of the Criminal Procedure Article authorizes an individual convicted of any of a list of specified offenses, or an attempt, a conspiracy, or a solicitation of any of these offenses, to file a petition for expungement of the conviction, subject to specified procedures and requirements. Under both provisions, petitions for expungement are subject to specified waiting periods, which in most cases, begin after the satisfactory completion of the sentence or after the person satisfies the sentence or sentences imposed.

Convictions Eligible for Expungement

Malicious Destruction of Property: Chapter 683 of 2023 added the malicious destruction of property (§ 6-301 of the Criminal Law Article) to the list of misdemeanors that can be expunged after five years.

Credit Card Theft & Driving Without a License: Chapter 95 of 2025 expanded the list of misdemeanor convictions eligible for expungement under § 10-110 of the Criminal Procedure Article to include credit card theft and driving without a license.

Hunting Offenses: Chapter 784 of 2023 expanded eligibility for expungement under § 10-110 of the Criminal Procedure Article to include convictions for specified misdemeanor hunting-related offenses, such as hunting without a valid hunting license or failing to wear fluorescent clothing while hunting.

Cases Terminated Without Finding: Chapters 479 and 480 of 2026 expanded eligibility for expungement under § 10-110 of the Criminal Procedure Article to include a charge for an offense listed as eligible under § 10-110 where a remaining charge was (1) disposed of by a court with a no finding designation or (2) included in a case that was designated by the court as having been terminated without finding.

Expungement Waiting Periods

Chapter 683 of 2023 shortened some of the waiting periods for filing a petition to expunge records related to a conviction eligible for expungement under § 10-110 of the Criminal Procedure Article. The Act established the following new waiting periods for filing an expungement petition following the petitioner's satisfaction of the sentence(s) imposed for all convictions for which expungement is sought: 5 years for a listed misdemeanor in general (instead of 10 years); 7 years for a listed felony in general (instead of 15 years); 7 years for second-degree assault under § 3-203 of the Criminal Law Article or common law battery (instead of 15 years); and 10 years for first-degree burglary under § 6-202(a) of the Criminal Law Article, second-degree burglary under § 6-203 of the Criminal Law Article, or felony theft under § 7-104 of the Criminal Law Article (instead of 15 years).

Chapter 95 of 2025 established that the applicable waiting period before an individual may file a petition for expungement begins after the "completion of the sentence." "Completion of the sentence" means the time when a sentence has expired, including any period of probation, parole, or mandatory supervision.

Factors for Expungement Eligibility

Chapter 95 of 2025 required that, in determining whether a person is entitled to expungement under § 10-105 of the Criminal Procedure Article, a court must consider (1) the person's success at probation, parole, or mandatory supervision and (2) whether the person has paid any monetary restitution ordered by the court in the original proceeding or does not have the

ability to pay the restitution. Similarly, for a petition for expungement filed under § 10-110 of the Criminal Procedure Article, the Act altered the findings that a court must make before granting an expungement to include consideration of (1) the person's success at probation, parole, or mandatory supervision and (2) that the person has paid any monetary restitution ordered by the court in the original proceeding or does not have the ability to pay the restitution.

Chapter 683 of 2023 specified that any unpaid court fees or costs are not a bar to expungement and required that, when ordering or effecting an expungement, a court must waive any court fees and costs associated with the charge being expunged.

Automated Expungement

Legislation was considered in multiple forms over the 2023-2026 term to authorize partial and/or automated expungements under certain circumstances. However, according to the Department of Public Safety and Correctional Services (DPSCS), existing systems that maintain criminal records are generally insufficient to support the implementation of automated expungements or partial expungements.

Chapter 940 of 2024 required DPSCS to include system upgrades required to allow for automated expungement of charges and partial expungement of charges in any vendor contracts being negotiated at the time of the Act's effective date. General fund expenditures were anticipated to increase by \$26.0 million over the course of five years, based on the department's estimate of the costs and time required to complete the necessary upgrades.

Maryland Judiciary Case Search

Chapter 95 of 2025 prohibited Maryland Judiciary Case Search from referring in any way to electronic records for charges resulting in (1) the court marking the charge "stet" on the docket at least three years previously and (2) charges of possession of cannabis in a case with electronic records if the charge resulted in a conviction that was later pardoned by the Governor.

Victims of Crime

Victim Services Funding

The Crime Victims Fund, established by the federal Victims of Crime Act (VOCA), is a major funding source for victim services throughout the country. The purpose of the VOCA program is to improve the treatment of victims of crime by providing victims with the assistance and services necessary to aid their restoration after a violent criminal act and to support and aid victims as they move through the criminal justice process. Federal funding awards under the VOCA have fluctuated in recent years, with amounts ranging from \$18.9 million to \$61.1 million. To ensure that a stable level of funding is provided to programs that receive and use VOCA funds to support victim services, *Chapter 626 of 2023* required the Governor, in each fiscal year, to include in the annual budget bill an appropriation that, together with the amount received under

federal VOCA funds in the prior year, totals an aggregate \$60.0 million for specified victim services programs.

Among other provisions, the Act also (1) required the Governor’s Office of Crime Prevention and Policy (GOCPP) to help support programs providing services for victims of crime throughout the State; (2) authorized GOCPP to award grants to public or private nonprofit organizations to operate the victim services programs; and (3) required GOCPP to ensure that State funds awarded under the Act are administered and used in accordance with specified requirements.

Chapter 705 of 2024 made numerous changes to statutory provisions regarding victim compensation awarded through the Criminal Injuries Compensation Board (CICB). Among other provisions, the Act (1) altered the duties, powers, and procedures for CICB to make awards to victims of crime; (2) authorized reconsideration and judicial review of CICB decisions; and (3) authorized the Governor, for fiscal 2026 and each year thereafter, to include in the annual budget bill an appropriation to the Criminal Injuries Compensation Fund that is adequate to ensure a balance in the fund. The Act also made numerous changes that significantly expand the eligibility for, amount of, and types of awards that CICB is authorized to make to specified victims of crime.

U Nonimmigrant Status

Federal law allows individuals without legal status in the United States who are victims of criminal activity to file for U Nonimmigrant Status. The status is set aside for victims of crimes who have suffered substantial mental or physical abuse due to the criminal activity and who are willing to assist law enforcement agencies or government officials in the investigation of that activity. In order to file for the status, the individual must provide a certification from a federal, state, or local law enforcement official stating that the individual has been helpful.

Chapter 114 of 2025 expanded the list of individuals who may request a certification of victim helpfulness to include the victim’s attorney, a victim advocate, or another representative of the victim. The Act further established that there is no statute of limitations for when a qualifying criminal activity occurred relative to the request for certification of victim helpfulness. In general, a certifying entity must respond to a request for certification of victim helpfulness within 45 days after receiving the request. However, if the victim is the subject of removal, exclusion, or deportation proceedings or subject to a final order of removal, exclusion, or deportation, the certifying entity must respond to a request for certification of victim helpfulness within 7 days of receiving the request. If a certifying entity does not certify that an individual has been helpful within the required 45 days or determines that an individual does not qualify for a certification of victim helpfulness, the certifying entity must provide a written explanation to the victim setting forth the reasons why the evidence available does not support issuance of the certification. The Act also required that a certifying entity develop protocols to assist petitioners with limited English proficiency to proceed under the Act’s provisions.

Victims' Rights and Safety

Victims of Sexually Assaultive Behavior: Certain acts are designated in statute as “sexually assaultive behavior,” including those acts that constitute sexual crimes under Title 3, Subtitle 3 of the Criminal Law Article. ***Chapter 772 of 2023*** expanded upon the broad range of specific rights afforded to victims during the criminal justice process by requiring an assistant State’s Attorney to meet with a victim of sexually assaultive behavior at the request of the victim after a decision by the Office of the State’s Attorney not to file a charging document against an alleged suspect or to dismiss charges against an alleged suspect.

No Contact Provisions: A person charged with committing specified offenses may not violate a condition of pretrial or posttrial release prohibiting the person from contacting, harassing, or abusing an alleged victim or going in or near the alleged victim’s residence or place of employment. ***Chapter 681 of 2023*** made explicit that a person, including an incarcerated person, is prohibited from violating a condition of pretrial or posttrial release or other pretrial or posttrial condition that prohibits the person from contacting, harassing, or abusing an alleged victim or going in or near an alleged victim’s residence or place of employment if the person is charged with committing specified offenses.

Protection of Identity of Minor Victim: State law provides certain protections from the release of an address or phone number of a victim or witness in a criminal proceeding. ***Chapter 877 of 2024*** broadened these protections by prohibiting the court or a party in a criminal or juvenile delinquency case, on notice that an electronic or paper filing includes “identifying information” of a minor victim, from disclosing or allowing inspection of any such filing, including a charging document, to a nonparty unless the court or the party disclosing or allowing inspection of the filing redacts identifying information or the court finds by clear and convincing evidence that there is good cause to order otherwise. “Identifying information” means the name of, and any other information that could reasonably be expected to identify, a minor victim.

Protection of Identity of Victims of Sexual Assault and Stalking: ***Chapter 542 of 2026*** prohibited a court or a party in a criminal or juvenile delinquency case, on notice that an electronic or paper filing includes identifying information of a victim of sexual assault or stalking, from disclosing or allowing inspection of any such filing, including a charging document, to a nonparty (except the victim or the victim’s representative) unless the court or the party disclosing or allowing inspection of the filing redacts identifying information or the court finds by clear and convincing evidence that there is good cause to order otherwise. “Identifying information” means the name of, and any other information that could reasonably be expected to identify, a victim of sexual assault or a victim of stalking. On written request of a victim of sexual assault or stalking, the court must redact identifying information relating to the victim from an existing filing or record. The Act included an exception allowing for the disclosure or inspection of an unredacted filing to a health occupations board for the purpose of investigating or disciplining a defendant or respondent who is licensed or certified by the board for sexual misconduct.

Waiver of Rights: State law prescribes specific requirements for law enforcement interactions with victims of sexually assaultive behavior. Among these requirements, a law enforcement agency may not present a victim of sexually assaultive behavior a form purporting to (1) relieve the law enforcement agency of an obligation to the victim; (2) preclude or define the scope of an investigation by the law enforcement agency into an act allegedly committed against the victim; (3) prevent or limit a prosecution of an act allegedly committed against the victim; or (4) limit a private right of action of the victim pertaining to either an act allegedly committed against the victim or the victim's interaction with the law enforcement agency. **Chapter 407 of 2026** extended this prohibition to prohibit a law enforcement agency, in interactions with a victim of sexually assaultive behavior, from making a request for such a waiver through a verbal acknowledgement.

Evidence

The Maryland Rules of Evidence generally govern the admissibility of evidence in court proceedings. Additionally, State law includes various provisions allowing or prohibiting the admission of certain types of evidence under certain circumstances. Judges are responsible for applying these rules and determining whether a particular piece of evidence is admissible.

Testimony of Spouses

Before 2025, State law generally provided that one spouse is not competent to disclose any confidential communication between the spouses occurring during their marriage. **Chapters 145 and 146 of 2025** established that a spouse, who is the alleged victim, is competent to disclose a confidential communication between spouses occurring during their marriage in a criminal action in which one spouse is charged with a crime against the other spouse. However, a spouse may not be compelled to testify to a confidential communication under these circumstances.

Testimony of Child Victims and Witnesses

Under specified circumstances in a case generally involving child abuse, a court may order that the testimony of a child victim be taken outside the courtroom and shown in the courtroom by closed circuit television. **Chapters 150 and 151 of 2025** repealed a requirement that the court determine that a child victim cannot reasonably communicate in the presence of a defendant or child respondent before ordering the child's testimony to be taken outside of the courtroom. Instead, the court must determine that testimony of the child victim in the presence of the defendant or child respondent will result in the child victim suffering serious emotional distress.

The Acts also required (1) if the child victim testifies by closed circuit television, the testimony must be given within the courthouse in a setting that the court finds will reasonably mitigate the likelihood that the child victim will suffer emotional distress and (2) the defendant or child respondent to have a means of privately communicating orally and in real-time with the attorney for the defendant or child respondent who is in the room where the child victim is testifying.

Chapters 147 and 148 of 2025 generally expanded statutory evidentiary provisions that authorize the admission of an out of court statement in a juvenile court or criminal proceeding made by a child victim or witness to certain professionals to also be applicable to statements made to a “forensic interviewer.” A forensic interviewer is defined as a professional who (1) is trained in child forensic interviewing protocols and techniques that allow for neutral, legally sound, nonleading, and developmentally appropriate interviews with children to gather information without influencing the information provided by the child; (2) is not a law enforcement officer; and (3) is employed by or works under contract with a child advocacy center or an entity in another jurisdiction that would qualify as a child advocacy center in the State.

Hearsay Evidence

Hearsay is a statement made outside of court but offered as evidence in court to prove the truth of the matter asserted in the statement. In general, hearsay is inadmissible as evidence; however, under State law, among other exceptions, hearsay is not excluded during the trial of a criminal case in which the defendant is charged with a felony and the hearsay statement is offered against a party that has engaged in, directed, or conspired to commit wrongdoing that was intended to and did procure the unavailability of the declarant of the statement. **Chapter 529 of 2026** expanded this exception to include a criminal case in which the defendant is charged with assault in the second degree.

Creative Expression

Chapter 517 of 2026 prohibited the “creative expression” of a defendant or respondent from being admitted against the defendant or respondent in a criminal or juvenile proceeding unless the court finds by a preponderance of the evidence, that (1) the defendant or respondent intended the creative expression to be literal, rather than figurative or fictional, or, if the creative expression is derivative, that the defendant or respondent intended to adopt the literal meaning of the creative expression as their own; (2) there is a close temporal and factual nexus between the creative expression and the alleged offense; (3) the creative expression is relevant to a disputed issue of fact; and (4) the probative value of the creative expression outweighs its prejudicial effect. The Act did not preclude the admission of creative expression in juvenile cases for the purposes of evaluating, recommending, or ordering referral to mental health services or diversion programs. “Creative expression” is defined as the expression or application of creativity or imagination in the production or arrangement of forms, sounds, words, movements, or symbols that is eligible for federal copyright protections, and includes expression such as music, dance, and poetry.

Criminal Investigations

Cannabis

Chapter 802 of 2023 prohibited a law enforcement officer from (1) initiating a stop or a search of a person, motor vehicle, or vessel based solely on specified types of cannabis-related evidence, including the odor of cannabis, and (2) conducting a search of specified areas of a motor vehicle or vessel during an investigation of a person solely for driving a motor vehicle or vessel

while impaired by or under the influence of cannabis. Any evidence discovered or obtained in violation of these restrictions is inadmissible in a trial, hearing, or other proceeding, even if the evidence was discovered or obtained with the consent of the individual. The Act also reduced specified fines for smoking cannabis in a public place.

Sexual Assault Evidence Collection

Statutory provisions include specific requirements for the transfer, testing, and storage of sexual assault evidence collection kits. **Chapter 703 of 2023** increased, from 20 to 75 years, the time after the collection of evidence during which a sexual assault evidence collection kit or other specified evidence cannot be destroyed or disposed of by a law enforcement agency, unless specified criteria are met. The Act also established that sexual assault evidence collection kits collected before January 1, 2000, and stored by a hospital or child advocacy center must be (1) retained consistent with the requirements regarding the retention of sexual assault evidence collection kits and (2) transferred to a law enforcement agency for testing within 30 days after being identified as a sexual assault evidence collection kit, or as directed by the Office of the Attorney General (OAG). Among other provisions, the Act also addressed the reported increase in the use of self-administered sexual assault evidence collection kits by requiring such kits to be transferred to a law enforcement agency, as specified.

The Sexual Assault Reimbursement Unit within GOCPP oversees the reimbursement for the physical examination, collection of evidence, and emergency treatment of individuals for injuries resulting from alleged rape, sexual assault, or child sexual abuse. **Chapter 833 of 2024** required specified health care providers to provide sexual assault forensic exams conducted through “peer-to-peer telehealth” without charge to victims and makes those services eligible for reimbursement through GOCPP. “Peer-to-peer telehealth” means, as it relates to the performance of a forensic examination, the use of interactive audio, video, or other telecommunications or electronic technology by a forensic nurse examiner to assist in the performance of a forensic examination when the examiner is in one location and the patient is with a qualified health care provider in another location. The Act also extended existing provisions that provide immunity from civil liability to physicians or qualified health care providers under certain circumstances to be applicable when sexual assault forensic exams are conducted through peer-to-peer telehealth.

Law Enforcement Responsibilities

Office of the Attorney General: The Independent Investigation Division (IID) in OAG is the primary investigative unit for police-involved incidents that result in the death of a civilian or injuries likely to cause the death of a civilian. **Chapter 632 of 2023** expanded the investigative jurisdiction of IID by specifying that IID is the primary investigative unit for police-involved incidents that result in the death of individuals or injuries likely to result in death (thereby affording it jurisdiction over cases in which the injured party is not a civilian). The Act also authorized IID to investigate any other crime related to police misconduct that is discovered during these investigations.

The Act also provided the Attorney General exclusive authority to prosecute a criminal offense discovered in the course of IID's investigation, unless the Attorney General requests that a State's Attorney prosecute the offense. Among other provisions, the Act authorized the Attorney General to prosecute a police-involved incident not otherwise within IID's investigative jurisdiction if a State's Attorney refers the case to the Attorney General for prosecution.

Office of the State Prosecutor: Generally, the State Prosecutor may investigate specified criminal offenses and violations of State law, including laws related to elections and voting, public ethics, bribery, and criminal misconduct in office committed by an officer or employee of the State, or a political subdivision of the State, or of a bi-county or multi-county unit of the State. **Chapter 480 of 2026** authorized the State Prosecutor to investigate a violation of the prohibition against knowingly and willfully threatening to take the life of, kidnap, or cause physical injury to specified public officials if the violation was committed against a "judge or judge-elect." The State Prosecutor may investigate an alleged offense on the State Prosecutor's own initiative or on request of the Governor, the Attorney General, the General Assembly, the State Ethics Commission, or a State's Attorney.

Maryland Capitol Police: **Chapter 263 of 2026** granted police officers of the Maryland Capitol Police (MCP), within the Department of General Services, statewide jurisdiction to investigate and otherwise enforce the criminal laws, specified civil asset forfeiture laws, and parking and motor vehicle laws. Under certain circumstances where an MCP officer exercises jurisdiction, the Act required that MCP provide notice (1) to the Secretary of State Police or the Secretary's designee, reasonably in advance, unless an emergency or exigency exists and (2) specified State and local law enforcement officials, as applicable, after an investigation or enforcement has occurred. The Act also required that before an MCP officer exercises powers granted under the Act in Baltimore City, MCP must enter a memorandum of understanding with the Baltimore Police Department.

Forensic Genetic Genealogical DNA Analysis

Statute includes extensive provisions regarding law enforcement use of forensic genetic genealogical DNA analysis and search (FGGS), which, broadly, involves comparing and potentially matching DNA with genetic profiles in public databases. Title 17 of the Criminal Procedure Article governs the use of FGGS in the State and includes a general prohibition against initiating FGGS without both judicial authorization and certification before the court that the forensic sample and criminal case meet specified criteria. **Chapter 831 of 2024** provided an exemption to the statutory requirements within Title 17 when FGGS is conducted solely for the purpose of identifying an individual who is (1) deceased or (2) the subject of a missing person report filed with a law enforcement agency and whose whereabouts are unknown.

Facial Recognition Technology

The Maryland Image Repository System (MIRS) is facial recognition software within DPSCS that allows law enforcement to compare images of unidentified individuals to images from Motor Vehicle Administration records, inmate case records, and mugshots. Currently, local law

enforcement agencies in the State are responsible for establishing a policy regarding the use of MIRS and decide when, where, and how it is used. While facial recognition technology (FRT) can be a beneficial tool for law enforcement, concerns are routinely expressed regarding, among other things, privacy invasions and FRT's potential for errors.

Chapter 808 of 2024 established numerous requirements, procedures, and prohibitions to govern the use of FRT by law enforcement agencies. Generally, law enforcement, in the furtherance of a criminal investigation, may only use FRT in limited circumstances, including to investigate specified crimes of violence or criminal acts that present a substantial and ongoing threat to public safety or national security. The Act may not be construed, however, to restrict the use of FRT for certain purposes, including to identify a missing, deceased, or incapacitated person. The Act required specified training, audits, and reports related to the use of FRT and, with specified exceptions, prohibit the introduction of results generated by FRT in a criminal proceeding or a juvenile delinquency proceeding. Regarding the use of FRT, the Department of State Police, in consultation with any other relevant State agency, must adopt and publish a model statewide policy. By June 30, 2026, DPSCS was required to develop and administer a training program regarding the use of FRT in the course of criminal investigations, as specified. A police officer or other employee or agent of a law enforcement agency authorized to use FRT in the course of a criminal investigation must annually complete training administered by DPSCS.

E

Military Protection Orders

A “military protection order” (MPO) is a protection order issued in accordance with 10 U.S.C. § 1567 by a commanding officer against a person under the officer's command in (1) any branch of the uniformed services of the United States; (2) the Maryland National Guard; or (3) the national guard of any other state. In general, an MPO is a written lawful order issued by a military commander that orders a service member to avoid contact with those persons identified in the order. **Chapter 531 of 2025** specified that if a law enforcement officer has probable cause to believe that an individual is in violation of a protective order or peace order and is a service member in violation of an MPO entered into the Federal Bureau of Investigation's National Crime Information Center Database (NCIC), the law enforcement officer must notify the law enforcement agency that entered the MPO into NCIC of the violation.

Crime-specific Procedures

Abortion

In June 2022, the U.S. Supreme Court, in *Dobbs v. Jackson Women's Health Organization*, 597 U.S. 215 (2022), overturned precedent regarding abortion access. The Supreme Court's decision left states to decide how to regulate the issue. Since that time, states have taken various measures to curtail access to abortion or, conversely, to ensure that existing access remains available. **Chapter 246 of 2023** included several provisions related to criminal procedure and reproductive health care, including those that generally impact the exchange of information between states. The Act, subject to a limited exception, prohibited a judge from issuing a summons

if the criminal proceedings or grand jury investigation for which the witness is being summoned relates to a violation of another state's criminal law involving the provision of, receipt of, or assistance with "legally protected health care" in Maryland. Among other provisions, the Act also (1) required certain subpoena requests to contain a signed affirmation that no portion of the subpoena is intended or anticipated to further any investigation or proceeding related to legally protected health care and (2) prohibited a judge from issuing an *ex parte* order for the purpose of investigating or recovering evidence of actions related to legally protected health care, unless the acts forming the basis for the investigation or recovery of evidence would constitute a crime in Maryland. The Act defined "legally protected health care" as all reproductive health services, medications, and supplies related to the direct provision or support of the provision of care related to pregnancy, contraception, assisted reproduction, and abortion that is lawful in the State.

Statutes of Limitations

In general, a prosecution for a misdemeanor must be initiated within one year after the offense was committed, unless otherwise specified in statute.

Sexual Extortion, Stalking, and Revenge Porn: Chapters 772 and 773 of 2024 established that (1) the statute of limitations for a prosecution of the crime of sexual extortion in violation of § 3-709 of the Criminal Law Article is 5 years; (2) the statute of limitations for a prosecution of the crime of stalking in violation of § 3-802 of the Criminal Law Article is 10 years; and (3) an individual may be prosecuted at any time for a violation of § 3-809 of the Criminal Law Article (revenge porn).

Cemetery Destruction: Chapters 158 and 159 of 2025 extended the statute of limitations to prosecute a person for a violation of § 10-404 (a) or (b) of the Criminal Law Article relating to the destruction of funerary objects and other elements of a cemetery to within three years after local authorities in fact knew or reasonably should have known of the violation.

Charging and Sentencing

Crimes Against Animals: Chapters 156 and 157 of 2025 established that each animal harmed in a violation of Title 10, Subtitle 6 of the Criminal Law Article (crimes against animals) is a separate offense and must be deemed an individual victim for purposes of the sentencing guidelines stacking rule. The Acts specified that (1) a conviction for a violation of the subtitle cannot merge with a conviction for any other crime based on the act establishing the violation and (2) a sentence imposed for a violation of the subtitle may be separate from and consecutive to or concurrent with a sentence for any crime based on the act establishing the violation. The Acts also clarified that specified crimes generally prohibiting animal abuse and neglect do not apply to either hunting or fishing activities that use the most humane method reasonably available if they are completed in accordance with State wildlife or fisheries law or regulations.

Immunity

Medical Emergencies

The act of seeking, providing, or assisting with the provision of medical assistance for another person who is experiencing a medical emergency after ingesting or using alcohol or drugs may be used as a mitigating factor in a criminal prosecution of (1) the person who experienced the medical emergency or (2) any person who sought, provided, or assisted in the provision of medical assistance. Furthermore, a person who, in good faith, seeks, provides, or assists with the provision of medical assistance for a person reasonably believed to be experiencing a medical emergency after ingesting or using alcohol or drugs must be immune from criminal arrest, charge, or prosecution for specified violations if the related evidence was obtained solely as a result of the person seeking, providing, or assisting with the provision of medical assistance.

The same immunity applies to a person who reasonably believes that the person is experiencing a medical emergency after ingesting or using alcohol or drugs. **Chapter 718 of 2023** specified that this immunity applies to a person who is experiencing a medical emergency, rather than a person who reasonably believes that the person is experiencing a medical emergency. Statutory provisions also prohibit a person who seeks, provides, or assists with the provision of medical assistance in accordance with statute from being sanctioned for a violation of a condition of pretrial release, probation, or parole if the evidence of the violation was obtained solely as a result of the person seeking, providing, or assisting with the provision of medical assistance. **Chapter 718** also extended application of this provision to a person who is experiencing a medical emergency after ingesting or using alcohol or drugs if the evidence of the violation was obtained solely as a result of the person receiving the provision of medical assistance.

Individuals Found Not Criminally Responsible

Release Proceedings

A defendant who is committed to the Maryland Department of Health (MDH) after being found not criminally responsible is eligible for release only if the defendant proves by a preponderance of the evidence that the defendant will not be a danger to self or to the person or property of others due to a mental disorder or similar disability if released from commitment with conditions (conditional release) or without conditions (discharge). **Chapters 759 and 760 of 2024** made various changes to related procedures by (1) establishing that the Maryland Rules governing discovery for civil matters in the circuit court apply to a proceeding to determine eligibility for conditional release or discharge; (2) requiring a court and MDH to promptly inform the committed person's counsel of record when they receive a report that a committed person violated a condition of release or violated conditional release, respectively; (3) requiring a court, on request by any party, to hold a hearing after an application is made for a change in the conditional release of a committed person to determine whether the applicant has satisfied the requirements for release; (4) establishing that a preponderance of the evidence standard applies to an applicant in change of

conditional release proceedings; and (5) clarifying that a court may extend a conditional release by up to five years and authorizing a court to shorten or terminate the conditional release.

Forensic Review Boards

Chapters 115 and 116 of 2025 required MDH to establish a forensic review board at each facility that has persons committed as not criminally responsible. The boards are responsible for reviewing and determining whether to recommend to the court that a committed person is eligible for discharge or conditional release, with or without proposed conditions. A board may make recommendations relating to the release or rehabilitation of a committed person and must notify the committed person and the person's counsel of record before it holds a meeting concerning the committed person and after the board issues a recommendation to the court, as specified. When making a recommendation, a forensic review board must consider a written statement offered by the committed person to the board. Counsel for any party may not attend forensic review board meetings, but a committed person may appoint an "authorized agent" to attend the portion of the board's meeting concerning the committed person and give and hear arguments at the meeting.

Juvenile Law

With certain exceptions, the juvenile justice system handles persons younger than the age of 18 who commit illegal acts. Unlike the adult criminal system, the juvenile system is designed to protect public safety while restoring order to the lives of young offenders without a determination of guilt or the imposition of fixed sentences. The Department of Juvenile Services (DJS) administers the majority of the State's juvenile programs.

Juvenile Law Reform

Background

Chapter 42 of 2022 implemented many of the recommendations of the Juvenile Justice Reform Council, established in 2019 to research best practices for the treatment of juveniles who are subject to the criminal and juvenile justice systems. Among other provisions, Chapter 42 raised, to age 13, the minimum age of juveniles subject to the jurisdiction of the juvenile court for purposes of delinquency proceedings, with an exception for 10- to 12-year-olds accused of specified violent offenses. Chapter 42 also established limitations on the use of detention and probation and expanded the circumstances under which juveniles may be handled by an informal process within DJS without an opportunity for further review by a State's Attorney. Furthermore, Chapter 42 established the Commission on Juvenile Justice Reform and Emerging and Best Practices.

Juvenile Court Jurisdiction

Prior to 2024, the juvenile court had jurisdiction over children who are alleged to be delinquent, in need of supervision, or who are at least age 13 and have received a citation for specified violations. The juvenile court also had jurisdiction over peace order proceedings in which

the respondent is a child. However, the juvenile court did not have jurisdiction over (1) a child at least age 14 alleged to have committed an act which, if committed by an adult, would be a crime punishable by life imprisonment; (2) a child at least age 16 alleged to have violated specified traffic or boating laws; (3) a child at least age 16 alleged to have committed specified crimes; or (4) a child who previously has been convicted as an adult of a felony and is subsequently alleged to have committed an act that would be a felony if committed by an adult. These cases were initiated in adult criminal court. However, for items (1), (3), and (4) above, the adult criminal court may transfer the case back to juvenile court before trial or before a plea is entered under specified circumstances.

Chapter 735 of 2024 expanded the juvenile court’s jurisdiction to include a child who is at least age 10 and is alleged to have committed an act that would, if committed by an adult, be (1) a specified crime involving weapons or firearms; (2) a crime involving animals; or (3) a sexual offense in the third degree.

Juvenile Intake

Intake occurs when a complaint is filed by a police officer or other person or agency having knowledge of facts that may cause a child to be subject to the jurisdiction of the juvenile court. After a complaint is filed, a DJS intake officer is required to make an inquiry to determine whether the juvenile court has jurisdiction and whether judicial action is in the best interests of the public or the child. The intake officer may make any of the following decisions: (1) deny authorization to file a petition or a peace order request or both in the juvenile court; (2) propose an informal adjustment of the matter; or (3) authorize the filing of a petition or a peace order request or both in the juvenile court. **Chapter 735** altered the length of time DJS has to make an inquiry from 25 days to 15 business days, or 2 days if law enforcement requests that a DJS intake officer detain a child prior to a hearing and the intake officer denies that request. In addition, if a complaint is filed that alleges the commission of an act by a child under the age of 13 that, if committed by an adult, would constitute theft of a motor vehicle under § 7-105 of the Criminal Law Article, **Chapter 735** required an intake officer to authorize the filing of a petition alleging that the child is in need of supervision.

State’s Attorney Review of Complaints

If a complaint alleges the commission of an act that would be a felony if committed by an adult or alleges a violation of specified handgun crimes and the intake officer denies authorization to file a petition or proposes an informal adjustment, the intake officer must immediately forward the complaint and a copy of the entire intake case file, as specified, to the State’s Attorney. Upon receipt of a forwarded complaint, the State’s Attorney must make a preliminary review as to whether the court has jurisdiction and whether judicial action is in the best interests of the public or the child. After the preliminary review, and within 30 days of the State’s Attorney’s receipt of the complaint (unless the court extends the time), the State’s Attorney must file a petition or a peace order or both; refer the complaint to DJS for informal disposition; or dismiss the complaint.

Chapter 735 expanded this requirement to include complaints alleging violations of additional handgun or firearm offenses. Further, the Act required DJS intake officers to immediately forward the complaint and copy of the file to the State's Attorney if the complaint alleges the child committed a delinquent act while under the supervision of DJS and the intake officer denies authorization to file a petition or propose informal adjustment.

Prior to 2024, an intake officer was not required to forward the complaint and a copy of the file to the State's Attorney if the complaint alleged the commission of an act that would have been a felony if committed by an adult and (1) the intake officer proposed the matter for informal adjustment; (2) the act did not involve the intentional causing of, or attempt to cause, the death of or physical injury to another; and (3) the act would not have been a crime of violence, as defined under § 14-101 of the Criminal Law Article, if committed by an adult. **Chapter 735** eliminated this statutory exception. Further, if an intake officer believes that informal adjustment cannot be successfully completed and denies authorization to file a petition, **Chapter 735** required the intake officer to immediately forward the complaint and a copy of the file to the State's Attorney.

Child in Custody

If a law enforcement officer takes a child into custody, the officer must immediately notify, or cause to be notified, the child's parents, guardian, or custodian in a manner reasonably calculated to give actual notice of the action. The notice must include the child's location, provide the reason for the child being taken into custody, and instruct the parent, guardian, or custodian on how to make immediate in-person contact with the child. **Chapter 735** further required that, if a child is taken into custody by a law enforcement officer, as specified, the officer must:

- complete and forward a written complaint or citation to DJS for processing, in accordance with statutory requirements;
- if the child was referred to an at-risk youth prevention and diversion program, as specified, complete and forward a written report to DJS indicating that the child was diverted to (1) a law enforcement diversion program, including a diversion program operated by a local State's Attorney; (2) a diversion program operated by another agency or organization; (3) a local care team; or (4) another community-based service provider; or
- complete and forward a written report to DJS indicating that no further action was taken.

Detention Prior to a Hearing

Prior to 2024, a child who was taken into custody may have been placed in detention or community detention prior to a hearing if such action was required to protect the child or others or the child was likely to leave the jurisdiction of the court. A child whose most serious offense would have been a misdemeanor if committed by an adult could not have been placed in detention before a hearing unless (1) the act involved a handgun and would have violated the Criminal Law Article

or Public Safety Article if committed by an adult or (2) the child had been adjudicated delinquent at least twice within the preceding 12 months.

Chapter 735 (1) repealed and substituted specified firearm offenses and (2) repealed the exception for a child who was adjudicated delinquent at least twice in the preceding 12 months and substituted the exception for a child who was adjudicated at least twice in the preceding two years. The Act authorized the juvenile court to order detention before a hearing when a child is alleged to have committed, while under DJS supervision, an act that would result in a penalty of imprisonment of more than two years if committed by an adult, unless the act would constitute second degree assault. Additionally, the Act prohibited pre-hearing detention for any child under the age of 13 who is accused of a first-time violation of specified firearm offenses, unless the child has violated the terms of community detention. If a child remains in detention prior to a hearing, within 14 days of the child's initial detention, DJS must appear at a hearing before the court with the child to explain the reasons for the child's continued detention; DJS must appear at subsequent hearings with the child every 14 days thereafter. The Act also allowed the waiver of one such hearing on the consent of the court, the State's Attorney, and counsel for the child.

Community Detention

In making a disposition on a petition, the court may place the child on probation or under supervision in the child's own home or in the custody of or under the guardianship of a relative or other fit person, on terms that the court deems appropriate, including community detention. Community detention includes electronic monitoring. **Chapter 735** required DJS to notify the court, the office of the State's Attorney, and the child's defense attorney within 24 hours after the child placed in community detention under an electronic monitoring agreement in accordance with the provisions described above violates the agreement.

Juvenile Probation

Prior to 2024, when the most serious offense a child had committed was an offense that would have been a misdemeanor if committed by an adult, the court may have placed the child on probation for up to six months and may have extended this period by up to three months if there was good cause and the purpose of the extension was to ensure the child completed a treatment or rehabilitative program or service. The overall term of probation for a misdemeanor, including extensions, may not have exceeded one year. However, if the most serious offense a child had committed would have been a felony if committed by an adult, the court may have placed the child on probation for up to one year. The probation may similarly have been extended if there was good cause and/or the purpose of the extension was to ensure the child completed a treatment or rehabilitative program or service. The overall term of probation for a felony, including extensions, may not have exceeded three years.

Chapter 735 extended time limits on juvenile probation. For offenses that would be a misdemeanor, the maximum initial probation period increased from six months to one year, and the total probation term, including extensions, increased from a one-year maximum to a two-year maximum. For offenses that would be a felony, the maximum initial probation period increased

from one year to two years, and the total probation term, including extensions, increased from two years to three years. However, if after a hearing, the court finds by clear and convincing evidence that there is good cause to extend the probation and an extension is in the best interest of the child, the total period of probation increased from three years to four years, inclusive of all extensions.

Governor's Office for Children and Children's Cabinet

The Governor's Office for Children (GOC) was established by an executive order in 2005 to provide a coordinated, comprehensive interagency approach to the development of a continuum of care that is family- and child-oriented and emphasizes prevention, early intervention, and community-based services for all children and families, with special attention to at-risk populations. GOC activities include staffing and supporting the work of the Children's Cabinet. *Chapter 735* codified GOC as a separate unit within the Executive Department, as well as the Children's Cabinet administered by GOC. The stated purpose of the Children's Cabinet is to promote the vision of the State for a stable, safe, and healthy environment for children and families. The Governor is authorized to provide for the structure, duties, and responsibilities of GOC and the Children's Cabinet by executive order.

Governor's Office of Crime Prevention and Policy

Chapter 735 also codified the Governor's Office of Crime Prevention and Policy (GOCPP) as a separate unit within the Executive Department. The Governor is authorized to provide for the structure, duties, and responsibilities of GOCPP by executive order.

Commission on Juvenile Reform and Emerging and Best Practices

In general, the Commission on Juvenile Justice Reform and Emerging and Best Practices is tasked with, among other things, researching culturally competent, evidence-based, research-based, and promising practices relating to (1) child welfare; (2) juvenile rehabilitation; (3) mental health services for children; and (4) prevention and intervention services for juveniles. *Chapter 735* expanded the commission's duties to include, among other things:

- reviewing and reporting to the General Assembly and the Governor on (1) all juvenile services, facilities, and programs in the State; (2) the educational programs and services of DJS; (3) programs designed to divert children from the juvenile justice system; (4) the treatment and programming needs of females in the juvenile justice system; (5) the use of child in need of supervision petitions and the number of child in need of supervision petitions authorized or denied by jurisdiction; and (6) the wait times for placement of children in facilities;
- identifying opportunities for greater coordination between DJS and specified entities; and
- recommending policies and programs to improve juvenile services in the State.

Youth Charging Reform Act

Overview

Chapter 609 of 2026 made numerous changes to the juvenile justice process in the State by (1) expanding the jurisdiction of the juvenile court; (2) requiring the detention of a child before a hearing in specified situations; (3) limiting the circumstances under which a child may be held, detained, or confined in an adult jail or correctional facility; and (4) establishing several reporting requirements.

Juvenile Court Jurisdiction

By repealing certain offenses excluded from the jurisdiction of the juvenile court, **Chapter 609** effectively expanded the juvenile court's jurisdiction to include a child at least age 16 who is alleged to have committed first-degree assault or a specified crime involving firearms or handguns.

Authorized Detention Prior to a Hearing

Chapter 609 required an intake officer to authorize detention prior to a hearing for a child if the child is at least age 16 and accused of an act that, if committed by an adult, would have been a violation of § 4-203 (wearing, carrying, or transporting a handgun) of the Criminal Law Article or a crime of violence, as defined in § 14-101 of the Criminal Law Article.

Juvenile Confinement

Prior to 2026, a child subject to the adult criminal court's jurisdiction may have been held in an adult detention facility. **Chapter 609** prohibited a child, including one subject to adult criminal court jurisdiction, who has been arrested, convicted, or awaiting trial on criminal charges from being detained or confined in any institution in which the child has contact with or comes within sight or sound of an incarcerated adult. Absent a temporary hold for processing, a child who has been arrested, convicted, or is awaiting trial for an offense under adult criminal court jurisdiction is prohibited from being held in custody in an adult correctional facility. However, a child may be temporarily held for processing in an adult jail or correctional or detention facility that does not have a secure juvenile detention area if the child is separated by sight and sound from incarcerated adults and is held for a period not exceeding six hours, as specified. Finally, a child may not be transported together with adults who have been charged or convicted of a crime, regardless of jurisdiction over the child.

Prior to 2026, pending the determination to transfer jurisdiction of a child, the court was required to order the child to be held in a secure juvenile facility unless (1) the child was released on bail, recognizance, or other conditions of pretrial release; (2) there was not available capacity in a secure juvenile facility, as determined by DJS; or (3) the court found that detention in a secure juvenile facility would pose a risk of harm to the child or others. If the court made a finding that detention in a secure juvenile facility would pose a risk of harm to the child or others, the court

was required to state the reasons for the finding on the record. **Chapter 609** repealed provisions (2) and (3) above.

Reporting Requirements

Chapter 609 required DJS, in consultation with GOCPP and the Administrative Office of the Courts, on or before October 1, 2027, and annually thereafter, to report to the Commission on Juvenile Reform and Emerging and Best Practices on:

- the average length of stay of youth awaiting committed placement in a juvenile detention facility;
- the total number of cases in which the juvenile court is petitioned to waive, chooses to waive, or declines to waive its jurisdiction under § 3-8A-06 of the Courts and Judicial Proceedings Article;
- the total number of cases in which an adult court is petitioned to transfer, chooses to transfer, or declines to transfer a case to the juvenile court under § 4-202 of the Criminal Procedure Article; and
- the average length of time a youth spends in detention, community detention, or shelter care awaiting a decision under § 3-8A-06 of the Courts and Judicial Proceedings Article (waiver of juvenile court jurisdiction).

Chapter 609 also required GOCPP to report, on or before October 1, 2027, and annually thereafter, to the commission and the General Assembly on (1) the total number of youth housed in facilities with adult offenders on a monthly basis; (2) the average length of stay of youth housed in facilities with adult offenders; (3) the total number of youth charged as adults under § 3-8A-03(d)(3) of the Courts and Judicial Proceedings Article and the offenses with which those youth are charged; (4) the total number of youth held in restrictive housing in facilities with adult offenders; and (5) the total number of violations of the provisions of federal law prohibiting youth from having sight and sound contact with adult offenders.

Finally, **Chapter 609** required the commission to report to the General Assembly by October 1, 2027, on (1) the implementation of the Act; (2) the total number of behavioral incidents involving juveniles in the custody of DJS following enactment; and (3) the ability of DJS to maintain staffing levels adequate to meet any increase in the number of juveniles in the custody of DJS as a result of the Act.

Victims of Child Sex Trafficking and Human Trafficking – Safe Harbor and Service Response

Chapters 686 and 687 of 2023 (1) altered procedures that a law enforcement officer and court must follow when there is reason to believe a child, who has been detained, is a victim of

sex trafficking or a victim of human trafficking; (2) prohibited the criminal prosecution of or a juvenile proceeding against a minor for a “qualifying offense,” a “violation” (specified offenses for which a citation may be issued), or an offense under § 3-1102 of the Criminal Law Article (sex trafficking) if the minor committed the underlying act as a direct result of sex trafficking; and (3) expanded the list of qualifying offenses for which a person may file a motion to vacate judgment if the person’s participation was a direct result of being a victim of human trafficking.

Juvenile Offenses on Military Installations – Concurrent Jurisdiction

Chapters 726 and 727 of 2023 established that the jurisdiction of the juvenile court is concurrent with a federal court sitting in the State over proceedings involving a violation of federal law committed by a child on a military installation of the U.S. Department of Defense if (1) the federal court waives exclusive jurisdiction and (2) the violation of federal law is also a crime under State law. The Acts also clarified that these provisions do not affect the Governor’s ability to enter into an agreement with the United States to establish full or partial concurrent jurisdiction for the purpose of enforcing civil or criminal law.

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Department of Juvenile Services Reports

Chapter 736 of 2024 required DJS to report to the Commission on Juvenile Justice Reform and Emerging and Best Practices and the General Assembly by December 1 each year on (1) the number of juveniles under DJS’s supervision in the preceding year who were nonfatally shot, shot another individual, or were victims of a homicide; (2) the actions DJS took in response and a timeline of such actions; (3) the age of each juvenile in the report; and (4) the county of residence of each juvenile in the report. The initial report was required to include a description of any established process that DJS uses after a shooting involving supervised youth or when a youth under DJS supervision is the victim of a homicide.

Chapter 576 of 2025 required DJS to report to the Senate Judicial Proceedings Committee and the House Judiciary Committee by October 1, 2025, and each October 1 thereafter, on (1) efforts by DJS to promote predelinquent programs, including youth service bureaus (YSB); (2) efforts by DJS to collaborate with and provide technical assistance to local governments regarding the establishment, use, and funding of YSBs; (3) an assessment of the programs and activities conducted by YSBs; and (4) any other efforts to prevent youth offenses.

Education

Juvenile Services Education Board Alterations

Chapter 147 of 2021 transferred the Juvenile Services Education Program from the Maryland State Department of Education to DJS and established the Juvenile Services Education Board to oversee the program. Through the program, DJS oversees and provides comprehensive educational services to all juveniles placed in a DJS-operated detention and residential facility. *Chapter 456 of 2025* made various administrative changes to the Juvenile Services Education

Board, including (1) staggering the terms of appointed members; (2) imposing a two consecutive term limit on appointed members (members appointed after a term begins remain eligible for reappointment to two consecutive full terms); (3) authorizing the Secretary of Higher Education and the State Superintendent of Schools to each assign a designee to serve on the board; (4) reducing the number of required meetings from once per month to 10 times per year and not more than once per month; and (5) authorizing a majority of members, the chair of the board, or the Secretary of Juvenile Services to call special meetings of the board that do not count toward the monthly limit.

Truancy Reduction Pilot Programs

Statute sets forth specific procedures for addressing truancy in jurisdictions in which a Truancy Reduction Pilot Program (TRPP) has been established. In those counties, an authorized school official may file with the juvenile court a petition alleging that a child who is required to attend school failed to do so without lawful excuse, as specified. Circuit Administrative Judges of the First, Second, Third, and Seventh circuits may establish TRPPs in specified counties within their judicial circuits. Prior to 2024, Dorchester, Harford, Kent, Prince George's, Somerset, Talbot, Wicomico, and Worcester counties were authorized to have TRPPs. **Chapter 993 of 2024** authorized the Circuit Administrative Judge of the Sixth Judicial Circuit to establish a TRPP in the juvenile court in Frederick County. **Chapters 811 and 812 of 2026** authorized the Circuit Administrative Judge of the Fourth Judicial Circuit to establish a TRPP in the juvenile court in Washington County.

Child in Need of Supervision – Mandatory Petition

Except under certain circumstances, the juvenile court does not have jurisdiction over a child younger than age 13 for purposes of a delinquency proceeding, and such a child may not be charged with a crime. A child of any age may be adjudicated in need of supervision, however, and subject to the juvenile court's jurisdiction under applicable provisions. **Chapter 635 of 2026** established that if a law enforcement officer alleges the commission of an act by a child younger than age 13 that results in the death of a victim, the law enforcement officer must forward the complaint to DJS for appropriate action. If a DJS intake officer receives such a complaint, the intake officer must file a petition alleging that the child is in need of supervision.

Access to Juvenile Records – Baltimore City Mayor's Office

In general, police and court records concerning a child are confidential, and their contents may not be divulged, by subpoena or otherwise, subject to certain exceptions. **Chapter 733 of 2026** authorized access to and confidential use of a juvenile police record and court record by the Office of Neighborhood Safety and Engagement, the Office of Children and Family Success, and the Office of African American Male Engagement within the Baltimore City Mayor's Office only if (1) for a police record, the office is providing programs and services to a child who is the subject of the record and the use of the record is relevant to the provision of programs and services and the development of a comprehensive treatment plan or (2) for a court record, the office is providing

programs and services in conjunction with DJS to the child who is the subject of the record, and the use of the record is for purposes directly related to supporting treatment, rehabilitation, reentry planning, or continuity of care. Prior to accessing and using a record, the office must enter into a written memorandum of understanding and obtain the express written consent of the child's parent or guardian. An office authorized to access these records under the Act is liable for the unauthorized release of a record it accesses.

Commission on the House of Reformation and Instruction for Colored Children

The House of Reformation and Instruction for Colored Children (HRICC) was incorporated by the Maryland General Assembly in 1870 as a segregated reform school. During its operation between 1872 and 1941, an estimated 300 Black children died at HRICC. Currently, DJS operates the Cheltenham Youth Detention Center, which is the successor facility to HRICC. The recognition of the burial ground at HRICC was publicly announced on July 17, 2025.

Chapters 607 and 608 of 2026 established the Commission on HRICC to (1) research the history, operations, and resident deaths at HRICC; (2) provide a complete and public accounting of the children who died and were buried on the grounds of HRICC; (3) promote healing and reconciliation through truth-telling, acknowledgment, and recommendations for systemic reform; and (4) ensure descendant and community voices throughout the investigation and reconciliation process. The commission must submit its initial report and final report to the Governor and the General Assembly by December 31, 2027, and December 31, 2029, respectively.

Public Safety

Immigration Enforcement

While immigration is controlled by federal law, the U.S. Immigration, Customs, and Enforcement Division (ICE) and Department of Homeland Security have initiated numerous programs that involve state and local law enforcement agencies as allies and additional resources. Federal law does not mandate that state and local law enforcement agencies become involved in immigration efforts. However, federal law does prohibit a state or local government from prohibiting or in any way restricting any government entity or official from sending to or receiving from ICE information regarding the citizenship or immigration status, lawful or unlawful, of any individual. It also prohibits restrictions on any of the following with respect to information regarding the immigration status, lawful or unlawful, of any individual: (1) sending such information to, or requesting or receiving such information from, ICE; (2) maintaining such information; or (3) exchanging such information with any other federal, state, or local government authority.

Prohibition Against Immigration Enforcement Agreements

Chapters 1 and 2 of 2026 prohibit the State, a unit of local government, a county sheriff, or any agency, officer, employee, or agent of the State or a unit of local government from entering into an immigration enforcement agreement. An immigration enforcement agreement is defined as a contract, an agreement, an intergovernmental service agreement, or a memorandum of understanding with the federal government that authorizes the State, a unit of local government, a county sheriff, or any agency, officer, employee, or agent of the State or a unit of local government to enforce civil immigration law. Immigration enforcement agreement includes agreements made in accordance with specified provisions of federal law, including 8 U.S.C. § 1357(g), commonly known as “287(g)” agreements.

The Governor’s Office of Crime Prevention and Policy (GOCPP) administers the State Aid for Police Protection Fund, the purpose of which is to provide a continuing grant from the General Fund to be used exclusively to provide adequate police protection in counties and qualifying municipalities through equitable cost sharing. The Budget Reconciliation and Financing Act of 2026 (*Ch. 6*) required the Executive Director of GOCPP, upon finding that a county or qualifying municipality is not complying with State law relating to immigration enforcement agreements, to notify the county or qualifying municipality. A county or qualifying municipality may dispute the Executive Director’s finding, which must be promptly referred to the Secretary of Budget and Management for resolution. Upon receipt of a certification of noncompliance by the Secretary or the Executive Director, the Comptroller must suspend, until notification of compliance is received, any funds due to the county or qualifying municipality from these State grants.

Community Trust Act

Chapter 872 of 2026 generally prohibited local correctional facilities from taking actions related to immigration enforcement. Specifically, the Act prohibited local correctional facilities from (1) inquiring about or investigating an individual’s citizenship, immigration status, or place of birth; (2) detaining or prolonging the detention of an individual for purposes related to immigration enforcement; (3) notifying federal immigration authorities that an individual is in custody unless required by a valid court order or judicial warrant; or (4) transferring an individual to federal immigration authorities unless presented with a valid judicial warrant.

With the exception of the prohibition on detaining or prolonging the detention of an individual, these prohibitions do not apply to an individual who has been convicted of (1) a felony under the laws of this State; (2) an offense for which registration as a sex offender is required; (3) an offense for which the individual was sentenced to a term of incarceration to be served at a State correctional facility; or (4) an offense in another state for which the individual was sentenced to at least five years of incarceration and the individual completed at least five years of incarceration of that sentence.

In addition to the exception for individuals with specified convictions, the Act established additional exceptions for (1) inquiring about information that is material to a routine booking

procedure; (2) entering information into the National Crime Information Center (NCIC); and (3) providing information that is necessary to afford an individual a protection provided under State or federal law or to comply with a requirement under international law.

Additionally, the Act prohibited both State and local correctional facilities from coercing, intimidating, or threatening an individual based on the actual or perceived citizenship or immigration status of the individual or any other person. These provisions of the Act may be enforced through a civil action brought by the Attorney General or an individual who has been subjected to a violation of the provisions. In such an action, the court may issue injunctive relief.

The Act also required that, within 48 hours of releasing an individual subject to an immigration detainer, a State correctional facility provide notice to federal immigration authorities. The Act expanded existing prohibitions on law enforcement agents taking actions related to immigration enforcement to include a prohibition on providing federal immigration authorities with information about an individual obtained in the course of the law enforcement agent's duties. Finally, the Act authorized District Court commissioners and judges determining whether to grant pretrial release or set bond or bail for individuals charged to consider the existence of an immigration detainer.

Sensitive Locations

Maryland Values Act: Chapter 718 of 2025 required the Attorney General to develop and publish guidance on immigration enforcement at “sensitive locations.” A sensitive location is defined as a public school, a public library, a health care facility operated by a unit of State or local government, a facility operated by the Comptroller, a courthouse, or (1) any other location that provides State-funded services related to physical or mental health, education, shelter care, or access to justice, and (2) as determined by the Attorney General, requires special consideration for immigration enforcement activities.

The guidance must inform the public and relevant State agencies about (1) delineating between immigration enforcement within the public portions of sensitive locations and the nonpublic or private portions of sensitive locations; (2) verifying the identity of immigration enforcement agents and validating immigration enforcement documentation seeking specific individuals; (3) limiting liability exposure for State, local, and private institutions and the participation of the employees of those institutions in immigration enforcement at sensitive locations; (4) facilitating relationships between federal law enforcement officers and State and local officials and law enforcement officers in order to conduct immigration enforcement activities through the least dangerous and disruptive means; and (5) complying with existing legal obligations and limitations on State and local agencies while maintaining public safety and accessibility to those agencies. By October 1, 2025, each public school, public library, and unit of the Executive Branch of State or local government that operates at a sensitive location was required to implement a policy consistent with the Attorney General's guidance. These policies are not subject to the provisions of the Administrative Procedure Act. Private entities that provide services

related to physical or mental health, education, shelter care, or access to justice are encouraged to adopt such policies.

Chapter 718 also created procedures governing the operation of federal law enforcement officers acting to enforce federal immigration law in the State. The Act required (1) federal law enforcement officers conducting a federal immigration enforcement action at a sensitive location to notify the chief law enforcement officer of whichever agency has primary jurisdiction over the location and (2) any public school, public library, or unit of the Executive Branch of State or local government that operates at a sensitive location to deny access to any portion of the sensitive location that is not accessible to the public to any individual who is seeking access for the purpose of enforcing federal immigration law, unless the individual presents a valid judicial warrant issued by a federal court or exigent circumstances exist. This requirement does not apply to a State or local correctional facility or a detention facility in a District Court or circuit courthouse.

Expansion: Chapter 161 of 2026 required public school personnel to notify the county superintendent of an affected school or the county superintendent's designee if the school personnel is notified of immigration enforcement in a sensitive location that includes a school. The Act prohibited public school personnel from (1) being used at a public school for purposes of or otherwise engaging in immigration enforcement, as specified or (2) producing or sharing information or a document pertaining to student educational records or employee personnel records or any other information about or from a student, a public school employee, or a student's or a public school employee's family or household for purposes of immigration enforcement. Public school personnel must immediately contact the county superintendent or the county superintendent's designee and legal counsel for the local school system if presented with a judicial warrant, judicial subpoena, or a legal order for the production of information or a document pertaining to student educational records or employee personnel records or any other information about or from a student, a public school employee, or a student's or a public school employee's family or household for purposes of immigration enforcement. These provisions must be construed consistently with any applicable federal and State privacy laws.

The Act also expanded the definition of "sensitive location" to include school buses and school bus stops, as well as locations distributing food to individuals in need. In addition, the Act expanded the requirement for certain governmental entities to deny access to any individual seeking access for the purpose of enforcing federal immigration law to apply to areas that require a security screening. Finally, the Act required each courthouse to adopt a policy on immigration enforcement that may consider the Attorney General's guidance and required the Attorney General to annually update its guidance.

Hospitals: Chapter 162 of 2026 required each hospital to adopt a policy on immigration enforcement actions at the hospital consistent with the Attorney General's guidance. The policy must be made available to all hospital staff members, and each hospital must provide annual training to ensure employees understand the policy.

Law Enforcement

Face Coverings and Identification

Chapter 612 of 2026 required the Maryland Police Training and Standards Commission (MPTSC) to develop a uniform policy, to be used by each law enforcement agency, that generally prohibits the use of a face covering by a law enforcement officer. “Law enforcement agency” includes a law enforcement agency of the State, another state, a political subdivision of the State or another state, or the federal government. The uniform policy may allow for use of face coverings under circumstances absolutely necessary to protect the health or safety of officers while performing public safety functions. The Act also required MPTSC to develop a uniform policy, to be used by each law enforcement agency, requiring the use of identification by a law enforcement officer in the course of duty. In addition, the Act prohibited a law enforcement officer from wearing a face covering while in the performance of duty in the State, except as authorized in the uniform policy developed by MPTSC. This prohibition does not apply to a law enforcement officer actively engaged in an undercover operation. Finally, the Act required a law enforcement officer to wear identification on the officer’s outermost layer of clothing while in the performance of duty in the State. On request of another, an officer is required to verbally disclose identification while in the performance of duty in the State. These requirements do not apply to a law enforcement officer working in a plainclothes, nonuniformed, or undercover capacity. A violation of any of these prohibitions is a civil offense with a maximum penalty of \$1,500. The Act included procedures for the adjudication of alleged violations of these provisions through the issuance of citations.

E

Independent Investigations Division

Chapter 632 of 2023 expanded the investigative jurisdiction and prosecutorial authority of the Independent Investigations Division (IID) of the Office of the Attorney General (OAG). The Act also expanded the prosecutorial authority of the Attorney General with respect to criminal offenses discovered during IID investigations and police-involved incidents referred to the Attorney General by State’s Attorneys.

Body-worn Cameras

Chapter 743 of 2023 required the Department of General Services (DGS), in coordination with the Department of Information Technology (DoIT), when requested by a law enforcement agency, to negotiate contracts to acquire and maintain body-worn cameras, equipment, and technology for the law enforcement agency. The contracts must meet specified criteria and not restrict the right of law enforcement agencies to receive related services. The Act also required DoIT, in coordination with DGS, to study the cost and feasibility of implementing a statewide uniform storage and access system for body-worn camera data.

Officer and Community Wellness Training Grant Fund

Chapters 752 and 753 of 2023 established the Officer and Community Wellness Training Grant Fund, administered by GOCPP, to provide grants to local law enforcement agencies for

Mental Health First Aid for Public Safety training and Critical Incident Stress Management peer support training. For fiscal 2025 and each fiscal year thereafter, the Governor may include in the annual budget bill an appropriation for the fund.

Police-initiated Towing

Chapter 669 of 2023 established a Committee on Rate Setting and Complaint Resolution for Police-Initiated Medium-Duty and Heavy-Duty Towing and Recovery within the Department of State Police (DSP) to recommend approved rates for police-initiated towing and recovery services, recommend a process for resolving towing complaints, and perform other duties. The Act required DSP to establish the approved rates for towing and recovery that may be charged by a tow company on a specified tow list by January 1, 2024, and altered provisions that establish an effective date for when an authorized tow company must accept certain payments for the release of a vehicle.

Chapters 527 and 528 of 2026 altered the name of the committee to reflect the inclusion of light-duty vehicles within its mandate and prohibited the approved rates for light-duty towing and recovery from exceeding 80% of the maximum approved rates for medium-duty towing and recovery. The Acts also required the committee to examine and report on insurance matters related to vehicles registered and insured outside of the State and the cost and cleanup of cargo and debris.

Surplus Military Equipment

Chapter 633 of 2023 reinstituted the provisions of Chapter 321 of 2019, which terminated on September 30, 2022. Specifically, the Act required DSP, by February 1 each year, to report to the Governor and the General Assembly on the acquisition of equipment by law enforcement agencies through “surplus programs” within the preceding calendar year. DSP must include in a prominent location on its public website a link to the Defense Logistics Agency’s report listing excess Department of Defense property transfers to law enforcement agencies through the Law Enforcement Support Office.

Wellness Checks

Many law enforcement agencies dispatch a law enforcement officer to conduct an in-person visit to a resident in response to a request from a friend or family member who is concerned for the safety or well-being of the resident. *Chapter 743 of 2024* required a law enforcement agency that receives a qualified request for a wellness check of an individual from an “interested party” to (1) conduct a wellness check of the individual within a reasonable amount of time after receiving the request, if the individual is located in the law enforcement agency’s jurisdiction or (2) if the individual is not located in the law enforcement agency’s jurisdiction, promptly provide the person who made the request with contact information for the law enforcement agency that does have jurisdiction over the location in which the individual is located. If the interested party states in the qualified request that there is a concern for a life-threatening condition, then a fire, rescue, or emergency medical services entity must conduct the wellness check simultaneously with the law enforcement agency.

Department of State Police Application Process

Chapters 737 and 738 of 2024 altered (1) the licensing or certification processes within DSP for private detective agencies, private detectives, security guard agencies, security guards, security systems agencies, security systems technicians, and railroad police officers and (2) the commissioning process within DSP for special police officers (SPO) to facilitate automated processing of applications and payments.

Special Police Officers

The Governor may appoint and deputize an individual as a SPO; however, each SPO is deemed to be an employee of the entity that requested the appointment. Such a commission is granted arrest powers, but the scope of each commission is limited to the property cited in the commission, unless the SPO is in active pursuit for the purpose of immediate apprehension.

During the 2025 legislative session, the General Assembly passed **Senate Bill 455**. The Governor vetoed the bill, but the General Assembly overrode the veto, and the bill became law as **Chapter 16 of the 2025 special session**. The Act expanded the entities authorized to apply for the appointment of SPOs to include a person that holds a valid license as a security guard agency in order to protect property owned or leased by its clients.

Apprenticeships and the Public Safety Workforce Act

The 2022 *Joint Chairmen's Report* outlined concerns with workforce shortages among government employees in the public safety, health, and transportation sectors. The report directed the Maryland Department of Labor (MD Labor) to convene workgroups to study and report on the short-term and long-term needs in each respective sector. The final report of the Public Safety Apprenticeship Workgroup included the following recommendations: (1) encourage government agencies to partner with MD Labor, the Department of Budget and Management (DBM), local workforce development boards, and bargaining units to assess workforce needs and explore apprenticeship options; (2) promote group, regional, and jurisdictional apprenticeship programs for local public safety agencies; and (3) assess and reform policies, processes, and hiring requirements that may be limiting the success of workers, employers, and apprentices.

Chapters 708 and 709 of 2024 renamed the Law Enforcement Cadet Apprenticeship Program in MD Labor to be the Public Safety Apprenticeship Program and expanded the purposes and scope of the program, including expanding eligibility for the program to include public safety agencies (instead of solely law enforcement agencies). The purpose of the program is to (1) provide young individuals opportunities to begin a career with a public safety agency; (2) foster positive relationships between the public, particularly young individuals, and public safety agencies; (3) develop a cohort of individuals qualified to join a public safety agency; (4) encourage public safety agencies to hire apprentices; and (5) help public safety agencies offset additional costs, if any, associated with hiring apprentices. MD Labor may award start-up grants of up to \$200,000 and stabilization grants of up to \$5,000.

The Acts also altered the eligibility criteria and the types of grants that may be awarded under the program. MPTSC must (1) develop mental health wellness policies to be implemented in law enforcement agencies and correctional facilities in the State and (2) submit a related annual report.

In addition, the Acts established the Workgroup on Growing Engagement in the Law Enforcement and the Corrections Workforce, staffed by MPTSC, to (1) identify and study the shortage of employees in the law enforcement fields; (2) determine ways to advertise and promote law enforcement employment opportunities across the State; (3) explore recruitment and retention strategies used in the law enforcement and corrections fields that have been successful in other states and countries; and (4) make recommendations on incentives or other methods to increase the number of employees in the law enforcement workforce.

Purple Alert Program

Law enforcement agencies must enter all necessary and available information with regard to a missing person into the NCIC computer network within two hours after receipt of the minimum information necessary to make the entry. Among other things, NCIC maintains a database of records relating to missing persons (including children) who have been reported missing to law enforcement and there is a reasonable concern for their safety. Statewide alert programs include the Silver Alert Program (for individuals with specified cognitive impairments under specified circumstances) and the AMBER alert program (for serious child abduction cases). **Chapter 739 of 2024** required DSP to establish a Purple Alert Program to provide a system for rapid dissemination of information to assist in locating a missing person. Among other requirements, DSP must (1) adopt guidelines and develop procedures for issuing a Purple Alert for a missing person; (2) provide specified training and assistance to local law enforcement agencies; and (3) consult with the State Highway Administration and the Maryland State Department of Education. The Act also established a notification requirement for a caregiver or person filing a report regarding a missing person.

Police Officer Administrative Charges

Chapter 59 of 2021 established a statewide accountability and discipline process for police officers with procedural requirements for handling complaints of police misconduct that could lead to disciplinary action. Among other requirements, the process requires an investigating unit of a law enforcement agency to immediately review a complaint by a member of the public alleging police officer misconduct. An administrative charging committee must review and make a determination or ask for further review within 30 days after completion of the investigating unit's review. The process of review by the investigating unit through disposition by the administrative charging committee must be completed within one year and one day after the filing of a complaint by a citizen.

Chapter 493 of 2025 altered deadlines for the completion of the process of review and investigation for police discipline matters relating to a complaint by a member of the public alleging police officer misconduct. The Act required that (1) the investigating unit complete its

investigation and forward its findings to the administrative charging committee within 334 days after the filing of the complaint by a member of the public; (2) the administrative charging committee review and make a determination, or ask for further investigation, within 30 days after receipt of the investigating unit's findings; and (3) the process of review and investigation be completed within 395 days after the filing of the complaint by the member of the public.

Additionally, a law enforcement agency must file any administrative charges arising out of an investigation of alleged police officer misconduct that is not required to be reviewed by an administrative charging committee within one year and one day after the date that the appropriate official employed by the law enforcement agency became aware of the incident that led to the investigation. The Act required that, if the alleged police officer misconduct is the subject of a criminal investigation, an administrative charging committee or law enforcement agency must file administrative charges within one year and one day of specified dates.

DNA Collection and Storage

Chapters 91 and 92 of 2025 altered (1) the circumstances in which a DNA sample must be collected and stored in the statewide DNA database system within the Department of State Police Crime Laboratory and (2) the individuals required to collect DNA samples and the process for collection of DNA samples from registered sex offenders. The Acts also clarified when a DNA sample may be tested, placed in the statewide DNA database system, or destroyed and expunged.

In addition, the Acts required a releasing entity, before releasing an individual from custody, to ensure that the individual's required DNA sample has been collected in accordance with § 2-504 of the Public Safety Article, as altered by the Acts. In addition, the Acts (1) prohibited an individual from refusing to provide a DNA sample as required; (2) discharged an employee from the duty to collect a DNA sample when an individual refuses to submit a DNA sample; and (3) established penalties for violations of the prohibition against refusal.

Rape Kit Testing Grant Fund and the Sexual Assault Evidence Collection Kit Tracking Program

Chapters 667 and 668 of 2025 made changes to the Rape Kit Testing Grant Fund and the Sexual Assault Evidence Collection Kit Tracking Program. The Acts (1) expanded the stated purpose and authorized uses of the fund to include, among other things, providing funding to OAG to assist law enforcement agency investigations of crimes involving sexual assault evidence collection kits collected before a certain date that have not been tested; (2) altered the requirements of the Executive Director of GOCPP regarding the distribution of funds; (3) authorized grant awards to be made for a period of up to 36 months; and (4) prohibited the fund from being used to support the Sexual Assault Evidence Collection Kit Tracking Program.

The Acts also extended the deadline, from December 31, 2025, to March 31, 2026, for a law enforcement agency or a person, including a health care provider, forensic laboratory, or State's Attorney, to submit specified information related to sexual assault evidence collection kits to the tracking program.

Expiration of Handgun Permits – Retired Law Enforcement Officers

Generally, a permit to wear, carry, or transport a handgun issued by DSP expires on the last day of the holder's birth month following two years after the date the permit is issued. **Chapters 454 and 455 of 2026** altered the expiration and renewal periods for a handgun permit issued to a retired law enforcement officer who retired in good standing from service with a law enforcement agency of the State or a county or municipal corporation of the State. Under the Acts, the handgun permit expires on the last day of the holder's birth month following five years after the date the permit is issued and may be renewed for successive periods of five years each if, at the time of an application for renewal, the applicant possesses the qualifications for the issuance of a permit.

Police Training on Intellectual Disabilities, Autism, and Dementia

MPTSC operates approved police training schools and prescribes standards for and certifies schools that offer police and security training. MPTSC has the power and duty to require, for entrance-level police training and in-service training, that the curriculum and minimum courses of study include specified topics. **Chapters 658 and 659 of 2026** required MPTSC to require, for entrance-level police training and, as determined by MPTSC, for in-service level training conducted by the State and each county and municipal police training school, that the curriculum and minimum courses of study include, consistent with established law enforcement standards and federal and State constitutional provisions, training regarding individuals with intellectual and developmental disabilities, dementia, and autism, including training for (1) locating an individual who is wandering, eloping, or otherwise missing; (2) searching near bodies of water; (3) sensory-aware approaches; (4) reunification; (5) documentation; and (6) interagency coordination.

Protective Body Armor

Chapters 461 and 462 of 2026 prohibited a law enforcement agency from assigning an officer to duties other than administrative duties unless the officer is issued protective body armor. An agency may issue protective body armor to an officer only if the protective body armor conforms to relevant standards and has not reached the expiration or suggested replacement date indicated by the manufacturer. The Acts required that GOCPP withhold grant funding from agencies that fail to comply with the requirements of the Acts (except for grant funds that are specifically designated for the purchase of protective body armor).

Firearms

Permits and Wearing, Carrying, or Transporting

On June 23, 2022, the U.S. Supreme Court, in *New York State Rifle & Pistol Association, Inc. v. Bruen*, 597 U.S. 1 (2022), held unconstitutional a New York law that required applicants for a concealed carry handgun permit to demonstrate a “proper cause” (or a special need for self-defense distinguishable from the general population) before issuance of the permit. In this

decision, the Supreme Court held for the first time that the Second Amendment of the U.S. Constitution provides a right for a law-abiding citizen to carry a handgun outside the home for self-defense.

Following the U.S. Supreme Court’s decision, Maryland’s Court of Special Appeals (now the Appellate Court of Maryland) applied *Bruen* directly to *In the Matter of William Rounds*, 255 Md. App. 205 (2022), ruling that Maryland’s law requiring an applicant to have a “good and substantial reason” to be issued a permit to wear, carry, or transport a handgun was analogous to New York’s “proper cause” requirement and was unconstitutional. On July 5, 2022, then Governor Lawrence J. Hogan, Jr., responded to the ruling by directing DSP to immediately stop using the “good and substantial reason” requirement when reviewing handgun permit applications. On July 6, 2022, OAG issued a similar letter advising on the constitutionality and severability of the “good and substantial reason” from the State’s handgun permit statute while affirming that all other requirements for a handgun permit remain in effect.

Repeal of Good and Substantial Reason Requirement: *Chapter 651 of 2023* modified and expanded the requirements and procedures relating to the issuance and renewal of a permit to wear, carry, or transport a handgun. The Act repealed the requirement for an applicant to have a “good and substantial reason” to be issued a handgun permit and instead required, in addition to requirements under existing law, that a person:

- is at least age 21 (increased from an adult (age 18)) or is a person who is a member of the uniformed services or the National Guard;
- is not on supervised probation for a crime punishable by imprisonment for one year or more, a violation of § 21-902(b) or (c) of the Transportation Article (driving while under the influence or driving while impaired), or violating a protective order under § 4-509 of the Family Law Article;
- does not suffer from a mental disorder and have a history of violent behavior against the person or another;
- has not been involuntarily admitted for more than 30 consecutive days to a facility that provides treatment or other services for mental disorders; and
- is not a respondent against whom a current non *ex parte* civil protective order has been entered under § 4-506 of the Family Law Article, a current extreme risk protective order has been entered under § 5-601 of the Public Safety Article, or any other type of current court order has been entered prohibiting the person from purchasing or possessing firearms.

The Act modified the requirements for a firearms training course approved by the Secretary of State Police to require, for an initial application, a minimum of 16 hours of in-person instruction by a qualified instructor and, for renewals, 8 hours of in-person instruction by a qualified instructor.

The Act specified that the training must include classroom instruction on (1) State and federal firearm laws relating to self-defense and the defense of others and property; (2) safe storage of firearms; (3) the circumstances under which an individual becomes prohibited from possessing a firearm and the requirements for surrendering, transferring, or disposing of a firearm after becoming prohibited; (4) the requirements for reporting a loss or theft of a firearm; (5) firearms and accessories that are banned or require a special permit to acquire or possess; (6) the law on straw purchases and armed trespass; and (7) locations in which a person is prohibited from possessing a firearm. In addition, the training must include classroom instruction on home firearm safety, handgun mechanisms and operations, conflict de-escalation and resolution, anger management, suicide prevention, and a firearm qualification component that includes live-fire shooting exercise on a firing range and requires the applicant to demonstrate safe handling of a handgun and shooting proficiency with a handgun.

The Secretary of State Police, in consultation with OAG and the Maryland Department of Health (MDH), must develop, publish, update, and distribute to all certified instructors a curriculum of instruction for the required classroom instruction information.

The Act increased the maximum fee for (1) an initial application for a handgun permit (from \$75 to \$125); (2) a renewal or subsequent application for a handgun permit (from \$50 to \$75); and (3) a duplicate or modified handgun permit (from \$10 to \$20).

In addition, the Act (1) required, rather than authorizing, the Secretary of State Police to revoke the permit of any individual who no longer meets the required qualifications; (2) required the Secretary to regularly review information regarding active permit holders to determine whether all permit holders continue to meet qualifications; and (3) required the Secretary to issue a written notice of any denial or revocation which includes an explanation of the reason for the decision. The Act further required the Secretary to email summaries of any changes to firearm laws passed by the General Assembly to specified owners of regulated firearms and to annually report specified information regarding handgun permit applications to the Governor and the General Assembly.

Further, the Act prohibited the Secretary of State Police from issuing a handgun permit to a person who has been convicted on or after October 1, 2023, of a second or subsequent violation of § 4-104 of the Criminal Law Article (child access to firearms) or has been convicted on or after October 1, 2023, of a violation of § 4-104 of the Criminal Law Article if the violation resulted in the use of a loaded firearm by a minor causing death or serious bodily injury to the minor or another person. The Secretary may not issue a handgun permit to a person who has been convicted on or after October 1, 2023, of a violation of § 4-104 of the Criminal Law Article for five years following the date of the conviction.

Gun Safety Act: Chapter 680 of 2023 repealed the authority of the Secretary of State Police to limit the geographic area, circumstances, or times in which a handgun permit is effective, and instead generally prohibited a person from wearing, carrying, or transporting a handgun, even with a valid handgun permit, in an “area for children or vulnerable individuals” and a “special purpose area.”

An “area for children and vulnerable individuals” is defined as (1) a preschool or prekindergarten facility, or the grounds of the facility; (2) a private primary or secondary school, or the grounds of the school; or (3) a healthcare facility.

A “special purpose area” is defined as a location licensed to sell or dispense alcohol or cannabis for onsite consumption, stadium, museum, racetrack, or a video lottery facility.

The Act also prohibited a person from wearing, carrying, or transporting a firearm in a “government or public infrastructure area” if the government or public infrastructure area displays a clear and conspicuous sign at the main entrance indicating that it is not permissible to wear, carry, or transport a firearm in the building or that part of the building. A “government or public infrastructure area” is defined as (1) a building, or any part of a building owned or leased by a unit of State or local government; (2) a building of a public or private institution of higher education; (3) a location that is currently being used as a polling place or for canvassing; (4) an electric plant or electric storage facility; (5) a gas plant; or (6) a nuclear power facility.

Specified individuals, including specified law enforcement officers, correctional officers, and members of the armed services, are exempt from the Act’s prohibitions on wearing, carrying, or transporting a firearm at the listed locations. In addition, the prohibitions do not apply in specified circumstances where the location is being used with the permission of the owner or lessee or for specified purposes related to the use of firearms. Finally, the prohibitions do not apply to a firearm stored in a motor vehicle in a locked container. A person who willfully violates a prohibition on wearing, carrying, or transporting a firearm at a listed location is guilty of a misdemeanor and on conviction is subject to maximum penalties of one year imprisonment and/or a \$1,000 fine.

Further, the Act prohibited a person wearing, carrying, or transporting a firearm from entering or trespassing in the dwelling of another unless the owner or the owner’s agent has given express permission, either to the person or to the public generally, to wear, carry, or transport a firearm inside the dwelling. A person wearing, carrying, or transporting a firearm also may not enter or trespass onto property (defined as a building, and does not include the land adjacent to a building) unless the owner or the owner’s agent has either posted a clear and conspicuous sign indicating that it is permissible to do so or has given the person express permission. This prohibition does not apply to specified law enforcement officers, correctional officers, members of the uniformed services, and other people who hold or are subject to an easement or other property interest. A person who willfully violates these prohibitions is guilty of a misdemeanor and on conviction is subject to a maximum penalty of one year imprisonment and/or a \$1,000 fine.

Access to Firearms by Minors

Chapter 622 of 2023 modified and expanded a prohibition on access to a firearm by an unsupervised child (defined as an individual younger than age 16) by establishing that a person may not store or leave a loaded firearm in a location where the person knew or should have known that an unsupervised minor (an individual younger than age 18) has access to the firearm. A violator is guilty of a misdemeanor, punishable by the existing penalty of a maximum fine of

\$1,000. In addition, a person may not possess a regulated firearm if the person (1) has been convicted on or after October 1, 2023, of a second or subsequent violation of § 4-104 of the Criminal Law Article (access to a firearm by a minor under the Act) or (2) has been convicted on or after October 1, 2023, of a violation of § 4-104 of the Criminal Law Article if the violation resulted in the use of a loaded firearm by a minor causing death or serious bodily injury to the minor or another person. In addition, a person who has been convicted on or after October 1, 2023, of a violation of § 4-104 of the Criminal Law Article may not possess a regulated firearm for five years following the date of the conviction. Further, the Deputy Secretary for Public Health Services, in consultation with a stakeholder advisory committee, must develop a youth suicide prevention and firearm storage guide, to be posted on MDH's website and shared with entities that have an interest in youth suicide prevention or safe storage of firearms. The department must also provide grants to school systems, local health departments, and nonprofits to support the education of families on safe storage practices.

Firearms Surrendered Under Final Protective Orders

Chapter 142 of 2022 established the Maryland State Police Gun Center within DSP as a statewide firearms enforcement center for the tracking, screening, and vetting of all firearms crimes committed in the State. Among other duties, the center must assist the department and other law enforcement agencies with firearm enforcement and firearms violation reduction efforts.

Chapters 623 and 624 of 2023 expanded the center's duties to include the tracking, screening, and vetting of all firearms surrendered under final protective orders in the State. The Acts required (1) the center to create and maintain a statewide database to track information on firearms surrendered under final protective orders in the State and (2) each law enforcement agency to report to the center specified information on firearms surrendered under final protective orders in the agency's jurisdiction.

Center for Firearm Violence Prevention and Intervention

Chapters 706 and 707 of 2024 established the Center for Firearm Violence Prevention and Intervention in MDH. The purpose of the center is to reduce firearm violence, harm from firearm violence, and misuse of firearms in the State by partnering with federal, State, and local agencies and affected communities to implement a public health approach to firearm violence reduction. The Governor is required to include in the annual budget bill a general fund appropriation sufficient to fund the center.

The center must (1) work in consultation with specified State agencies and stakeholders; (2) solicit and consider recommendations from specified communities, experts, groups, and organizations; and (3) submit to the Governor and the General Assembly a preliminary State Plan for a Public Health Approach to Reducing Firearm Violence, and, every four years, a State Strategic Plan for Firearm Violence Reduction Using Public Health Strategies. Additionally, the center must (1) work in consultation with GOCPP, DSP, and any other relevant State or local agency to ensure a multi-departmental approach to reducing firearm violence and (2) solicit and consider recommendations from communities disproportionately impacted by firearm violence,

public health experts, and any other experts, groups, or organizations as the executive director determines appropriate and necessary.

Maryland Judiciary Reporting Requirement

Chapter 651 of 2023 required the Maryland State Commission on Criminal Sentencing Policy (MSCCSP), by October 1, 2023, and each October thereafter, to report to the Governor and the General Assembly on the number of charges, convictions, and sentences for violations of § 4-203 of the Criminal Law Article (wearing, carrying, or transporting a handgun) and § 5-133(d) of the Public Safety Article (restrictions on possession of regulated firearms). **Chapters 741 and 742 of 2024** required the Maryland Judiciary, instead of MSCCSP, to annually report that same information.

Trafficking in Regulated Firearms

A dealer or other person may not transport a regulated firearm into the State for the purpose of unlawfully selling or trafficking the regulated firearm. **Chapter 465 of 2025** reclassified this prohibition from a misdemeanor to a felony. The Act also repealed the three-year statute of limitations for a prosecution for this offense, thereby applying the unlimited prosecution period generally applicable to felony offenses.

Dealers – Notification Regarding Compromising Events

A licensed dealer of firearms may not conduct business at a location unless the location is equipped with certain security features. **Chapters 85 and 86 of 2026** required that a licensed firearms dealer give notice to DSP within 24 hours whenever there has been a burglary, attempted burglary, robbery, or theft involving a firearm or ammunition at the premises on which the dealer operates. The Acts also required notice when a required security feature is compromised or certain security features fail.

Buyback Programs – Destruction of Firearms

Chapter 430 of 2026 required any federal firearms licensee or law enforcement agency operating a gun buyback program to destroy each firearm, including every component and part attached to the firearm, that is surrendered to the licensee or law enforcement agency at the gun buyback program. This requirement does not apply if a law enforcement agency determines that a firearm is stolen or is evidence of a crime. A law enforcement agency that receives a firearm as part of a gun buyback program must make reasonable efforts to determine whether these exceptions apply. A licensee or agency that violates these provisions is subject to a maximum fine of \$10,000 per violation. A person who violates the provisions is also guilty of a misdemeanor. In addition to any other penalty, the Secretary of State Police must revoke a violator's license.

Emergency Services

Consumer Protections Against Price Gouging

Chapters 630 and 631 of 2023 generally prohibited a person, during a state of emergency, from selling or offering to sell goods and services designated as essential by the Governor for a price of 15% or more above the highest price at which the person made actual sales or rentals between (1) 60 days before the emergency declaration and (2) 4 days before the state of emergency. Further, during a state of emergency and for the 90 days following the end of the state of emergency, a person is prohibited from selling, or offering to sell, repair or reconstruction services used for emergency cleanup for a price that is 15% or more than the average price charged during the 30 days before the state of emergency.

However, a person may charge a price increase of 15% or more for goods and services if the person can prove that the price increase is (1) directly attributable to additional costs imposed on the person by the supplier of the goods (including replacement costs, costs of credit, and credit card processing costs); (2) directly attributable to additional costs for labor or materials used to provide the service or produce the goods (including costs to repair any damage relating to the state of emergency); or (3) consistent with seasonal prices charged by the person based on historical data showing prices charged during the season over the past three years.

At least 20 days prior to filing an action to enforce the Acts' requirements, OAG must provide a person who is potentially in violation of the Acts' requirements an opportunity to present evidence that the price increase was in accordance with the exceptions specified by the Acts.

State Disaster Recovery Fund

Establishment: Chapter 549 of 2023 established the State Disaster Recovery Fund, administered by the Maryland Department of Emergency Management (MDEM), to provide:

- disaster recovery assistance to individuals and families when a unit of local government has submitted a request for a disaster declaration, but a federal declaration disaster is not received;
- disaster recovery assistance to units of local government of the State for the repair, restoration, reconstruction, or replacement of a public facility damaged or destroyed when a federal disaster declaration is not received;
- low-interest or no-interest loans to businesses and nonprofits for disaster recovery assistance when a federal disaster declaration is not received;
- disaster-related assistance for unmet needs of individuals and families following a federal disaster declaration;

- disaster-related assistance for unmet needs of individuals and families who have been denied federal assistance but otherwise meet criteria established for the fund; and
- matching funds for assistance to individuals and State and local governmental units after a federal disaster declaration.

The fund may only be used if the Governor has declared a state of emergency or a local organization for emergency management requests assistance from the fund. However, a portion of the fund may be used to administer the fund, including providing disaster case management resources.

The Act also modified the Catastrophic Event Account, an existing account administered by DBM, to allow funds to be used by units of local government.

Transfers from the Revenue Stabilization Account (Rainy Day Fund): Chapter 450 of 2026 authorized the Governor, subject to the Board of Public Works' approval, to transfer funds from the Rainy Day Fund to the State Disaster Recovery Fund unless the transfer would result in the Rainy Day Fund balance dropping below 5% of the estimated general fund revenues for the fiscal year in which the transfer is made.

Office of the State Fire Marshal

The State Fire Marshal within DSP is responsible for enforcing all laws of the State relating to the prevention of fire and the installation and maintenance of equipment intended to control, detect, or extinguish fire.

Deputies: Chapter 110 of 2023 required each deputy State fire marshal, including an individual who is appointed to the Office of the State Fire Marshal for training before regular assignment as a deputy State fire marshal, to remain in probationary status for a period of two years after the date of appointment to Office of the State Fire Marshal. Additionally, the Act specified that, on promotion, a deputy State fire marshal is entitled to the pay specified for the new rank in the same step that the deputy State fire marshal occupied before promotion; however, if the step that the deputy State fire marshal occupied before promotion is higher than that held by a deputy State fire marshal who is already in the rank and has equal or higher total service time, on promotion, the deputy State fire marshal is entitled only to the pay specified for the new rank in the next lower step than the deputy State fire marshal occupied before promotion.

Assistant Fire Marshals, Residential High-rise Property Fire Safety Equipment, and Fire Alarm System Technicians: A county or municipality may designate a fire marshal or appropriate fire official to serve as assistant State fire marshal to carry out the responsibilities of the State Fire Marshal. ***Chapter 422 of 2026*** required these assistant State fire marshals to be appointed with the approval of the State Fire Marshal. Alternatively, a county or municipality may request the State Fire Marshal to designate an assistant State fire marshal. In addition, the Act required the State Fire Marshal to adopt regulations establishing minimum qualifications for

assistant State fire marshals. The Act also required automatic fire sprinklers to be installed in each residential high-rise building that undergoes a substantial renovation that receives building permits on or after October 1, 2026. Finally, the Act required the State Fire Prevention Commission to adopt regulations to establish a program to license and regulate fire alarm system technicians and fire alarm system companies in the State.

9-1-1 System

The 9-1-1 Trust Fund is managed by the Maryland 9-1-1 Board within MDEM and funded through a State 9-1-1 fee and county 9-1-1 fee. Telephone companies, wireless carriers, and other 9-1-1 accessible service providers collect and remit the fees monthly to the Comptroller for deposit into the fund. The State 9-1-1 fee is distributed to counties at the discretion of the Maryland 9-1-1 Board in response to county 9-1-1 system enhancement requests. The county fee, the prepaid wireless 9-1-1 fee remittances, and any investment earnings of the fund are all distributed quarterly to each county in prorated amounts according to the level of fees collected in each jurisdiction.

Salaries: *Chapter 76 of 2024* clarified that money collected from the State 9-1-1 fee may not be used to pay the salaries of public safety answering point personnel or county personnel, while money collected from the local 9-1-1 fee may be used for those purposes.

Cardiopulmonary Resuscitation (CPR) Training: *Chapters 800 and 801 of 2024* expanded the stated purpose of the 9-1-1 Trust Fund to include providing funding for telecommunications CPR training.

Suicide Prevention Hotline: *Chapters 13 and 14 of 2025* expanded the purpose of the 9-1-1 Trust Fund to include providing funds for costs related to the operation of the 9-8-8 suicide prevention hotline that may be shared with 9-1-1 activities, including software interfaces and joint training. The Acts also repealed the prohibition against the use of the 9-1-1 Trust Fund for any purpose associated with the 9-8-8 suicide prevention hotline and, instead, prohibited the 9-1-1 Trust Fund from being utilized for any costs that solely support the 9-8-8 suicide prevention hotline.

Secure Schools Emergency Response Grant Program

The Maryland Center for School Safety (MCSS) promotes a statewide coordinated approach to safer schools through the collaboration among schools, students, educators, staff, parents, behavioral health practitioners, and law enforcement partners. *Chapter 293 of 2024* established the Secure Schools Emergency Response Grant Program in MCSS. The purpose of the program is to provide grants to local school systems to improve emergency notification systems and communication between public elementary and secondary school personnel, a public safety answering point, and a public safety agency during emergency events. Local school systems that apply for and receive grants must use the funds to improve emergency notification systems or enhance communications within the school and with public safety agencies.

Under the Act, an emergency notification system may include a cellular phone application-based emergency event system with specified features; the capability to generate an automatic emergency alert notification to all public and nonpublic schools located in reasonable proximity to an emergency situation that is determined to be an imminent threat to school campuses or school personnel; and intercoms, school public address systems, bidirectional antennas or boosters, and other technology that will improve emergency notification and communication, as identified by MCSS.

By September 1, 2026, MCSS must ensure that the program is operating and available to each local school board. The Governor may include an appropriation in the annual budget bill to fund the program.

Death Benefits

Chapter 573 of 2025 required that the State pay public safety death benefits to the surviving family of specified law enforcement personnel who commit suicide. In addition, the Act made local 9-1-1 specialists eligible for public safety death benefits.

Maryland Department of Emergency Management

Transfer of Funds from the Catastrophic Event Account: The Catastrophic Event Account, which is within the State Reserve Fund and administered by DBM, enables the State or a local government to respond quickly to a natural disaster or catastrophe that could not be addressed within existing State appropriations. It may also be used for federal employee financial hardship in the event of a full or partial federal government shutdown due to a lapse in federal appropriations. *Chapter 559 of 2025* authorized funds appropriated to the Catastrophic Event Account to be transferred to the State Disaster Recovery Fund within MDEM if (1) the balance of the fund has been depleted due to use or transfer or (2) the estimated costs for providing adequate disaster relief for a natural disaster or catastrophic situation are in excess of the fund's balance.

Regulations: MDEM is responsible for developing emergency management policies and coordinating the State's risk reduction strategies and disaster response during any major emergency or disaster. *Chapters 15 and 16 of 2025* authorized MDEM and the Maryland 9-1-1 Board to adopt regulations to implement and enforce the requirements of State law.

Critical Infrastructure Protection

Chapters 446 and 447 of 2026 established a Critical Infrastructure Protection Branch in the Maryland Coordination and Analysis Center to identify current and potential threats to the State's critical infrastructure and prioritize the State's critical infrastructure assets. The executive director of the Maryland Coordination and Analysis Center must appoint a Chief Critical Infrastructure Officer for the branch, and MDEM must coordinate consequence management efforts and respond to cascading impacts of an attack on the State's critical infrastructure.

Terminology and Obsolete References – Firefighters and Related Terms

Chapters 513 and 514 of 2025 altered terminology throughout the Annotated Code of Maryland so that (1) references to the Maryland State Firemen’s Association were replaced with the Maryland State Firefighters Association, reflecting a recent name change; (2) references to the Disabled Firemen’s and Rescue Squadmen’s List were replaced with the Disabled Firefighter’s and Rescue Squad Person’s List; (3) references to “fireman” or “firemen” were replaced with “firefighter” or “firefighters”; and (4) references to “squadman” were replaced with “squad member.”

3-1-1 Systems

Chapter 450 of 2024 stated the intent of the General Assembly that DoIT evaluate the potential use of artificial intelligence in creating a statewide virtual 3-1-1 portal as a source for Maryland residents to obtain nonemergency government services and aid. *Chapters 17 and 18 of 2025* established the Workgroup to Study Implementation of an Expanded 3-1-1 Nonemergency System. The workgroup, among other things, was tasked with reviewing the study conducted by DoIT to create a plan for implementing the study’s recommendations. The workgroup was required to submit a final report by November 1, 2025.

Chapter 434 of 2026 established the Maryland 3-1-1 Oversight Board. The board must establish and administer a 3-1-1 Program, consisting of two counties with existing 3-1-1 systems and two counties without existing 3-1-1 systems. As part of the program, the board must develop and deploy an artificial intelligence chatbot to each participating county designed to respond to questions directed at a 3-1-1 system. The board must also deploy in each county an artificial intelligence voicebot designed to transfer calls to 9-1-1, 2-1-1, and 9-8-8, as needed. The Act also established a 3-1-1 Technical Advisory Committee to provide technical guidance to the board and the 3-1-1 Program.

On or before July 1, 2028, the board must submit a report evaluating the implementation of the program and creating a comprehensive plan to expand the program to each county in the State. General fund expenditures are estimated to increase significantly (potentially by more than \$1.0 million annually) beginning in fiscal 2027 for staffing and to establish the program.

Building Codes and Fire Safety

Fire Prevention

Residential Rental Property: Chapter 744 of 2024 established requirements related to the installation of automatic smoke detectors and notices regarding the lack of automatic sprinkler systems in residential rental high-rise buildings. The Act also modified existing provisions related to notification appliances for deaf or hard of hearing individuals and expanded those requirements to include deafblind individuals. In addition, the Act authorized local governments to grant a property tax credit for specified residential high-rise buildings if the building owner makes fire safety improvements.

Further, the Act established the Workgroup to Develop Fire Safety Best Practices for Pre-1974 High-Rise Apartment Buildings to study and make recommendations regarding the improvement of fire safety in high-rise apartment buildings that do not have fire sprinkler systems and other fire safety technology. The workgroup was required to report its findings and recommendations by December 31, 2024.

Short-term Rentals: Chapters 9 and 10 of 2026 required the inclusion of specified fire prevention and detection equipment, including certain fire extinguishers, smoke alarms, and carbon monoxide alarms, in all short-term rental units offered for short-term rental for less than 30 consecutive days.

Building Standards

MD Labor incorporates, with modifications, the International Building Code as the Maryland Building Performance Standards. In general, these standards apply to all buildings and structures within the State for which a building permit application is received by a local government.

Religious Considerations: Chapters 205 and 206 of 2024 required MD Labor, on request by a local jurisdiction and in consultation with OAG, to provide guidance for the implementation and enforcement of the Maryland Building Performance Standards in relation to any religious observance, practice, or belief.

Study Regarding Single-staircase Buildings: Chapters 503 and 504 of 2025 required MD Labor to (1) conduct a study on building code requirements for single-staircase buildings in the State and other states and (2) make recommendations regarding potential legislative or regulatory changes to authorize the construction of single-staircase buildings up to six stories above grade plane in the State for the purpose of increasing the affordable housing supply.

Elevator Inspections and Safety

Privately Owned Single-family Residences: Chapters 292 and 293 of 2023 expanded the applicability of specified registration and final inspection requirements for elevators to include newly installed elevators in privately owned single-family residences. Generally, the owner or lessee of each privately owned single-family elevator installed on or after October 1, 2023, must register the elevator with the Commissioner of Labor and Industry 60 days prior to its planned completion and before it is placed in service. The commissioner must conduct a final acceptance inspection on completion of the installation, modification, or alteration of such an elevator unit before it is placed in service. Owners of elevators in privately owned single-family residences do not need to reregister their elevators following initial certification, as otherwise required under existing law.

Searchable Database of Inspection Certificates: Chapters 397 and 398 of 2026 required the Commissioner of Labor and Industry within MD Labor to post a user-friendly, searchable

database of active elevator inspection certificates on the department's website. The database must allow users to search for active certificates by street address, city, and county.

Miscellaneous

Governor's Office of Crime Prevention and Policy

Sexual Assault Collection Kits: Chapters 704 and 705 of 2023 required GOCPP to establish and administer a reporting program for tracking the location, status, and chain of custody of sexual assault evidence collection kits. Related requirements are established for law enforcement agencies and others that have control or possession of such kits. GOCPP must adopt regulations relating to the reporting program. The Acts also clarified that the existing Rape Kit Testing Grant Fund may be used for equipment, supplies, personnel, and outsourcing necessary for the testing of kits collected before or after the establishment of the fund.

Protecting Against Hate Crimes Grant Fund: Chapter 746 of 2023 established the Protecting Against Hate Crimes Grant Fund, a special fund administered by the Executive Director of GOCPP, to make grants to nonprofit organizations, including faith-based organizations, to provide security enhancements to protect against hate crimes. For fiscal 2025 and each fiscal year thereafter, the Governor may include in the annual budget bill an appropriation of \$5.0 million to the fund.

The Executive Director of GOCPP must (1) establish and publish procedures for the distribution of grants; (2) set aside a minimum of \$1.0 million each year for grants to faith-based organizations to increase security measures against faith-based hate crimes, with priority given to applicants that can demonstrate a high prevalence of hate crimes against members of and institutions representing the applicant's faith; and (3) report to the General Assembly on the distribution of funding before September 1 each year.

Food Insecurity

Chapters 724 and 725 of 2021 established the Maryland Food System Resiliency Council. The Acts required the council to meet regularly for at least two years to address food insecurity in the State.

Office of Resilience: Chapters 573 and 574 of 2023 established that the council is in the Office of Resilience within MDEM. The Acts also repealed the requirement that the elected cochair of the council be one of the five food council organization representatives on the council and adds a representative of the seafood industry as a member of the council.

Responsibilities: Chapter 496 of 2025 altered the responsibilities of the Maryland Food System Resiliency Council and repealed outdated one-time reporting requirements, including a previously submitted one-time strategic plan. Under the Act, the council must develop equity and sustainability policy recommendations to increase the long-term resiliency of the food system that (1) address and eliminate limited food options and food scarcity that exist in "healthy food priority

areas”; (2) reduce “wasted food,” as defined under the Act, (3) in urban, suburban, and rural settings; increase the quantity, quality aggregation, marketing, and distribution of local food; (4) increase the procurement of local food through schools, institutions of higher education, nonprofit organizations, and other institutions; (5) create additional market opportunities for Maryland food businesses; and (6) expand access to small scale manufacturing and food production infrastructure. The Act also required the council to include in its annual report appropriate policy and legislative changes.

Criminal History Record Checks

The Criminal Justice Information System Central Repository, located within DPSCS, collects, manages, and disseminates Maryland criminal history record information for criminal justice and noncriminal justice (*e.g.*, employment and licensing) purposes. For a national criminal history records check, the Central Repository collects the fee and submits the request to the Federal Bureau of Investigation electronically. In general, employees and employers who work in specified facilities and who care for or supervise children (or have access to children who are cared for or supervised in the facility) are required to apply for a national and State criminal history record check at any designated law enforcement office in the State or other location approved by DPSCS.

Chapter 144 of 2023 brought the relevant provisions of the Family Law Article into compliance with federal requirements by (1) specifying that a facility (instead of the employee or other individual) must apply to DPSCS or the Central Repository for a national and State check for an employee or other individual; (2) specifying that, in accordance with provisions of the Criminal Procedure Article, the Central Repository must forward criminal history record information to the employee, employer, individual, or volunteer and the authorized agencies, as specified; (3) repealing an authorization for a local department of social services to request that a location other than a designated State or local law enforcement agency perform a federal name-based check for specified individuals when a child is placed in an emergency out-of-home placement; and (4) requiring a child to be removed immediately from an emergency out-of-home placement if an individual who is required to submit a name-based check refuses to submit the follow-up fingerprints.

The Military

Definitions: Chapters 261 and 262 of 2025 established uniform definitions related to the military in the Correctional Services, Courts and Judicial Proceedings, Criminal Law, Family Law, General Provisions, Public Safety, Real Property, and State Government articles of the Maryland Code, primarily by reference to definitions in the U.S. Code.

Authority of Adjutant General: Chapters 19 and 20 of 2025 replaced the Governor with the Adjutant General as the individual responsible for specified functions within the Military Department. Specifically, the Acts authorized the Adjutant General, instead of the Governor, to appoint a chief of staff and aides. The Acts further established that these individuals serve at the pleasure of the Adjutant General.

Corrections

Davis Martinez Public Employee Safety and Health Act

Under Maryland's Wiretap Act, it is unlawful to willfully intercept any wire, oral, or electronic communication, unless all participants have consented. The Wiretap Act does have a number of exceptions, including for a law enforcement officer who intercepts a communication with a body-worn camera in the regular course of the officer's duties, if specified conditions are met. *Chapters 608 and 609 of 2025* expanded this exception to apply to correctional officers wearing body-worn cameras. The Acts also required the Correctional Training Commission to adopt regulations regarding the use of body-worn cameras by correctional officers. Each correctional unit of the State must develop policies consistent with the regulations. A local correctional facility that adopts the use of body-worn cameras is also required to adopt such policies.

Incarcerated Individuals

Study on the Location of Individuals Before and After Incarceration

Chapters 127 and 128 of 2025 required DPSCS to conduct an annual study on the location of individuals before and after incarceration in a State correctional facility. By October 1, 2026, and each October 1 thereafter, the department must report the results of the study to specified committees of the General Assembly.

Terminology and Obsolete References – Inmate and Related Terms

Chapter 721 of 2023 required the publisher of the Annotated Code of Maryland, in consultation with and subject to the approval of the Department of Legislative Services (DLS), to replace any instance of the term "inmate" in statute with the term "incarcerated individual." The term "inmate" was defined in the Correctional Services Article as "an individual who is actually or constructively detained or confined in a correctional facility."

Diminution Credits

Generally, incarcerated individuals sentenced to a State correctional facility are entitled to earn diminution of confinement credits to reduce the lengths of their incarceration. Certain individuals, however, are prohibited from earning diminution credits, including individuals serving a sentence for first-degree rape against a victim younger than 16. *Chapter 712 of 2024* expanded the prohibition on earning diminution credits to include any individual serving a sentence for first-degree rape, regardless of the age of the victim, that occurred on or after October 1, 2024.

Deaths of Incarcerated Individuals

Reporting: Chapter 479 of 2005 required DSP to investigate any death of an incarcerated individual in the custody of the Division of Correction suspected to be a homicide. **Chapters 955 and 956 of 2024** required the department to annually report on the number of investigations it completes and the number of cases referred for prosecution pursuant to that requirement.

Notification: Chapter 109 of 2025 required the Division of Correction, upon the death of an incarcerated individual in a facility operated by the division, to notify the State legislators for the district in which the death occurred, the legislative body of the county in which the death occurred (or the Baltimore City Council, if in Baltimore City), and the chief executive of the county in which the death occurred (or the Mayor of Baltimore City, if in Baltimore City). The notification must include the cause of death and may not include any protected health information of the deceased individual.

Education and Workforce Training

Goals, Tracking Systems, and Financial Aid: Chapters 943 and 944 of 2024 required DPSCS to (1) set goals for the number of incarcerated individuals in postsecondary education programs; (2) establish tracking systems for the number of incarcerated individuals in postsecondary education programs and their progress; and (3) assist incarcerated individuals in accessing federal Pell Grants for higher education.

Prison Education Delivery Reform Commission: Chapters 945 and 946 of 2024 established the Prison Education Delivery Reform Commission. The commission was required to work with stakeholders to (1) develop an education-focused statewide framework of policies to invest in strategies to increase public safety and reduce recidivism of adult offenders, using a data-driven approach; (2) research best practices for the primary, secondary, postsecondary, and career or vocational education of those who are subject to the criminal and juvenile justice systems; (3) identify measures to mitigate risk factors that contribute to adult contact with the criminal justice system, with a focus on education; and (4) evaluate current workforce programs and their effectiveness. **Chapter 110 of 2025** extended by three years, from June 30, 2026, to June 30, 2029, the deadline for the commission to submit its final report.

Family Literacy Pilot Program: The Correctional Education Council, which is jointly administered by MD Labor and DPSCS, is tasked with developing and recommending an educational and workforce training program for adult correctional facilities in the State. **Chapters 367 and 368 of 2025** established the Family Literacy Pilot Program, administered by the Maryland State Library Agency in consultation with the council, to foster family literacy and strengthen parent-child relationships by providing children's books in State correctional facilities to incarcerated individuals and a means for an incarcerated individual to read aloud to the individual's child.

Compensation to Erroneously Convicted Individuals

Chapter 76 of 2021 provided that individuals who are erroneously convicted, sentenced, and confined for certain crimes are eligible to receive compensation from the State. **Chapters 138 and 139 of 2026** altered the circumstances under which individuals are eligible for compensation. Specifically, the Acts (1) extended eligibility to individuals erroneously convicted, sentenced, and confined for conspiracy to commit a felony; (2) altered the benefits available to individuals; (3) required the State to notify an individual in writing if the State intends to introduce certain evidence to reduce or prevent an award of compensation; and (4) repealed obsolete provisions.

Correctional Facilities

Oversight

Correctional Training Commission: The Correctional Training Commission has several enumerated powers and duties relating to the oversight of correctional facilities in the State, including approving standards for the education and training of correctional officers and performing inspections of correctional facilities. **Chapter 900 of 2024** altered the membership of the commission by (1) removing the representative of the Federal Bureau of Prisons; (2) increasing the number of correctional officers; (3) repealing the requirement that one of the correctional officers on the commission be an employee of the Department of Juvenile Services (DJS); and (4) requiring that correctional facilities from each geographic region of the State be represented on the commission. **Chapters 87 and 88 of 2025** expanded the membership of the commission to include the Director of the Division of Parole and Probation (DPP) and one employee of the division.

Correctional Ombudsman: **Chapter 836 of 2024** established the Office of the Correctional Ombudsman (OCO) as an independent unit of State government, headed by a Correctional Ombudsman who is appointed by the Governor with the advice and consent of the Senate. In response to a complaint or on OCO's own initiative, OCO must investigate any administrative act by DPSCS that OCO determined may be contrary to law or regulation, based on a mistake of fact, unsupported by sufficient evidence, performed in an inefficient manner, unreasonable under the totality of the circumstances, or otherwise erroneous. In addition, OCO must conduct independent reviews and assessments relating to (1) health and mental health services provided to individuals confined by DPSCS; (2) plans for the expansion, renovation, or closure of DPSCS facilities; (3) educational and vocational programs for individuals confined by DPSCS; and (4) DPSCS policies on restrictive and protective housing. Finally, the Act transferred the Juvenile Justice Monitoring Unit, which performs similar functions in relation to juveniles in the custody of DJS, to be under OCO.

Private Correctional Facilities Prohibition

Chapter 173 of 2026 prohibited the State or a unit of local government from approving the construction or operation of a building, a structure, or other real property for use by a private entity as a detention facility. In addition, the Act prohibited a private entity from operating or occupying

a building, a structure, or other real property as a detention facility. If these provisions are rendered unenforceable by a State or federal court, the Attorney General must notify DLS no later than five days of the Act's enforceability. If the contingency occurs, the Act's provisions are replaced with provisions prohibiting the State or a unit of local government from approving the construction or operation of a building, a structure, or other real property as a private detention facility unless the building, structure, or other real property is located in a zone that expressly authorizes private detention facilities. The Attorney General may bring a civil action to enforce the Act's provisions. The court may issue temporary, preliminary, or permanent injunctive relief to prevent an act that would constitute a violation of the Act's provisions. A private entity that operates or attempts to operate a detention facility in violation of the Act is subject to a civil penalty not exceeding \$10,000 for each day the violation continues. The remedies provided under the Act are in addition to any other remedy available under State or local law.

For purposes of the Act's provisions, a building, structure, or other real property must be considered proposed for use as a detention facility, regardless of how the use is described in an application or permit request, if (1) individuals are intended to be held in involuntary custody and will not be free to leave or (2) the design, construction, or improvements include features consistent with secure or involuntary confinement, including perimeter security measures designed to prevent occupants from leaving, controlled access points, or locked holding areas.

Correctional Facility for Women

Chapter 16 of 2021 required the Commissioner of Correction within DPSCS to operate a comprehensive rehabilitative prerelease unit for women that is a separate structure in which specified services are provided, has security features for specified female incarcerated individuals, and matches security level on a validated gender-responsive risk measure. DPSCS was required by statute to identify a location, acquire property, and design a site plan for the unit by June 1, 2021; begin construction or renovation of the facility by September 1, 2021; and begin operating and providing services in the facility by June 1, 2023.

Chapter 876 of 2026 reclassified the prerelease unit for women within the Division of Correction as a "prerelease facility" for "eligible individuals" and altered existing specifications and requirements. Under the Act, the Commissioner of Correction must operate a comprehensive rehabilitative prerelease facility for eligible individuals that is architecturally designed and constructed to facilitate the provision of specified services and includes specified housing units, rooms, spaces, facilities, offices, and amenities.

The facility must be (1) located in Baltimore City on a site that is not less than three acres in land area and not located within one-half mile of any existing correctional facility and (2) able to accommodate the administration, housing, programming, and required services for a specified number of women. The Commissioner of Correction must make evidence-based and gender-responsive services available to eligible individuals at the facility. Incarcerated individuals assigned to the reentry facility may not be transported to another facility to receive comprehensive rehabilitative prerelease services.

“Eligible individual” means a woman who is within 36 months of her anticipated release date and has prerelease or minimum security status. “Gender-responsive services” means evidence-based programs and practices that address the needs of eligible individuals regarding their therapeutic, educational, and vocational goals; life skills; psychological development; socialization; culture; exposure to trauma; and life experiences to reduce criminogenic risks and support successful reentry, recovery, and recidivism reduction.

The Act also altered existing statutory deadlines, all of which had passed. DPSCS is required to (1) identify a location, acquire property, and design a site plan for the facility by October 1, 2027, or no later than six months thereafter; (2) begin construction or renovation of the facility by July 1, 2028, or no later than six months thereafter; (3) complete the construction or renovation by March 1, 2031, or no later than six months thereafter; and (4) begin operating and providing services in the facility by September 1, 2031, or no later than six months thereafter.

Unmanned Aircraft

Chapter 101 of 2024 prohibited a person from intentionally operating an unmanned aircraft over a correctional facility for the purpose of photographing or recording images of the correctional facility through the use of the unmanned aircraft unless authorized to do so. The Act also prohibited a person from using an unmanned aircraft to deliver any contraband to a person detained or confined in a place of confinement. A violator of either of these prohibitions is guilty of a misdemeanor and subject to maximum penalties of imprisonment for three years and/or a \$1,000 fine.

Parole, Probation, and Home Detention

Parole

Parole is a discretionary and conditional release from imprisonment determined after a hearing for an incarcerated individual who is eligible to be considered. If parole is granted, the incarcerated individual is allowed to serve the remainder of the sentence in the community, subject to the terms and conditions specified in a written parole order. The Maryland Parole Commission (MPC) has jurisdiction regarding parole for eligible incarcerated individuals sentenced to State correctional facilities and local detention centers.

Supervision Fee and Drug and Alcohol Abuse Test Payment: Chapter 928 of 2024 repealed the requirement for MPC to assess a monthly \$50 fee as a condition of supervision as well as the authorization for DPP to require an individual on parole and supervised by DPP to pay for any drug and alcohol testing ordered by MPC.

Medical and Geriatric Parole: Chapters 102 and 103 of 2025 altered the statutory provisions governing medical and geriatric parole. Under the Acts, an incarcerated individual is eligible for medical parole if a licensed physician has determined that the individual (1) is chronically debilitated or incapacitated or suffers from a terminal illness and (2) requires extended medical management with health care needs that would be better met by community

services and either has been rendered physically incapable of presenting a danger to society or is no longer a danger to public safety. The Acts also altered the process by which MPC considers a request for medical parole. In addition, the Acts repealed the authorization for the Governor to disapprove of a decision granting medical parole. Further, the Acts repealed the provision authorizing geriatric parole and instead required the Division of Correction, on an ongoing basis, to provide MPC with the names of incarcerated individuals who are at least age 65, have served at least 20 years of incarceration, and meet specified additional requirements. If a named individual is serving an aggregate sentence of 40 years or more for multiple crimes of violence, MPC must conduct a risk assessment. On completion of the risk assessment (or as soon as possible if no risk assessment is ordered), MPC must conduct a parole hearing for the individual, giving weight to the individual's age and the impact of the individual's age on the risk that the individual will recidivate. An individual denied parole under this provision may not receive a subsequent parole hearing for at least five years, unless MPC determines that extraordinary and compelling circumstances justify an earlier rehearing. Finally, the Acts authorized the use of savings from the Justice Reinvestment Act to hire psychologists to conduct risk assessments

Improvements in Transparency and Equity: Chapters 431 and 432 of 2026 established that MPC does not have the authority to permanently deny parole and that an incarcerated individual is entitled to a subsequent parole hearing at specified intervals, based on length of sentence, after each parole hearing that results in a denial of parole. In addition, the Acts altered various requirements for parole hearings, hearing examiner and commission panel decisions, hearing recordings, and appeals of commission decisions and required MPC's annual report to the Governor to include specified information. Further, for an administrative proceeding involving a person who was erroneously convicted, the Acts prohibited a county from being a party to the proceeding and a State's Attorney from designating a county as a party to the proceeding.

Probation and Home Detention

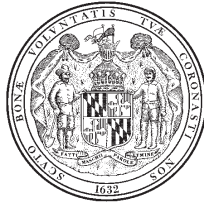
Notification Requirements for Private Home Detention Monitoring Agencies: Under § 5-201 of the Criminal Procedure Article, a court may require, as a condition of a defendant's pretrial release or probation, that the defendant be monitored by a private home detention monitoring agency. ***Chapter 893 of 2024*** altered notification requirements for home detention monitoring agencies when monitored individuals violate the conditions of their pretrial release or probation and authorized the Secretary of Public Safety and Correctional Services to impose civil penalties on private home detention monitoring agencies that fail to provide the required notice.

Earned Compliance Credit: Chapters 564 and 565 of 2012 required DPSCS to establish a program of earned compliance credits to reduce the period of active supervision for a supervised individual. ***Chapters 97 and 98 of 2024*** altered the definition of "earned compliance credit" to exclude specified monthly supervision fees in order to allow an individual under the supervision of DPP to accrue earned compliance credit, even if the individual is not current on the payment of the supervision fee. ***Chapter 938 of 2024*** authorized individuals under supervision by a private home detention monitoring agency to receive earned compliance credit.

Reentry

Training for Formerly Incarcerated Individuals: ***Chapter 892 of 2024*** authorized the Governor, for fiscal 2026 through 2028, to include each year in the annual budget bill an appropriation of \$1.0 million to be used solely as an operating grant to qualifying nonprofit organizations for the purpose of providing training to formerly incarcerated individuals in automotive repair. GOCPP must administer the grant funds. ***Chapter 403 of 2026*** extended by one year (through fiscal 2029) the authorization for the Governor to include an appropriation of \$1.0 million in the annual budget bill to be used as specified.

Volunteer Services Program: ***Chapters 518 and 519 of 2026*** established the Volunteer Services Program in the Division of Correction. The division must establish a protocol for registering volunteers, including formerly incarcerated individuals and organizations led by formerly incarcerated individuals, in the program to have access to State correctional facilities for the purpose of assisting incarcerated individuals with release preparation. A volunteer in the program may elect whether the volunteer's name is made available to the public.



Part F

Courts and Civil Proceedings

Judges and Court Administration

Additional Judgeships

To support the General Assembly's role in establishing new judgeships, the Chief Justice of the Supreme Court of Maryland annually certifies to the General Assembly the need for additional judges in the State. The certifications for fiscal 2024 through 2027 each projected a need for additional judges throughout the State, and the Judiciary used its discretion in requesting the specific judge positions for the locations deemed to be in most critical need of judicial resources. While the positions are formally requested by the Judiciary, the number of judgeships is explicitly established by statute. Although the General Assembly did not provide for all of the judgeships requested over the four-year term (an additional judgeship for the St. Mary's County Circuit Court was not established), legislation was enacted to create two additional circuit court judgeships and one additional District Court judgeship. Specifically, (1) *Chapters 656 and 657 of 2023* added one circuit court judgeship in Baltimore County; (2) *Chapters 756 and 757 of 2024* added one circuit court judgeship in Prince George's County; and (3) *Chapter 474 of 2026* added one District Court judgeship to be appointed from Washington County.

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Compensation of Judges and Court Personnel

Compensation of Judges

The Judicial Compensation Commission is required to review judicial salaries and make recommendations to the Governor and the General Assembly once every four years. The General Assembly may amend a joint resolution from the commission to decrease, but not increase, any of the commission's salary recommendations. The General Assembly may not reduce a judge's salary below its current level. Failure to adopt or amend the joint resolution within 50 calendar days of its introduction results in adoption of the salaries recommended by the commission. If the General Assembly rejects any or all of the commission's recommendations, the affected judges' salaries remain unchanged, unless modified by other provisions of law.

The commission met in December 2025 and January 2026, ultimately recommending to increase judicial salaries over a four-year period by \$23,600 (\$5,900 per judge per year). The recommendations were submitted as joint resolutions in the House and the Senate. Because the General Assembly did not act on either of the resolutions within 50 days, the resolutions were enacted under statutory requirements. Therefore, ***Joint Resolutions 2 and 4 of 2026*** increased the salaries of all Maryland judges by \$5,900 each year from fiscal 2027 through 2030.

In addition to salary increases for all judges, the resolutions also incorporated the Judicial Compensation Commission's recommendation to pay an annual stipend of \$7,500 to the Chief Judge of the Appellate Court of Maryland and judges serving as an administrative judge for a circuit court or the District Court in order to recognize the additional responsibilities these judges perform beyond the regular duties of a judge. Among other things, ***Chapters 563 and 564 of 2026*** altered statutory provisions to explicitly authorize such judges to receive an annual stipend in addition to the judge's annual salary.

Compensation of Court Personnel

The Board of Public Works (BPW) determines, within the allowed statutory range, the annual salary of the clerk of each circuit court based on the relative volume of business and receipts in the clerk's office. Similarly, while the maximum permissible salary for a register of wills is set by statute, BPW determines the salary for each register based on specified factors. ***Chapter 565 of 2026*** increased the maximum annual salary that BPW may set for each clerk of the circuit court and each register of wills from \$146,500 to the salary of a State employee at Grade 26, Step 20 of the State of Maryland Standard and Bargaining Salary Scale in effect on the day before the clerk or register begins a new term of office (estimated at \$172,463 in fiscal 2027). Any change in the salary scale during a term of office may not apply to the incumbent clerk or register; however, the changed rate takes effect at the beginning of the following term.

Court Proceedings and Administration

Judiciary Security

On October 19, 2023, Judge Andrew F. Wilkinson, a Maryland circuit court judge for Washington County, was murdered in the driveway of his personal residence by a disgruntled litigant. In the wake of Judge Wilkinson's death, several legislative measures were enacted to address the safety and security of Maryland judges.

Chapters 414 and 415 of 2024 established the Office of Information Privacy (OIP) in the Administrative Office of the Courts (AOC) to assist in protecting the privacy of judges and their families. A "protected individual," defined as a current or retired judge, magistrate, or commissioner of specified courts (or the spouse, child, or dependent residing in the same household as one of these individuals), may request that a person or governmental entity not publish the individual's personal information or remove the information from an existing publication. OIP may also make such a request on behalf of a protected individual. The Acts established related requirements and procedures, as well as remedies for noncompliance. In

addition to other provisions, the Acts required OIP to establish and administer a Judicial Address Confidentiality Program for the general purpose of safeguarding the actual address of a program participant in relation to public records or inspection.

Chapters 475 and 476 of 2026 established minimum adequate security standards for courtroom security and required any entity responsible for providing courthouse security to use best efforts to provide a minimum number of court security officers in courtrooms. Certain standards are applicable beginning July 1, 2027, with enhanced standards beginning July 1, 2029. The Acts also required a court security officer to meet the qualifications for a special police officer.

Jury Service

Parental Accommodations: In general, to be excused from jury service, an individual must demonstrate that extreme inconvenience, public necessity, or undue hardship requires excusal. **Chapter 137 of 2025** authorized a jury judge or jury commissioner to excuse from jury service an individual who is a breast-feeding mother or has legal custody of and is personally responsible for a child younger than age three requiring continuous care during normal court hours. The Act also required a circuit courthouse that is constructed or undergoes a major renovation project on or after October 1, 2025, to maintain on its premises a private lactation room meeting certain requirements that may be used by employees of the court and members of the public to nurse and express breast milk.

Disqualification: Statute sets forth numerous circumstances under which an individual is not qualified for jury service. Pursuant to **Chapter 875 of 2026**, an individual who has been convicted of a crime punishable by imprisonment exceeding one year is disqualified if the individual is currently serving the sentence imposed for the conviction, including a term of parole or probation. Previously, an individual was disqualified on receiving a sentence of imprisonment for more than one year. The Act also (1) disqualified an individual for jury service if the individual was convicted of a crime involving or related to perjury, witness intimidation, jury intimidation, or a crime under Title 8 of the Criminal Law Article (Fraud and Related Crimes) and (2) repealed a provision providing that an individual with a disqualifying conviction who has been pardoned qualifies for jury service.

Court Records – Failure to Pay Rent Proceedings

When a tenant fails to pay rent, a landlord may initiate a failure to pay rent proceeding in the District Court seeking to reclaim possession of the leased premises. **Chapter 347 of 2024** required the District Court, within 60 days after the final resolution of a failure to pay rent proceeding that did not result in a judgment of possession, to shield from public inspection all related court records. The Act also authorized the District Court to shield court records relating to a proceeding that resulted in a judgment of possession if (1) the tenant demonstrates by a preponderance of the evidence that the tenant exercised the right of redemption (*i.e.*, paid all past due amounts as determined by the court as well as any court-awarded costs or fees) and at least 12 months have passed since the final resolution of the proceeding that the tenant seeks to shield

or (2) the District Court determines that there is good cause to shield the records. Once shielded, a record may only be opened on a written request by the tenant or pursuant to a District Court order for good cause shown.

Commission on Judicial Disabilities

Article IV of the Maryland Constitution authorizes the Commission on Judicial Disabilities to investigate complaints against judges in the State courts and recommend disciplinary action to the Supreme Court of Maryland, as appropriate. **Chapter 878 of 2026** proposed a constitutional amendment that, if approved by the voters at the 2026 general election, authorizes the chair of the commission to take specified actions in the event of a member's recusal or disqualification or the expiration of a member's term without a replacement. Specifically, the chair of the commission may recall a former member to serve as a temporary substitute member or request that the Governor appoint a temporary substitute member or extend a current member's term. Any temporary substitute member is subject to the same qualifications that were applicable to the member for whom the substitute is temporarily appointed and may not have been rejected by the Senate for appointment to the commission. If the member is a judge or an attorney, the individual must be a member in good standing of the Maryland Bar. The Act also repealed **Chapters 848 and 849 of 2025**, which proposed a constitutional amendment nearly identical to the one proposed by **Chapter 878**. However, the 2025 Acts did not include the prohibition related to a temporary substitute member's inability to serve if the member was rejected by the Senate for appointment to the commission.

Programs

Maryland Legal Services Corporation – Estate Planning for Seniors

The Maryland Legal Services Corporation (MLSC) is a statutorily created entity that makes grants to nonprofit organizations for the provision of civil legal assistance to low-income persons in Maryland. **Chapter 776 of 2023** expanded upon the services facilitated by MLSC to establish the Affordable Life, Wills, and Estate Planning for Seniors Grant Program to provide eligible seniors access to affordable legal services concerning primarily wills, powers of attorney, special needs trusts, advance health care directives, and life estate deeds. The program must generally provide (1) an intake method to screen clients by eligibility and by legal need; (2) an outreach method for matching eligible clients to a grantee; and (3) a grant program to fund grantees representing eligible clients, particularly in rural communities, when no other attorneys are readily available.

Artificial Intelligence Evidence Clinic Pilot Program

In light of growing issues surrounding the proliferation of artificial intelligence (AI), the General Assembly passed legislation during the 2025 session to establish an Artificial Intelligence Evidence Clinic Pilot Program in AOC. Although the Governor vetoed the bill, it became law as **Chapter 17 of the 2025 special session** once the General Assembly overrode the veto. The program

was established to provide expertise in AI to the circuit courts and the District Court through expert testimony on the authenticity of electronic evidence that a court determines may have been created or altered using AI. The program must (1) engage college and university students, recent graduates, and faculty and technology professionals dedicated to the research and advancement of AI in order to develop expert witness resources for courts to use in cases implicating the use of AI; (2) through AOC, award grants to eligible institutions of higher education; and (3) prioritize civil cases in which one or more parties do not have legal representation or reasonable access to expert testimony.

Civil Actions and Procedures

Causes of Action

Child Sexual Abuse

In general, a civil action must be filed within three years from the date it accrues unless otherwise provided by statute. If a cause of action accrues to a minor, the general three-year statute of limitations is tolled until the child reaches the age of majority. Thus, unless otherwise specified by law, on becoming an adult at age 18, a child victim of a tort is required to file the suit before the victim reaches age 21.

Following legislation enacted in 2003 that first extended the statute of limitations in civil cases arising out of alleged child sexual abuse, Chapters 12 and 656 of 2017 required that an action for damages arising out of an alleged incident or incidents of sexual abuse, as defined in § 5-701 of the Family Law Article, that occurred while the victim was a minor be filed:

- at any time before the victim reaches age 18; or
- within the later of 20 years after the date on which the victim reaches the age of majority (age 18) or 3 years after the date that the defendant is convicted of a crime relating to the alleged incident or incidents under § 3-602 of the Criminal Law Article (sexual abuse of a minor) or the laws of another state or the United States that would be a crime under § 3-602 of the Criminal Law Article.

However, in an action brought more than seven years after the victim reaches the age of majority, damages could be awarded against a person or governmental entity that is not the alleged perpetrator of the sexual abuse only if (1) the person or governmental entity owed a duty of care to the victim; (2) the person or governmental entity employed or exercised some degree of responsibility or control over the alleged perpetrator; and (3) there was a finding of gross negligence on the part of the person or governmental entity. Chapters 12 and 656 applied only prospectively and could not be construed to revive any action that was barred by the statutory period of limitations applicable before October 1, 2017.

Chapters 12 and 656 also included a statute of repose, which prohibited a person from filing an action for damages arising out of an alleged incident or incidents of sexual abuse that occurred while the victim was a minor against a person or governmental entity other than the alleged perpetrator more than 20 years after the date on which the victim reached the age of majority. The statute of repose created by Chapters 12 and 656 applied both prospectively and retroactively to provide repose to defendants regarding actions that were barred by the statutory period of limitations applicable before October 1, 2017.

In February 2025, the Supreme Court of Maryland held that, despite the terminology used, the General Assembly extended the statute of limitations in the 2017 law rather than establishing a statute of repose and upheld as constitutional **Chapters 5 and 6 of 2023** (Child Victims Act (CVA)). **Chapters 5 and 6** repealed the time limitations and provisions pertaining to the statute of repose established under Chapters 12 and 656 and established that, notwithstanding any time limitation under a statute of limitations, a statute of repose, the Maryland Tort Claims Act (MTCA), the Local Government Tort Claims Act (LGTCa), or any other law, an action for damages arising out of an alleged incident or incidents of sexual abuse (as defined under the CVA) that occurred while the victim was a minor may be filed at any time. However, no action for damages that would have been barred by a time limitation before October 1, 2023, may be brought if the alleged victim of abuse is deceased at the commencement of the action. The CVA applied retroactively to revive any action barred by the statutory period of limitations applicable before October 1, 2023.

The CVA also established certain monetary limits on liability. Except as provided under the MTCA, the LGTCa, and specified provisions pertaining to local boards of education, the total amount of noneconomic damages awarded to a single claimant in an action against a single defendant for injuries arising from an incident or occurrence of child sexual abuse that would have been barred by a time limitation before October 1, 2023, may not exceed \$1.5 million. Liability of a local government, a county board of education, the State, or the State's units under a claim of child sexual abuse may not exceed \$890,000 to a single claimant for injuries arising from an incident or occurrence.

Chapter 104 of 2025 replaced references to "incidents" or "occurrences" of child sexual abuse with references to "claims" of child sexual abuse in several statutory provisions and reduced the monetary liability of defendants in previously time-barred child sexual abuse actions filed on or after June 1, 2025. For private causes of action, **Chapter 104** reduced, from \$1.5 million to \$700,000, the maximum total amount of noneconomic damages that may be awarded to a single claimant in an action against a single defendant for injuries arising from a claim or claims of child sexual abuse if the action is filed on or after June 1, 2025, and would have been barred by a time limitation before October 1, 2023. **Chapter 104** also altered government liability for claims of child sexual abuse under the MTCA, the LGTCa, and specified provisions pertaining to county boards of education. For a cause of action arising out of a claim or claims of child sexual abuse filed on or after June 1, 2025, that would have been barred by a time limitation before October 1, 2023, the liability of the State or its units, a local government, or a county board of education is limited to \$400,000 to a single claimant for injuries arising from the claim or claims.

Otherwise, the \$890,000 limit established under the CVA still applies to a single claimant for injuries arising from the claim or claims. **Chapter 104** altered various provisions that apply to local boards of education to reflect this change, including provisions governing requirements for minimum liability insurance coverage for local boards of education.

Chapter 104 also established that in any action for damages filed on or after June 1, 2025, arising out of a claim or claims of sexual abuse that occurred while the claimant was a minor, counsel may not charge or receive fees that exceed 20% of the settlement or 25% of the judgment. (under the MTCA, attorneys may not charge or receive a fee that exceeds 20% of a settlement or 25% of a judgment against the State or its units, regardless of the type of claim or case.)

Violations of Constitutional Rights

Chapters 459 and 460 of 2026 authorized an aggrieved party or the Office of the Attorney General (OAG) to sue a covered officer who, under color of law, deprives or causes or allows the aggrieved party to be deprived of a right, privilege, or immunity secured under the U.S. Constitution or federal law. A “covered officer” is an officer who may make an arrest, with or without a warrant, for violations of federal law and carries a firearm in the performance of the officer’s duties. A State or local law enforcement officer acting under the authority of a joint task force that primarily enforces federal law is not a covered officer under the Acts.

In a civil suit under **Chapters 459 and 460**, an aggrieved party or OAG may seek damages and declaratory and injunctive relief. A court also may award reasonable fees and costs, including attorney’s fees and expert witness fees, to a prevailing plaintiff. A suit must be filed within five years after the cause of action accrued.

A covered officer named as a defendant in an action under the Acts may assert any defense or immunity available at the time the cause of action accrued. **Chapter 460** may not be construed to abrogate any State or local government liability under State or common law for the actions of State or local government employees. **Chapter 459** contained a similar provision for local government liability. **Chapters 459 and 460** may not be construed to abrogate any statutory waiver of any defense, including immunity. The Acts also contained severability provisions.

Hate Crimes

Chapters 744 and 745 of 2023 authorized a person who is the victim of an act that would constitute a violation of the State’s hate crime laws to bring a civil action against the person or persons who committed the act. The court may issue an injunction to prevent or restrain an act that would constitute a violation of the State’s hate crime laws and award the following to a prevailing plaintiff: (1) economic damages and any other pecuniary loss sustained by the plaintiff that was proximately caused by the hate crimes violation; (2) noneconomic damages, as specified; and (3) reasonable attorney’s fees and court costs. Damages awarded by a court may be equal to three times the amount of actual damages. Noneconomic damages deriving from emotional distress and mental anguish may not include emotional distress or mental anguish caused solely by the need to replace or repair personal or real property. The availability of a civil remedy does not affect any

legal or equitable right or remedy otherwise provided by law. **Chapters 744 and 745** applied prospectively to causes of action arising on or after October 1, 2023.

Liability

Collapse of the Francis Scott Key Bridge

Chapter 137 of 2024 established procedural requirements and options for the State in obtaining relief in an action brought by the State arising from or related to alleged or threatened injuries to the environment, infrastructure, or the natural resources of the State associated with the March 2024 collision of the Dali cargo ship into the Francis Scott Key Bridge.

Chapter 137 required a judge or jury in an applicable action to (1) make a determination of the total liability, including damages, costs, and any other available relief; (2) assign comparative responsibility to each party joined in the action, based on the party's relative degree of fault or responsibility for the total liability; and (3) determine the liability of a group of related persons on a collective basis, if required by equity. If the State does not obtain complete relief from a responsible person who has resolved their liability through a settlement with the State, the State may continue to pursue an action against or bring a new action against any other responsible person who has not resolved the person's liability to the State. If a responsible person resolves the person's liability to the State in a settlement of an applicable action, the person may not be liable for claims for noncontractual contribution or indemnity regarding any action or claim resolved in the settlement. A settlement of an applicable action that resolves the liability of a responsible person does not release from liability any other responsible person except as specifically provided in the terms of the settlement. However, it does reduce the potential liability of all other responsible persons liable in whole or in part by the larger of the settling person's proportionate share of liability or the amount the settling person pays to settle the action.

The Maryland Uniform Contribution Among Joint Tortfeasors Act does not apply to an action governed by the provisions of **Chapter 137**. The Act may not be construed to impair any express contractual rights; create new types of actions or claims; alter the burden of proof, causation standard, or elements of an action or claim governed by the Act; or grant authority to the State or the Attorney General to bring actions or claims not otherwise authorized by law.

Recreational Facilities

Chapter 941 of 2024 established that, except for a health club services agreement for services to be rendered for an adult, any provision in a contract or agreement relating to the use of a recreational facility that purports to limit the recreational facility's liability or release the recreational facility from, or indemnify or hold harmless the recreational facility against, liability for injury caused by or resulting from the negligence or other wrongful act of the recreational facility, or its agents or on-duty employees, is against public policy and is void and unenforceable. The provisions of **Chapter 941** may not be interpreted to affect, extend, or limit the liability of a governmental entity for a tort or other claim subject to the MTCA or the LGTCA.

Maryland Tort Claims Act – Covered Individuals

Sheriffs and deputy sheriffs of a county or Baltimore City are specifically included as State personnel for purposes of the MTCA. *Chapter 133 of 2025* expanded the definition of State personnel under the MTCA to include an employee of the office of a sheriff of a county or Baltimore City.

Immunity

Transfer of Remains

Chapters 692 and 693 of 2026 extended existing protections against civil liability for a licensed funeral establishment, the holder of a permit to engage in the business of a crematory, or a veteran service organization that acts in good faith in the transferring or receiving of the cremated remains of a veteran or eligible dependent to include the good faith transfer or receipt of the hydrolyzed or soil remains of a veteran or an eligible dependent of a veteran. Additionally, the Acts added a registered reduction operator to the types of businesses exempt from this civil liability.

Damages

Statutory Causes of Action

Chapters 883 and 884 of 2024 specified that in statutory causes of action created by the Maryland Code to protect civil rights or consumer rights, “damages” or “losses” (1) mean money claimed by, or ordered to be paid to, a person as compensation for loss or injury resulting from the violation of the person’s rights or protections and (2) include reasonable nominal damages.

Injuries to Pets

In a civil action against a person for tortiously causing an injury to or the death of a pet while acting individually or through an animal under the person’s ownership, direction, or control, the owner of the pet may recover compensatory damages under § 11-110 of the Courts and Judicial Proceedings Article. *Chapters 100 and 101 of 2025* raised the maximum amount of compensatory damages that may be awarded to the owner of a pet from \$10,000 to \$25,000.

Judgments

Collections

A creditor that has secured a judgment against a debtor often needs to obtain more information about the debtor’s assets in order to collect on the judgment. This can be accomplished in a number of ways, including the use of written interrogatories or an examination in aid of enforcement. Generally, a creditor may request the court to issue a show cause order if the debtor ignored written interrogatories and a court order to respond to the written interrogatories or failed

to appear in court for an examination. If the debtor fails to appear in court for a show cause hearing, the judge may issue a body attachment authorizing the debtor to be taken into custody and to be brought before the court to explain the failure to appear. **Chapter 709 of 2023** prohibited the District Court, in a small claims action (*i.e.*, a civil action in which the amount in controversy does not exceed \$5,000), from ordering an individual to answer interrogatories in aid of execution of a money judgment or ordering the appearance of an individual for an examination in aid of enforcement of a money judgment.

Exemptions from Execution

Generally: Under current law, a debtor may exempt up to \$6,000 in cash or property of any kind from execution on a money judgment if an election to exempt the property or money is made within 30 days from the date of attachment or levy by the sheriff. **Chapters 719 and 720 of 2023** exempted from execution on a money judgment, without election by the judgment debtor, up to \$500 in a deposit account or other account of a judgment debtor held in a depository institution, as defined under the Acts. The cumulative value of cash and property exempted under the Acts' exemption and the existing election-based exemption may not exceed \$6,000. A writ of garnishment issued for a deposit account or other account held by a depository institution must instruct the garnishee that, subject to additional exemptions, the garnishee is to garnish only the amount exceeding the amount exempted without election of the debtor. A depository institution may not be liable to the judgment creditor for actions taken in good faith reliance on these instructions. The Acts also established procedures a depository institution must follow on receipt of a writ of garnishment or other levy or attachment. The Acts applied prospectively only to any writ of garnishment or writ of execution issued on or after October 1, 2023.

Bankruptcy Proceedings: An individual debtor domiciled in the State may exempt specified assets in a bankruptcy proceeding, including owner-occupied residential real property. The amount of the exemption may not exceed the amount specified for the federal homestead exemption, which is \$31,575 as of April 1, 2025.

Chapter 400 of 2026 expanded the exemption of owner-occupied real property to specifically include residential real property of a settlor that is held in a revocable trust. The Act also increased the maximum amount of the exemption to \$125,000 for an individual. If multiple individuals in the same bankruptcy proceeding claim the exemption, the total exemption amount may not exceed \$125,000. Beginning in fiscal 2028, the maximum exemption amount must be adjusted each fiscal year based on changes in the Consumer Price Index, as specified.

Public Nuisances

Firearms

The Federal Protection of Lawful Commerce in Arms Act (PLCAA) provides firearm industry defendants with immunity from civil liability in most tort actions brought in state or federal court. However, several states have made efforts to expand the ability of individuals and public officials to bring civil lawsuits against firearm industry members based on an exception in

the PLCAA that authorizes civil actions against a firearm industry defendant who has knowingly violated a statute applicable to the sale or marketing of a firearm or related product if the violation was a proximate cause of the plaintiff's harm. **Chapter 714 of 2024** (1) prohibited a firearm industry member from knowingly creating, maintaining, or contributing to harm to the public through the sale, manufacture, distribution, importation, or marketing of a firearm-related product by engaging in conduct that is unlawful or unreasonable under the totality of the circumstances; (2) required a firearm industry member to establish and implement reasonable controls regarding the sale, manufacture, distribution, importation, marketing, possession, and use of the member's firearm-related products; and (3) established that a violation of these provisions is a public nuisance. **Chapter 714** further authorized the Attorney General, a county attorney, or the Baltimore City Solicitor to bring an action against a firearm industry member for a public nuisance, as specified.

Damage to Public Infrastructure

The State has the authority to abate nuisances (generally, conditions that adversely affect the public, through injury, discomfort, or other means) in the exercise of its police power and has authorized local governments to similarly guard against and address nuisances. **Chapter 454 of 2025** prohibited a common carrier or an employee of the common carrier from causing damage to public infrastructure that necessitates the closure of the public infrastructure. A violation of this prohibition is a public nuisance and, for State public infrastructure, the State or, for local government infrastructure, counsel designated or retained by a local government may bring an action against a common carrier for a public nuisance caused by a violation. Under **Chapter 454**, the State or a local government may seek injunctive relief, declaratory relief, and compensatory damages for the cost of the repair or replacement of the affected infrastructure. Additionally, a common carrier that violates the provisions of the Act may be liable for civil penalties of \$1,000 per day for each day the public nuisance continues until the public infrastructure is sufficiently repaired for public use or is replaced.

The Act defined "common carrier" as a person that is engaged in the public transportation of persons for hire by land, including, among other things, a motor bus company, a railroad company, and a transit company. The Act excluded an entity owned by the State or a local government. The Act defined "public infrastructure" as a bridge or highway owned, controlled, or maintained by the State or a county or municipal government.

Judicial Review

Public Service Commission

Chapter 562 of 2023 altered existing venue provisions to specify that a proceeding for judicial review of a final decision or order by the Public Service Commission must be instituted in a circuit court for a county in which the public service company that is a party to the proceeding provides service or in the Circuit Court for Baltimore City.

Public Information Act Compliance Board

Chapter 156 of 2023 (1) authorized an applicant, defined as a person or governmental unit that asks to inspect a public record, to appeal a decision by the State Public Information Act Compliance Board and (2) specified that for certain complaints involving allegations that an applicant's request or pattern of requests is frivolous, vexatious, or in bad faith, an appeal must be filed in the circuit court for the county where the applicant resides or has a principal place of business. **Chapter 156** authorized a party who is aggrieved by a final judgment of a circuit court in a proceeding for judicial review of a decision issued by the board to appeal to the Appellate Court of Maryland, as specified.

Family Law

Divorce

In general, a court may grant an absolute divorce on the ground of mutual consent only in specified circumstances, including that the parties have submitted to the court a written settlement agreement that resolves all issues relating to alimony; the distribution of property; and the care, custody, access, and support of minor or dependent children. Otherwise, prior to 2023, most spouses who wished to obtain an absolute divorce and did not qualify under then existing fault-based grounds (*e.g.*, adultery, desertion, or cruelty of treatment) were first required to live separate and apart without cohabitation for at least one year. **Chapters 645 and 646 of 2023** generally simplified the initiation of divorce proceedings by repealing most of the existing grounds for an absolute divorce. Instead, the Acts authorized a court to grant an absolute divorce based on the grounds of (1) a six-month separation if the parties have lived separate and apart for six months without interruption before the filing of the application for divorce or (2) irreconcilable differences based on the reasons stated by the complainant for the permanent termination of the marriage. The Acts retained the ground of mutual consent and also specified that parties who have pursued separate lives must be deemed to have lived separate and apart for purposes of the six-month separation even if the parties reside under the same roof or the separation is in accordance with a court order.

Child Custody

Determinations

Maryland courts resolve child custody disputes based on a determination of what is in the child's best interests. Prior to 2025, the factors to be considered by a court in making such a determination were not set forth in statute but instead had primarily been developed through case law. **Chapters 483 and 484 of 2025** added a new subtitle to the Family Law Article that specified numerous factors for judicial consideration in cases involving custody of a child. Subject to existing statutory provisions regarding evidence of abuse and neglect and individuals with certain convictions, in determining what legal and physical custody is in the best interest of the child, the

court may consider the following factors, among numerous others that are specified in the Acts: (1) stability and the foreseeable health and welfare of the child; (2) the child's physical and emotional security and protection from exposure to conflict and violence; (3) the child's preference if age appropriate; (4) any prior court orders and agreements; and (5) any other factor that the court considers appropriate in determining how best to serve the physical, developmental, and emotional needs of the child. Among other provisions, the Acts required the court to articulate its findings of fact on the record or in a written opinion, including the consideration of each specified factor and any other factor that the court considered.

Child Abduction Prevention Act

The U.S. Department of Justice has previously reported over 200,000 incidents per year of children being taken by family members in violation of a custody agreement or a family member failing to return a child at the end of a visit. The Uniform Child Abduction Prevention Act (UCAPA), as promulgated by the Uniform Law Commission, is intended to provide courts and parties with tools to prevent unlawful abductions, both nationally and internationally. **Chapters 760 and 761 of 2023** generally adopted the provisions of the UCAPA by authorizing a court to order abduction prevention measures in a child custody proceeding if the court finds that the evidence established a credible risk of abduction of the child. A party to a child custody determination or another individual or entity having standing, as specified, may file a petition seeking abduction prevention measures to protect the child. The Acts set forth numerous procedures and requirements, including those related to petitions, hearings, any abduction prevention orders issued by a court, and circumstances under which law enforcement may be directed to immediately take physical custody of the child.

Assurance of Child's Safety Act

Generally, in any custody or visitation proceeding, the court may include as a condition of a custody or visitation order a requirement that either party provide advance written notice of at least 90 days to the court and/or the other party of the intent to relocate the permanent residence of the party or the child either within or outside the State. To help ensure that, if necessary, a party whose access to a child may be affected by a proposed relocation can obtain prompt judicial intervention, **Chapters 403 and 404 of 2023**, among other provisions, required a court to set a hearing on a petition regarding a proposed relocation of a child that would significantly interfere with the other parent's ability to maintain the predetermined parenting time schedule on an expedited basis.

Child Abuse and Neglect

A child in need of assistance (CINA) is a child who requires court intervention because (1) the child has been abused or neglected, has a developmental disability, or has a mental disorder and (2) the child's parents, guardian, or custodian are unable or unwilling to give proper care and attention to the child and the child's needs.

Definitions

Abuse: Chapters 348 and 349 of 2024 altered the definition of “abuse” as it relates to CINA proceedings to include labor trafficking of a child by any individual. The Acts correspondingly altered the definition in statutory provisions that govern the reporting and investigation of suspected child abuse and neglect. Accordingly, existing reporting and procedural requirements were expanded to apply to suspected labor trafficking. “Labor trafficking” means knowingly (1) taking, placing, harboring, persuading, inducing, or enticing a child by force, fraud, or coercion to provide services or labor or (2) receiving a benefit or thing of value from the provision of services or labor by a child that was induced by force, fraud, or coercion. The Acts also generally expanded the purpose of the Safe Harbor Regional Navigator Grant Program, as administered by the Governor’s Office of Crime Prevention and Policy (GOCPP), to incorporate serving youth victims of labor trafficking.

Neglect: Chapters 766 and 767 of 2023 specified that the definition of “neglect” for purposes of CINA proceedings does not include the use of cannabis by any parent or individual who has permanent or temporary care or custody or responsibility for supervision of the child unless, as a result of the use of cannabis, (1) the child’s health or welfare is harmed or placed at substantial risk of harm or (2) the child has suffered mental injury or been placed at substantial risk of mental injury.

Children in Out-of-Home Placements

Kinship Care: Chapter 429 of 2024 altered statutory provisions relating to the kinship care program within the Department of Human Services (DHS) to further prioritize placing children in need of out-of-home placement with kinship caregivers. Notably, among other provisions, the Act (1) expanded the definition of a “kinship caregiver” by including a kinship parent and other individuals, related or unrelated, who have specified bonds or connections with the child or have otherwise been identified by the child’s parent; (2) required the placement of a child with a kinship caregiver if a kinship caregiver is located subsequent to the child’s placement in a foster care setting; and (3) specified, if a kinship caregiver cannot be located, considerations that must be taken into account when placing a child in out-of-home care.

Higher Education and Vocational Training Programs: Foster youth are generally allowed to remain in care up until age 21, as long as the youth is in school, enrolled in a training program or other program or activity to promote or remove barriers to employment, employed at least 80 hours per month, or disabled. ***Chapters 470 and 471 of 2025*** authorized an individual enrolled in an accredited institution of higher education or a residential vocational training program to return to an out-of-home placement provider with whom the individual was previously placed if (1) the individual is unable to remain on the institution’s or training program’s campus due to a scheduled break, a temporary closure of the institution or training program, or a temporary leave of absence; (2) the individual’s living arrangement is mutually agreed to by the individual, the out-of-home placement provider, and the provider agency; and (3) DHS has reviewed and approved the individual’s request to return to the out-of-home placement provider.

Parents in Substance Use Disorder (SUD) Treatment: *Chapter 371 of 2024* established a presumption, for purposes of CINA matters, that if a parent is receiving treatment in a residential SUD treatment program that has beds or services for patients' children and the child is in the presence of the child's parent for the duration of the parent's treatment, (1) placement with the child's parent is in the best interest of the child and there is not an emergency situation that requires the removal of the child and (2) a child is receiving proper care and attention. The provisions of the Act may not be construed, however, to prohibit another specified individual from providing supervision and care for the duration of the child's parent's treatment if the other individual agrees to do so. Among other provisions, **Chapter 371** also authorized the Behavioral Health Administration within the Maryland Department of Health to require a facility that provides treatment for SUD to provide beds and services for patients' children and allow a patient's child to be in the presence of the child's parent for the duration of the child's parent's treatment.

Voluntary Placement Agreements: *Chapter 159 of 2026* altered multiple provisions related to children placed in out-of-home placements under a voluntary placement agreement (VPA) with a local department of social services. Specifically, the Act provided that, in determining the reasonable efforts to preserve and reunify families, a child's parent or legal guardian need not exhaust all home- and community-based services. Additionally, a local department may not seek legal guardianship or custody of a child under a VPA if the child has a developmental disability or a mental illness and the purpose of the VPA is to obtain treatment or care that the parent is unable to provide. A child may remain in an out-of-home placement, including a residential placement, under a VPA for more than 180 days if the child's disability necessitates care or treatment in the out-of-home placement, and a juvenile court makes a finding that continuation of the placement is in the best interests of the child.

Under **Chapter 159**, if a local department receives a request for a VPA, it must (1) within five business days after receiving the request, schedule an assessment meeting with the child's family and treating provider and (2) within five business days after the assessment meeting, issue a written eligibility determination to the child's family and referring provider. Each local department must report any delay in assessing the child and providing an eligibility determination, including reasons for the delay and corrective actions taken. The Act included additional requirements related to VPAs.

Guardianship Assistance Program: Established under regulations, the guardianship assistance program within DHS has the purpose of providing legal stability for a child who is in the custody or guardianship of a local department of social services by allowing relative caregivers to take full legal responsibility for the child. Regulations set forth numerous requirements related to the program, including those related to eligibility, participation, and the provision of monthly assistance. **Chapter 158 of 2026** codified provisions of the guardianship assistance program regulations by requiring DHS to establish and maintain a Guardianship Assistance Program to promote the placement and maintenance of children in permanent guardianship homes by providing guardianship assistance to guardians of minor children. "Guardianship assistance" means monetary and medical assistance provided under the program.

Chapter 158 also established the State Foster Youth Ombudsman within DHS to (1) provide legal expertise in the areas of child welfare, custody and guardianship matters, and appeals and due process issues; (2) provide a neutral voice to address differences between youth experiencing out-of-home care, caregivers, guardians, and resources and adoptive parents interacting with DHS and local departments of social services; (3) investigate complaints from youth experiencing out-of-home care; (4) address concerns, problems, areas of improvement in service delivery, or needs associated with the rights and responsibilities of youth experiencing out-of-home care; and (5) advocate for youth experiencing out-of-home care.

Disclosures of Reports and Records

Chapter 485 of 2025 altered provisions relating to reports and records concerning child abuse and neglect by requiring a local director of social services or the Secretary of Human Services to disclose, within 30 days of receiving a request, information concerning child abuse or neglect if the child (1) was in the custody of a local or State department or agency, or in the care of a foster parent; (2) is the subject of an investigation, a report, a referral, or a complaint received by a local/State department or agency; and (3) suffered a fatality or near fatality. Disclosed information under these circumstances remains limited to actions or omissions of the local department of social services, DHS, or an agent of DHS. On receiving a request for disclosure, the Secretary of Human Services must promptly notify the State's Attorney's office. The office must then have 30 days to redact from the record any portion of the record that, if made public, would seriously hinder the ability of the office to prosecute a criminal case arising from the incident.

Chapter 790 of 2026 authorized DHS to disclose a report or record concerning child abuse or neglect after a finalized finding of indicated child abuse or neglect (*i.e.*, a finding that there is credible evidence, which has not been satisfactorily refuted, that abuse or neglect did occur) to (1) the administrator of a child care center operated by or on behalf of a unit of State or local government or in a State-occupied building, as specified; (2) the coach, team administrator, or manager of a youth sports program for recreational athletic competition or instruction for participants who are minors; and (3) the administrator or other appropriate personnel of any organization that has temporary care or custody of a child or responsibility for the supervision of a child. The disclosures must be for the purpose of determining the suitability of an individual for employment or voluntary service with the applicable entity.

Child Care Providers – Criminal Background Investigations

In 2025, the Federal Bureau of Investigation (FBI) updated its compliance language for the dissemination of national background checks. Accordingly, **Chapter 266 of 2026** altered statutory provisions related to criminal background investigations for specified individuals who care for, supervise, or otherwise have specified access to children, including provisions that govern the process for the dissemination of criminal history records checks. The Act's changes are intended to bring the State into compliance with federal law and are necessary to ensure Maryland agencies continue to receive national background checks on employees working with children.

Child Support

Calculation and Modification

In a proceeding to establish or modify child support, the court is required to use the child support guidelines. The basic child support obligation is established in accordance with a schedule provided in statute. The schedule uses the combined monthly adjusted actual income of both parents and the number of children for whom support is required to determine the basic child support obligation.

Child Support Orders for Incarcerated Obligor: Chapter 427 of 2024 altered statutory provisions that determine the calculation and modification of child support for incarcerated obligors by (1) specifying that a court may determine that a material change of circumstances has occurred if a party becomes incarcerated provided that the party's ability to pay child support is sufficiently reduced due to incarceration; (2) establishing that a parent who is incarcerated may not be considered to be voluntarily impoverished; (3) prohibiting a determination of potential income for a parent who is incarcerated; and (4) repealing provisions that limited the circumstances under which a child support payment may not be considered past due and arrearages may not accrue during (and for a specified time after) a period of an obligor's incarceration. The Act's purpose was to make the technical changes necessary to bring Maryland law into compliance with the State Title IV-D Child Support State Plan and other federal guidelines.

Multifamily Adjustment: Chapter 532 of 2025 made statutory alterations to generally allow courts to better account for the presence of other children in a household when determining the basic child support obligation. Specifically, the Act provided for the deduction, from actual income, of an allowance for support for each child living in the parent's home to whom the parent owes a legal duty of support if the child is considered to be spending more than 92 overnights in the parent's home in a year but who is not subject to the support order. The Act established a formula for calculating the deduction, which must be subtracted from the parent's actual income before the child support obligation is computed. The court must decline awarding an allowance under these provisions if the court finds, after considering the evidence and the best interest of the child for whom support is being determined, that the application of an allowance would be unjust or inappropriate. Among other provisions, ***Chapter 532*** also specified that the court may consider certain financial considerations that the court deems relevant to the best interests of the child who is the subject of the child support order.

Child Support Enforcement Actions

DHS, through its Child Support Administration (CSA), is authorized to take certain actions to facilitate the enforcement and collection of court-ordered child support. Over the four-year term, measures were enacted to limit some types of enforcement actions for impoverished obligors and to clarify what portion of a certain type of income may be garnished to satisfy child support arrearages.

Workers' Compensation Garnishment: Chapters 320 and 321 of 2023 specified that 25% of the net recovery by a debtor on a claim for workers' compensation indemnity benefits is subject to execution on a judgment for a child support arrearage, including any weekly benefits or settlement proceeds payable to the debtor. For the purpose of executing a judgment for a child support arrearage, "net recovery" means the sum of money to be distributed to a debtor after the deduction of attorney's fees, expenses, medical bills, and satisfaction of any liens or subrogation claims arising out of the claims for personal injury, including those arising under a workers' compensation insurance plan. The Acts were intended to clarify the extent to which settlements from workers' compensation claims awarded to noncustodial parents may be garnished to pay child support arrearages.

Driver's License Suspensions: Statute establishes procedures by which the Motor Vehicle Administration (MVA) is generally required to suspend an individual's driver's license after receiving notice from CSA that the individual has been out of compliance with the most recent court order in making child support payments for a certain time period. **Chapter 578 of 2025** generally exempted an obligor whose individual income for the current year is at or below 250% of the federal poverty guidelines from such provisions. However, the exemption does not apply if the obligor has been judicially determined to be voluntarily impoverished under State law (*i.e.*, the parent has made the free and conscious choice, not compelled by factors beyond the parent's control, to render the parent without adequate resources.). The Act also extended, from 60 days to 120 days, the period during which the holder of a noncommercial license may be out of compliance with a child support order before CSA notifies MVA to begin the process to suspend the obligor's license.

Earnings Withholding Limits: Statute includes numerous requirements regarding the use of earnings withholding orders, which are orders issued to an employer to require the deduction of certain support payments (*e.g.*, child support, spousal support) from the earnings of an obligor. Generally, the amount of an earnings withholding must be enough to pay the support and any arrearage included in the payments required by the support order and include any arrearage accrued since the support order. On receipt of a copy of an earnings withholding order or earnings withholding notice, an employer must, beginning with the next pay period, deduct the amount of the withholding from the obligor's earnings on a regular basis and send the deducted net amount directly to the State disbursement unit, as specified.

Chapter 868 of 2026 specified that, for purposes of earnings withholding, the amount deducted from the obligor's earnings may not exceed 35% of the obligor's disposable earnings if the obligor's individual income for the current year does not exceed 250% of the federal poverty guidelines for a family of one. The Act also authorized an employee to contest the amount of a withholding based on this limitation.

Adoption

Chapter 501 of 2025 established that specified provisions of law regarding adoptions, including those requiring the issuance and service of a show cause order on a prospective adoptee's

parents and for a petitioner's spouse to join in the petition for adoption (subject to limited exceptions), do not apply if the prospective adoptee is an adult. In regard to the adoption of an adult, the Act also (1) specified that a court may order, on a showing of good cause, specified investigations prior to ruling on an adoption petition; (2) established that parental consent to an adoption is not required; and (3) authorized a petitioner's spouse to join the petition for adoption.

Domestic Violence

Victims of Domestic Violence Program – Certification and Grant Fund

Chapter 767 of 2024 established the Victims of Domestic Violence Program Grant Fund, administered by GOCPP, to provide grants to public or private nonprofit comprehensive domestic violence programs certified by the federally recognized State domestic violence coalition. The Act authorized the Governor to include in the annual budget bill an appropriation of \$5.0 million for the fund and further required domestic violence programs to be certified by the federally recognized State domestic violence coalition as a comprehensive domestic violence program.

Peace Orders and Protective Orders

Only individuals who meet specified relationship requirements are defined as “persons eligible for relief” and authorized to file for a domestic violence protective order if certain acts of abuse are alleged to have occurred. Individuals who do not meet these relationship requirements but allege that specified acts have occurred within the past 30 days must instead file for a peace order.

Permanent Protective Orders: Under limited circumstances, a court is required to grant a permanent protective order against a respondent at the request of a victim. **Chapters 537 and 538 of 2025** specified that the court may issue a permanent protective order if the respondent consents to the issuance of such an order.

Peace Orders and Criminal Harassment – Intentional Visual Surveillance: **Chapters 574 and 575 of 2025** expanded the existing criminal harassment statute to prohibit an individual from conducting visual surveillance of an area of another person's residence where the other person has a reasonable expectation of privacy, subject to additional existing requirements. Violators are subject to the existing statutory penalties for criminal harassment. The Acts also expanded available relief under a final peace order based on an act of visual surveillance to include ordering the respondent to remove or reposition a device being used for visual surveillance within 15 days after issuance of a final peace order and refrain from further visual surveillance.

Military Protection Orders: In general, a military protection order is a written lawful order issued by a commander that orders a service member to avoid contact with those persons identified in the order. **Chapters 530 and 531 of 2025** authorized a judge to consider whether a military protection order has been issued against a respondent for the same or similar conduct against the same petitioner (or petitioner's employee, as applicable) when determining whether there are reasonable grounds to issue a temporary protective order or temporary peace order, as otherwise

specified in statute. If a law enforcement officer has probable cause to believe that an individual is in violation of a protective or peace order and is a service member in violation of a military protection order entered into FBI's National Crime Information Center Database, the officer must notify the law enforcement agency that entered the military protection order of the violation.

Temporary Protective Orders – Duration: *Chapter 791 of 2026* altered, from 7 to 14 days, the time during which a temporary protective order is in effect after *issuance* (as opposed to service) of the order. It similarly altered the time by which a final protective order hearing must be held following *issuance* (as opposed to service) of the temporary protective order, as otherwise specified in statute. Previously, a temporary protective order was generally effective for no more than 7 days after service of the order and a final protective order hearing was required to be held no later than 7 days after service.

Human Relations

Civil Rights

Attorney General

The Maryland Commission on Civil Rights (MCCR) is the independent State agency charged with the enforcement of laws prohibiting discrimination in employment, housing, public accommodations, and State contracting. However, MCCR lacks jurisdiction over other types of civil rights violations, including those involving education and voting rights. *Chapter 629 of 2023* granted the Attorney General the power to investigate, prosecute, and remediate any conduct that constitutes a civil rights violation. However, the Attorney General is prohibited from bringing a civil rights action (1) on behalf of an individual; (2) against a political subdivision; (3) against any unit of State or local government; or (4) against any employee or agent of a political subdivision or unit of State or local government who is acting under the color of law. A civil rights violation is defined as an act of discrimination prohibited under the U.S. Constitution, the Maryland Constitution, or State or federal law.

Prior to initiating a civil action, the OAG must conduct a preliminary investigation to determine whether there is reasonable cause to believe that any person committed a civil rights violation. During any examination, investigation, or hearing, OAG may subpoena witnesses, administer oaths, examine individuals under oath, and compel the production of documents. Under specified circumstances, the Attorney General may intervene in a civil action concerning an alleged civil rights violation.

The Attorney General may obtain specified remedies, including restitution, a permanent or preliminary injunction, and civil penalties. Civil penalties authorized by the Act are recoverable by the State in a civil action and must be deposited into the Civil Rights Enforcement Fund, as established under *Chapter 629*. The purpose of the fund is to provide funding for civil rights enforcement activities of the Attorney General and MCCR, as well as related education and community outreach.

Among other provisions, the Act also required the Attorney General and MCCR to coordinate and make referrals to minimize and eliminate duplication of effort and promote collaboration in areas of overlapping jurisdiction.

Maryland Commission on Civil Rights

Monetary Relief: *Chapter 344 of 2024* altered statutory provisions that authorized MCCR to seek civil penalties if it finds that a respondent has engaged in a discriminatory act in regard to public accommodations or persons licensed or regulated by the Maryland Department of Labor. The Act replaced references to “civil penalties” with “monetary relief,” and required monetary relief to be paid directly to the complainant (instead of the General Fund). Further, MCCR is authorized to seek increased monetary relief under certain circumstances when a discriminatory act is committed by the agent or employee of a respondent if the act is determined to be discriminatory and the respondent has not reasonably mitigated the harm caused by the discriminatory act. The Act also prohibited MCCR from seeking an order awarding monetary relief if (1) the discriminatory act was limited to a violation relating to accessibility; (2) the respondent, after being served, takes prompt corrective action; and (3) the respondent has not previously been the subject of a complaint of discrimination, as specified. Finally, the Act set forth required factors for an administrative law judge to consider when determining the amount of monetary relief to award and creates temporary reporting requirements for MCCR regarding the effect of the Act’s provisions on persons against whom complaints are filed.

Judicial Review: In a 2023 decision, the Supreme Court of Maryland determined that there is no express statutory grant of review in the Appellate Court of Maryland of circuit court rulings on no-probable-cause findings by MCCR. In response to that decision, *Chapters 259 and 260 of 2024* established that a finding of no probable cause by MCCR is a final order appealable in accordance with the Administrative Procedure Act, which allows for appellate review beyond the circuit courts.

Discrimination

Protections Based on Specified Categories

State law includes numerous prohibitions against discrimination (*e.g.*, race, sex, age, religion, sexual orientation, etc.), as specified in statutory provisions. Protected categories vary across statutory provisions, depending on the type of discrimination being addressed.

Among other findings, the Supreme Court of Maryland held in *John Doe v. Catholic Relief Services*, 484 Md. 640 (2023), that the prohibition against sex discrimination in the Maryland Equal Pay for Equal Work Act (MEPEWA) under § 3-304 of the Labor and Employment Article does not include protection against discrimination based on sexual orientation. Section 3-304 prohibits employers from providing unequal compensation to employees based on sex or gender identity. According to the court, the statute’s plain language and legislative history indicate that the General Assembly did not intend for the prohibition against pay disparities based on sex to include a ban on pay disparities based on sexual orientation.

In response to the court's ruling, *Chapter 131 of 2024* incorporated a prohibition of discrimination on the basis of sexual orientation into existing prohibitions under the MEPEWA. Thus, an employer, regardless of size, may not discriminate between employees in any occupation by (1) providing less favorable employment opportunities based on sexual orientation or (2) paying a wage to employees of one sexual orientation at a rate less than the rate paid to employees of another sexual orientation if both employees work in the same establishment and perform work of comparable character or work on the same operation, in the same business, or of the same type. While State law already generally prohibits an employer with at least 15 employees from taking certain discriminatory actions based on sexual orientation, the MEPEWA applies regardless of employer size.

Among other changes, *Chapter 377 of 2024* altered numerous statutory provisions that prohibit discrimination based on certain protected characteristics to include sexual orientation, gender identity, race, religious beliefs, marital status, and disability, thereby generally making the protection of certain characteristics consistent across multiple statutes. The changes in *Chapter 377* included further expanding the prohibitions set forth in the MEPEWA, as discussed above, to incorporate discrimination based on disability, race, and religious beliefs.

Housing Discrimination

Discriminatory Effect: *Chapter 778 of 2026* altered State statutes related to housing discrimination to prohibit a person from acting in a manner that has a discriminatory effect. The Act also specified that the prohibited discriminatory acts in statute are regardless of intent. However, a person has not violated a prohibition of discrimination if (1) the act was without discriminatory intent; (2) the action was necessary to achieve one or more substantial, legitimate, and nondiscriminatory interests; and (3) the person could not have achieved the substantial, legitimate, and nondiscriminatory interests by less discriminatory means.

Use of Financial Information: *Chapters 772 and 773 of 2026* generally prohibited, except as authorized under federal law, a landlord of residential rental property that uses financial information, including credit history, as part of a prospective tenant's rental application from refusing to rent to a prospective tenant who pays rent with the assistance of an income-based housing subsidy on the basis of the prospective tenant's income, credit score, lack of credit score, or adverse credit history, as specified. The Acts established such an action as a discriminatory housing practice, subject to enforcement by MCCR. The Acts also included provisions regarding (1) authorized verification of sufficient income to pay the portion of rent not covered by an income-based housing subsidy; (2) circumstances under which a refusal to rent to a prospective tenant who pays rent with the assistance of such a subsidy is permissible; and (3) a tenant's option for positive rental payment history reporting and related requirements of landlords.

Service Dogs: *Chapters 211 and 212 of 2023* prohibited discriminatory practices in the sale or rental of a dwelling against an individual with a disability who has or obtains a service dog or retains the individual's former service dog after its retirement from service. Such individuals (1) must be exempt from any provision in a lease or rental agreement prohibiting the keeping of

dogs; (2) may not be required to pay any additional rent or fee for the individual's service dog or former service dog; (3) may keep the individual's former service dog in the dwelling for the life of the service dog after its retirement from service; and (4) must be liable for any damage done to the premises by the individual's service dog or former service dog.

Employment Discrimination – Cannabis

Chapter 183 of 2026 prohibited an employer of a fire and rescue public safety employee, on the basis of the employee's possession of a valid written certification for medical cannabis or a positive test for cannabis components or metabolites while holding a valid written certification, from (1) disciplining, discharging, or otherwise discriminating against the employee with respect to the employee's compensation, terms, conditions, or privileges of employment or (2) limiting, segregating, or classifying its employees in any way that would deprive or tend to deprive the employee of employment opportunities or otherwise adversely affect the employee's status as an employee. The Act did not require an employer to commit an act that would violate federal law or regulations or cause the employer to lose a monetary or licensing-related benefit under federal law or regulations. The Act also did not prohibit an employer from adopting policies and procedures that prohibit the employee from performing the employee's duties while impaired by cannabis or prohibiting an employee's use of cannabis while on duty. If an employee reports for work while impaired by cannabis, the employer must report the incident to the State Emergency Medical Services Board.

Housing and Employment Discrimination – Military Status

Chapters 322 and 323 of 2024 generally prohibited discrimination based on an individual's military status, as defined under the Acts, in regard to housing and employment.

Violations of County Laws

Chapter 172 of 2026 established that filing a complaint with MCCR satisfies specified prerequisites to commencing a civil action alleging the violation of a county or local discrimination law.

Public Accommodations

Chapters 360 and 361 of 2024 required a motion picture house to provide access to fully operational and well-maintained closed movie captioning technology for the general public for each screening of a motion picture that is produced and available with closed movie captioning, as required by federal law. While closed movie captioning is delivered to individual patrons on a captioning device, the Acts also established certain requirements for open movie captioning, which is the transcript or dialog of the audio portion of a motion picture that is displayed on the motion picture screen and cannot be turned off by a viewer.

Maryland Lynching Truth and Reconciliation Commission

Originally established by Chapter 41 of 2019, the Maryland Lynching Truth and Reconciliation Commission is required to (1) hold public regional hearings in areas where a lynching of an African American by a White mob has been documented; (2) receive recommendations from the public, including from families and communities affected by racially motivated lynchings, for addressing, engaging, and reconciling affected communities, including the erection of memorial plaques or signage at or near sites of racially motivated lynchings; and (3) make recommendations for addressing the legacy of lynching that are rooted in the spirit of restorative justice. *Chapters 11 and 12 of 2023* extended, from June 30, 2024 to June 30, 2026, the termination date for the commission.

The Acts also extended, until December 1, 2025, the deadline by which the commission was required to submit a final report of its findings and recommendations to the Governor and General Assembly. Accordingly, the commission released its final report in December 2025.

Real Property

Landlord and Tenant

Renters' Rights and Stabilization Act

Chapter 124 of 2024 established numerous provisions relating to tenant protections and rights as well as changes to eviction proceedings.

Office of Tenant and Landlord Affairs: *Chapter 124* established the Office of Tenant and Landlord Affairs (OTLA) within the Department of Housing and Community Development (DHCD). Among other things, OTLA must (1) develop a Tenants' Bill of Rights and other resources to aid tenants in understanding and exercising their legal rights as tenants; (2) establish points of contact within the office by which a tenant may report a violation by a landlord for referral to appropriate enforcement agencies; (3) provide resources to facilitate access by tenants to credit counseling; (4) refer covered individuals to the Access to Counsel in Evictions (ACE) Program; and (5) collaborate with county and local governments that provide tenant advocacy and assistance.

Tenant's Right of First Refusal: With the exception of specified types of transfers of title, *Chapter 124* generally required the owner of residential rental property, defined as tenant-occupied rental property for residential use with three or fewer individual units, to offer certain specified tenants the opportunity to purchase the property before offering it for sale to the public or a third-party. *Chapter 124* also required an owner of residential property to provide tenants with a right of first refusal when the owner intends to accept an offer to purchase the property from a third-party or receives an offer to purchase the property from a third-party without having offered the property for sale. Before the property may be offered for sale, a notice of this right must be sent to

each tenant and to OTLA. The Act also established the process for carrying out this requirement and the penalties for a violation of the requirement. **Chapters 524 and 525 of 2025** clarified the circumstances under which liability resulting from the failure of an owner to comply with the requirements for a tenant's right of first refusal established by **Chapter 124** is restricted to the owner of the property and does not attach to the property.

Chapter 124 also required DHCD to regularly gather and monitor data relating to the purchase of residential rental property by tenants under the Act, publish the data on its website, and provide information on request to State or local government entities and institutions of higher education located in the State. DHCD may not publish data that is privileged or otherwise protected from disclosure.

Security Deposits: **Chapter 124** decreased, from two months' rent to one month's rent, the maximum security deposit that may be imposed by a landlord of residential property. However, a landlord may still impose a security deposit of an amount up to the equivalent of two months' rent under certain circumstances relating to utilities or if agreed to by the tenant in writing. **Chapter 124** also expanded the provisions that may not be included in a lease to include provisions (1) requiring a tenant to pay more than the sum of the security deposit and the first month's rent in order to start the lease and occupy the premises; (2) waiving or placing conditions on a tenant's right of first refusal; (3) making a tenant responsible for payment of the surcharge assessed against the landlord by the District Court under the Act's provisions, except as specified; or (4) requiring the tenant to accept specified notice by electronic delivery. A lease must also include a copy of the most recent version of the Maryland Tenants' Bill of Rights.

Surcharges for Civil Cases: **Chapter 124** increased the maximum surcharge imposed by the District Court in summary ejectment (failure to pay rent) cases. The Act required these surcharges to be assessed against a landlord and prohibited them from being awarded or assigned as a fee or cost against a residential tenant. However, a court may authorize a landlord to deduct assessed surcharges from a tenant's security deposit if a judgment for possession is entered in favor of the landlord, and the lease agreement provides that the surcharge may be assessed against the tenant under such circumstances. The deduction may not exceed the amount of the security deposit. The Act also increased the maximum surcharge in other civil cases before the District Court and the circuit courts.

Failure to Pay Rent Procedures: **Chapter 124** extended, from four days to seven days, the minimum time period between the granting of a judgment of possession in favor of the landlord and the issuance of an execution of a warrant of restitution against the tenant, and required the administrative judge of any district to stay the execution of a warrant of restitution in the event of extreme weather conditions affecting the residential property. When a stay is granted, the execution of the warrant of restitution must be completed within five days after the extreme weather conditions cease. **Chapter 124** also established certain requirements if written notice of a landlord's intent to file a claim to recover possession of the premises based on the failure to pay rent is sent electronically.

Eviction Data Collection and Publication: ***Chapter 124*** expanded what eviction data must be collected by the Judiciary and shared with DHCD for publication. The Judiciary must notify DHCD and provide updated eviction data if the Judiciary discovers that any shared data for any collection period is inaccurate or incomplete. DHCD must publish and make available only publicly disclosable data.

Rent

Notice of Increase: ***Chapter 146 of 2023*** required a landlord, before increasing a tenant's rent, to send written notice of the rent increase to the tenant by first-class mail with a certificate of mailing or by specified electronic delivery if the tenant elects to accept electronic delivery. The electronic delivery method must provide the landlord with proof of transmission of the notice. A landlord may not condition the acceptance of a lease application on the tenant's election to receive such notices by electronic delivery or use a lease that requires the tenant to accept notice of rent increases by electronic delivery. The Act further specified additional requirements regarding the timing of the notice that depend on the type of tenancy. These provisions do not apply to landlords who have provided written notice of the intent to terminate a tenancy and do not affect or supersede any local law or ordinance that requires additional notice or provides additional tenant protections.

Limitation of Liability: In limited circumstances, a tenant's liability for rent under a lease agreement may not exceed two months' rent if the tenant vacates the premises due to certain qualifying medical conditions certified in writing by a physician. ***Chapters 289 and 290 of 2024*** established that a qualifying medical condition includes a mental disorder if the disorder causes the continued habitation of the leased premises to be unfeasible or unsustainable for the patient or the patient requires a higher level of care than can be provided at the leased premises. The Acts also expanded the list of medical professionals who may complete the necessary certification to include licensed psychologists.

Late Payment Penalties: ***Chapter 580 of 2025*** clarified that the 5% maximum penalty for late payment of rent is based on the amount of unpaid rent for the rental period, not the total amount of rent due for the rental period.

Tenant Holding Over – Expedited Proceedings

Chapter 646 of 2025 established specific procedural requirements in tenant holding over actions if the landlord or the landlord's spouse (1) is on active duty with the U.S. military; (2) has relocated to the State as a direct result of being on active duty; (3) intends to occupy the property that is the subject of the complaint following the entry of a judgment; and (4) submits supporting documentation. The Act required the District Court to order in the summons for the tenant, assignee, or subtenant to appear before the court no later than 45 days after the date the landlord makes a complaint to repossess the property. ***Chapter 646*** also authorized the use of a private process server to serve the summons if the constable or sheriff of the county does not serve the summons within 10 days after issuance.

Warrants of Restitution – Procedures

Chapter 563 of 2025 required that, if the District Court issues a warrant of restitution in a failure to pay rent, breach of lease, or tenant holding over action, the landlord must, at least six days before the scheduled date of repossession as set by the sheriff, provide written notice to the tenant of the date on which the warrant of restitution is scheduled to be executed, as specified. There is a rebuttable presumption that the tenant was notified if specified conditions are met, and if a tenant is not present during the execution of the warrant of restitution, the sheriff or constable must post a notice on the front door of the premises indicating that repossession of the premises has been completed.

Chapter 563 also provided that, if the sheriff reasonably believes that the landlord has not provided the required notice or that the tenant may have redeemed the property, the sheriff must notify the District Court and is prohibited from executing the warrant of restitution without further court order. If the District Court finds that the landlord did not provide the required notice, the court must vacate the warrant of restitution. However, if a landlord presents the required documentation, the sheriff or constable must file the documentation with the clerk of the court and, subject to existing requirements to keep pets safe and sheltered, execute the warrant of restitution by putting the landlord in possession of the premises. The Act may not be interpreted to restrict the authority of local jurisdictions to enact or enforce legislation altering the minimum days of notice within a specified range of days or establishing penalties for a violation of the Act.

Actions to Repossess – Proof of Local Rental Licensure

Chapters 481 and 482 of 2023 required a landlord in a jurisdiction that requires licensure, when filing a written complaint to repossess residential property, to plead with supporting facts that the property is either (1) licensed in compliance with applicable local rental licensing requirements; (2) exempt from applicable local rental licensing requirements; or (3) unlicensed for specified reasons. These requirements generally apply on the filing of a failure to pay rent, tenant holding over, or breach of lease action (subject to a limited exception for circumstances involving a clear and imminent danger). At trial, the landlord must demonstrate by a preponderance of the evidence that the property is licensed, exempt, or unlicensed for specified reasons. A landlord may provide electronic proof of licensure to satisfy the requirement.

Access to Counsel in Evictions Program

Established by Chapter 746 of 2021, the ACE Program directs services and resources in order to provide individuals meeting certain criteria with access to legal representation in specified judicial or administrative proceedings to evict or terminate a residential tenancy or housing subsidy.

Chapter 641 of 2023 extended, through fiscal 2027, the requirement for the Comptroller to distribute \$14.0 million from the State's Unclaimed Property Fund to the ACE Special Fund and the Governor to include in the annual budget bill for each associated fiscal year an appropriation of \$14.0 million from the ACE Special Fund to the Maryland Legal Services

Corporation. *Chapter 457 of 2025* extended the requirements through fiscal 2028 and altered the staffing and appointment authority of the ACE Task Force from OAG to DHCD. *Chapter 754 of 2026* expanded the ACE Program to include residents of mobile home parks.

Tenant Background Checks

Chapter 752 of 2026 generally established certain restrictions on a landlord's use of a prospective tenant's criminal history records, in addition to other prohibitions. The Act's provisions apply only to a landlord that manages or owns five or more residential rental units in the State but do not apply to owner-occupied residential rental units. The Act's provisions preempt and supersede any local law or ordinance comparable in subject matter. A violation of the Act is subject to a civil penalty of \$500.

Notice of Landlord Entry

Chapter 564 of 2025 required a landlord to provide 24-hour advance written notice, as specified, to the tenant before entering a leased premises to (1) complete repairs, maintenance, modifications, renovations, or improvements; (2) inspect the premises; (3) show the premises to prospective or actual purchasers, mortgagees, tenants, or contractors; (4) ensure the protection and safety of the property and occupants; (5) complete work ordered by a governmental entity; or (6) if appropriate, respond to any other written request of the tenant. A landlord may only enter between the hours of 7:00 a.m. and 7:00 p.m., Monday through Saturday, or another time agreed on in writing by the tenant. However, a landlord may enter the leased premises without advance notice in the event of an emergency to ensure the imminent protection, preservation, or safety of the property or its occupants or the health, safety, and welfare of other tenants and staff. If a tenant alleges a housing code violation, the tenant must provide the landlord access to the leased premises within 24 hours after notifying the landlord of the alleged violation. The Act authorized a tenant to seek injunctive relief or damages for a landlord's violation of the Act's provisions.

Prohibited Lease Provisions and Retaliatory Actions

Chapters 768 and 769 of 2023 prohibited a landlord from including provisions in a lease or form of lease that (1) limit the ability of a tenant to summon the assistance of law enforcement or emergency services or penalize a tenant solely for doing so or (2) penalize a tenant for the actions of another individual solely because the individual summoned the assistance of law enforcement or emergency services. A landlord is also prohibited from taking specified retaliatory actions solely because the tenant or another individual summoned the assistance of law enforcement or emergency services to the property.

Utility Bills – Notice

Chapters 225 and 226 of 2024 altered existing statutory provisions to require a landlord of a residential building with six or more dwelling units to provide notice in a lease agreement if the landlord requires the tenant to pay water, sewer, gas, or electric utility services to the landlord. The Acts also required landlords subject to the Acts to provide a copy of the utility bill to the tenant

or notify the tenant of the total utility costs billed to the landlord in the immediately preceding year, disaggregated by utility type. Provisions relating to a landlord of six or more dwelling units do not apply to a landlord requiring a tenant to directly pay to a utility service provider, or to a utility allocated using a ratio utility billing system.

Chapters 225 and 226 provided similar requirements for a landlord of a building with five or fewer dwelling units. However, the Acts did not authorize a landlord to provide a tenant with the total utility costs in lieu of providing a copy of utility bills to the tenant and did not provide an exemption for the use of a ratio utility billing system.

Prior to **Chapters 225 and 226**, the landlord of a building with one or two dwelling units was required to meet similar requirements for water or sewer utility services.

Habitability of Rental Units

Serious and Dangerous Defects: Chapter 125 of 2024 defined “fit for human habitation” as a dwelling unit and property of which the dwelling unit is a part are free from serious defects or conditions that constitute, or will constitute if not promptly corrected, a fire hazard or other serious and substantial threat to the life, health, or safety of occupants of the dwelling unit. A landlord that offers a residential dwelling unit for rent is deemed to warrant that the dwelling unit is fit for human habitation. The warranty of habitability exists throughout a tenant’s tenancy. **Chapter 125** further established (1) additional relief for breach of the warranty of habitability, applicable to landlords, tenants, and residential dwelling units that are subject to the above provisions; (2) the process for a tenant to seek remedies for a violation of the Act; and (3) certain defenses to a claim for a breach of the warranty of habitability. A tenant to whom a court has ordered any relief in an action against a landlord may recover reasonable attorney’s fees and costs, as well as other expenses related to litigation. The Act also authorized the court to award the landlord reasonable attorney’s fees and costs and litigation expenses if an action was brought by a tenant in bad faith and without substantial justification.

Mold: Chapter 539 of 2025 required landlords to provide a pamphlet developed by the Maryland Department of the Environment on mold remediation and dampness at the time a lease or rental agreement is signed and on request by a tenant of the rental unit. The Act required a landlord to perform a mold assessment within 15 days after receipt of notice regarding the detection of mold from an applicable local agency enforcing housing and livability codes or a tenant or building occupant. If mold is detected in an assessment, the landlord must perform mold remediation within 45 days or within a reasonable time if 45 days is not feasible. The assessment and remediation of mold required by the Act must follow recommended industry guidelines and best practices as well as State and local laws and regulations. **Chapter 539** required a landlord to (1) communicate with occupants during a mold assessment and remediation and provide updates and relevant information; (2) ensure proper ventilation in the property; (3) ensure low indoor humidity in the property; and (4) maintain the property in accordance with applicable laws and regulations. The Act’s requirements extended to a local government for residential property owned or managed by the local government.

Air Conditioning: Chapter 664 of 2026 required an apartment building with 10 or more individual dwelling units to provide each unit with air conditioning from June 1 to September 30 each year, subject to specified maximum temperature provisions. The Act also established deadlines for compliance for a newly constructed building, for a building that was equipped with air conditioning on or after January 2, 2025, and for a building that undergoes a specified renovation on or after October 1, 2026. The Act does not apply to a residential rental unit located on a property listed on the National Register of Historic Places and does not affect building construction or renovation projects in otherwise applicable buildings for which a building permit was issued before June 1, 2026.

Mobile Home Parks and Manufactured Housing Communities

Chapters 176 and 177 of 2023 established that an owner of a manufactured housing community, including a mobile home park, must comply with specified requirements when accepting an offer to buy a community. Certain potential sales were exempted from the requirements of the Acts. The Acts also required DHCD to maintain on its website a list of organizations and county housing agencies that are able to assist homeowners with financing for the purchase of a manufactured housing community. **Chapters 176 and 177** also expanded certain requirements relating to relocation assistance plans for mobile home park residents.

Common Ownership Communities

“Common ownership community” (COC) is a general term used to refer to a condominium, a cooperative housing corporation, or a homeowner’s association (HOA).

Condominiums

Chapter 186 of 2023 specified that the mandatory property insurance for condominiums, as required under existing law, must generally cover, for attached or multifamily dwelling units, the common elements and units, exclusive of improvements and betterments installed in units by unit owners and, for detached units, the common elements. The Act made other alterations to requirements regarding mandatory insurance for condominiums, including further specifying provisions that are applicable only to attached or multifamily dwelling units. Finally, the Act required owners of residential, detached condominium units to carry homeowners insurance on the entirety of the unit.

Chapter 296 of 2024 required the council of unit owners of a condominium to maintain certain property insurance (1) for attached units, multifamily dwelling units, or detached units located within a condominium not composed entirely of similar detached units, on the common elements and units, exclusive of improvements and betterments installed in units by unit owners other than the developer and (2) for detached units located within a condominium composed entirely of similar detached units, on the common elements only. A council of unit owners must provide annual written notice regarding any obligation of a unit owner of a residential, detached unit to maintain property insurance coverage on the unit, or any change to such obligation.

Additionally, the Act limited a requirement that an owner of a residential, detached unit must carry homeowners insurance coverage on the entirety of the unit to when (1) the detached unit is located within a condominium composed entirely of similar detached units or (2) the council of unit owners of such a condominium carries homeowners insurance on the entirety of all detached units.

Chapter 717 of 2026 required unit owners in residential condominiums, excluding detached units of a condominium composed entirely of similar detached units, to maintain an insurance policy that includes (1) coverage for the council of unit owners' property insurance deductible or a portion of the deductible, as specified; (2) loss assessment coverage of at least \$25,000; and (3) dwelling or building property coverage. The dwelling or building property coverage must be in an amount that is at least the greater of \$25,000 or the amount necessary to repair and replace improvements and betterments made by the current owner or acquired from any previous owner other than the developer and upgrades conveyed to the unit owner that the owner is responsible for insuring under the bylaws. Bylaws of a condominium may not require a unit owner to maintain an insurance policy with coverage amounts in excess of those required under the Act. The Act also specified that an insurance policy issued to the council of unit owners does not prohibit a unit owner from obtaining additional insurance for the owner's benefit beyond coverage amounts required under the Act. **Chapter 717** also established that if damage or destruction within the condominium originates from a unit, the owner is responsible for the lesser of the total costs of the repair or replacement, the amount of the council of unit owners' property insurance deductible, or \$25,000.

Chapters 287 and 288 of 2024 authorized a condominium regime to be established on a leasehold estate owned by an affordable housing land trust.

Chapters 291 and 292 of 2024 required that a contract for the initial sale of a condominium unit to a member of the public include a statement as to whether the vendor has actual knowledge of the presence of asbestos in the condominium, including a description of the location of the asbestos, whether abatement has been performed, and the date of any abatement. A contract for the resale of a unit by a unit owner other than the developer is not enforceable unless the owner provides a statement, no later than 15 days prior to closing, as to whether the unit owner has knowledge of the presence of asbestos in the unit, including a description of the location and whether abatement has been performed during the occupancy of the owner.

Common Elements

Chapter 753 of 2026 prohibited the governing documents of a condominium or HOA from prohibiting or unreasonably restricting the installation (or authorization of installation) of electric vehicle recharging equipment in common or limited common use parking spaces, subject to the budget process for a comparable common area or element renovation or alteration of similar cost or magnitude. **Chapter 753** required a governing body to assess community parking capacity before installation or authorization of the equipment and authorized the governing body to grant a license, renewable at the discretion of the governing body, for up to three years on any common element necessary for equipment installation or electricity supply.

Chapters 253 and 254 of 2024 established that the board of directors of a condominium, by a majority vote and only after providing 30 days' notice to all unit owners, may grant a lease or other similar interest in excess of one year for the installation and use of specified leased clean energy equipment in common elements of the condominium. The Acts prohibited a mortgagee or group of mortgagees from overruling a vote to grant an interest.

Chapters 522 and 523 of 2025 prohibited a cooperative housing corporation, condominium association, or HOA from requiring certain sensitive information from a member, owner, or occupant, or the guest or child of such an individual, as a condition for accessing or using a recreational common area. "Sensitive information" was defined by the Acts as an individual's (1) Social Security card or number; (2) Taxpayer Identification Number; (3) birth certificate; (4) racial or ethnic origin; (5) national origin; (6) citizenship or immigration status; (7) religious or philosophical beliefs; or (8) medical records. An individual's government-issued photo identification, such as a driver's license, was excluded from the definition of sensitive information.

Cooperative Limited Equity Housing Corporations

Chapter 260 of 2026 authorized a Maryland nonstock corporation to convert to a Cooperative Limited Equity Housing Corporation (CLEHC) after acquiring ownership of a residential rental facility and following an affirmative vote of a majority of the total members of the corporation to convert to a CLEHC. The Act also established procedures and requirements for a conversion.

Operation of Family Child Care Homes

In general, **Chapter 375 of 2025** prohibited the governing documents of a cooperative housing corporation, condominium, or HOA from prohibiting or restricting (1) the establishment and operation of a family child care home or large family child care home or (2) the use of the roads, sidewalks, and other common elements of the COC by users of the family child care home or large family child care home. The Act's provisions do not apply to housing that is restricted for occupancy to individuals over a specified age.

Reserve Accounts

COCs in the State are required to conduct studies of the reserves required for future major repairs and replacement of the common elements of a COC. **Chapters 518 and 519 of 2025** made various changes related to these reserve studies and requirements for COCs to fund reserve accounts intended for such repairs. Among other provisions, the Acts (1) required the governing body to prepare a specified funding plan; (2) extended, from three years to five years, the amount of time after an initial reserve study that a COC has to attain a recommended annual reserve study; and (3) authorized COCs to declare financial hardship and deviate from existing funding requirements under certain conditions.

Residential Real Property

Sales Contracts

Chapter 585 of 2023 required, if a purchaser terminates a residential real estate contract under the terms of a contingency clause, a real estate broker or an escrow agent to distribute trust money to a purchaser after written notice of a request to return the money is provided to the holder of the trust money and the seller and specified procedures are satisfied. Within 10 days of receiving this notice, the seller must provide the holder of the trust money with a copy of a complaint filed in the District Court or a notarized, written request for mediation relating to the distribution of the trust money. On receipt of a complaint or request for mediation, the holder of trust money must hold the trust money until a court order or mediation agreement authorizes the distribution or the holder files an interpleader action in the District Court. Conversely, if the holder of the trust money does not receive a copy of a complaint or a request for mediation within 30 days, the holder must distribute the trust money to the purchaser and notify the purchaser and seller of the distribution. A holder of trust money may not be held liable for a decision to distribute the trust money in accordance with the Act's provisions. A claimant aggrieved by a distribution of trust money under the Act's provisions may file an action in the District Court, as specified. **Chapter 716 of 2026** specified that the seller must provide a copy of a notarized, written request for mediation provided to a mediator regarding the distribution of the trust money rather than an original. **Chapter 716** also repealed the requirement that the trust money holder wait up to 30 days after a purchaser's request, instead requiring the holder, if no complaint or mediation request was received within the 10-day period, to return the trust money to the purchaser within 5 days and to notify both the purchaser and the seller of the distribution. **Chapter 716** also altered the definition of "contingency clause" applicable to the circumstances under which a residential real estate contract may be terminated by a purchaser.

Chapters 351 and 352 of 2024 required a contract of sale for any residential property located within one mile of a National Priorities List (NPL) Superfund site to include a specific addendum to the contract of sale that includes specified information related to NPL Superfund sites.

Chapters 508 and 509 of 2025 required that, prior to entering into a contract of sale for residential property improved by four or fewer single-family dwelling units designed principally for human habitation, a wholesale buyer must provide written disclosure to the owner of the property that the wholesale buyer may assign the contract of sale to another person. An owner of residential property may rescind a contract of sale to a wholesale buyer, or the assignee or successor, without penalty at any time prior to closing if the wholesale buyer fails to provide proper notice and assigns the contract of sale.

Chapter 776 of 2026 required the Maryland Department of the Environment to develop, publish, and maintain a real property flood risk disclosure statement form and established minimum requirements for information contained in the form. The Act further required that, beginning July 1, 2027, a vendor of real property provide a completed flood risk disclosure form

to the purchaser before entering into a contract of sale. The vendor must also provide a copy of a Federal Emergency Management Agency elevation certificate if available. The vendor requirements do not apply in specified instances.

Ground Leases

Chapters 184 and 185 of 2023 enhanced notice and billing requirements, as applicable, when a ground lease holder brings an action for possession for nonpayment of ground rent, a ground lease holder seeks payment of ground rent, and a ground lease is transferred. *Chapters 184 and 185* required the State Department of Assessments and Taxation (SDAT) to develop and make available online form notices and bills that ground lease holders are required to use. A ground lease holder is prohibited from requiring a leasehold tenant to reimburse the holder for costs incurred by the holder in meeting the requirements of the Acts. Under the Acts, a leasehold tenant of a property that is not registered with SDAT may not be required to hold more than three years of ground rent in escrow for the unregistered ground lease. Finally, *Chapters 184 and 185* included a declaration by the General Assembly that it is in the public interest for ground rents to be redeemed and also expressed the intent of the General Assembly that SDAT use its ground rent redemption program to assist in the redemption of ground rents.

Chapters 180 and 181 of 2023 established that a ground lease or an amendment is not registered until the ground lease or amendment is posted on the online registry maintained by SDAT. Additionally, *Chapters 180 and 181* established a process and requirements for a leasehold tenant to challenge and bring an action against a ground lease holder who collects or attempts to collect any ground rent payments, late fees, interest, collection costs, or other expenses relating to a ground lease that is not properly registered with SDAT. If SDAT reasonably believes that the ground lease holder violated the restrictions on collection efforts, SDAT may void a ground lease registration or amendment unless the ground lease holder files an action in circuit court within 45 days after the date of the notice. A ground lease registration or amendment that has been voided by SDAT is prohibited from being considered registered. If SDAT reasonably believes that the ground lease holder did not violate the restrictions on collection efforts, SDAT must advise that it will take no further action unless the leasehold tenant files an action in circuit court within 45 days after the date of the notice.

Chapters 182 and 183 of 2023 repealed statutory provisions that prohibit a leasehold tenant from providing specified documentation and payment to SDAT earlier than 90 days after an application for redemption or extinguishment of a ground rent has been posted on the SDAT website. *Chapters 182 and 183* further specified that SDAT must issue to a leasehold tenant a ground rent redemption or extinguishment certificate, as appropriate, when notice that application has been made to redeem or extinguish the ground rent has been posted for at least 90 days to SDAT's website and SDAT has received specified documentation, fees, and any required payment amounts, as applicable.

Recordation

Chapter 369 of 2024 prohibited a person from recording a deed or other instrument the person knows contains false information, including information related to the ownership of the property. A violator is guilty of a misdemeanor and subject to a maximum penalty of a \$500 fine. Prosecution must be initiated within three years after the offense was committed. Additionally, unless the defendant disclaims any interest in the title of the property in the answer or allows judgment to be taken without answer, the Act authorized a court to award either party costs and reasonable attorney's fees in an action to quiet title, if a claim or defense in the case is related to an alleged recordation of a deed or other instrument with false information.

Wrongful Detainer

If a person holds possession of a property to which the person is not entitled, a person claiming rightful possession may file a complaint for wrongful detainer with the District Court. *Chapter 188 of 2025* required the hearing for such an action to be held within 10 business days after the complaint is filed. The Act also required that after two good faith attempts to serve process on separate days, if the person in actual possession cannot be found, the person authorized to serve process under the Maryland Rules must (1) file an affidavit with the court describing the good faith efforts to serve the person in actual possession; (2) mail a copy of the complaint by certified mail, return receipt requested, and first-class mail to the last known address of the person in actual possession and, if different, to the address of the residential property subject to the complaint; and (3) affix a certified copy of the summons conspicuously on the property. Service under the Act must be made within four business days after the complaint is filed. Notice under the Act constitutes sufficient service to support restitution of possession of the property.

Liens

Medical Debt

Chapters 497 and 498 of 2025 prohibited the creation of a lien on owner-occupied residential property by contract or as a result of a breach of contract for the payment of medical debt. If a lien is created in violation of the Acts, the court must remove the lien. The Acts also required a complaint seeking a money judgment to indicate whether the judgment sought is for medical debt, and if so, must include the address of the primary residence of the defendant. These provisions only applied prospectively to complaints filed on or after October 1, 2025.

Sheriff's Sales

Chapter 762 of 2023 established that a sheriff's sale of real property extinguishes any subordinate lien or interest on the land subject to the sale. The Act also specified that existing provisions relating to statutory exemptions from execution on a money judgment do not impair a lien on land affected by a judgment in favor of a local government for real property maintenance violations or nuisance condition violations that is indexed and recorded in accordance with the

Maryland Rules. Finally, **Chapter 762** authorized the Judiciary to transfer up to \$12.0 million of the fiscal 2023 general fund appropriation for the Judiciary to the Circuit Court Real Property Records Improvement Fund on or before June 30, 2023. Any amount transferred was prohibited from reverting to the General Fund.

Unlawfully Restrictive Covenants

While unconstitutional and thus unenforceable, covenants that restrict the ownership of real property based on race, religious belief, or national origin persist in land records. **Chapters 476 and 477 of 2023** authorized a county or municipality to execute and record a restrictive covenant modification to an unlawfully restrictive covenant if the subject property is within the boundaries of the county or municipality and, at least 30 days before executing and recording the restrictive covenant modification, the county or municipality provides written notice, by first-class mail, of the county's or municipality's intent to all persons with an ownership interest in the property. A person with an ownership interest in the property may decline to have the modification executed and recorded by notifying the county or municipality within 30 days after the date of the required notice. **Chapter 540 of 2025** altered the required method of notice by a county or local government from first class mail to (1) publication once per week for four successive weeks in one or more newspapers of general circulation in the county or municipality where the property is located and (2) posting on the official website of the county or municipality where the property is located.

Estates and Trusts

Trust Administration

Maryland Trust Act

Resignation of Trustee: Under the Maryland Trust Act, a trustee of a trust may only resign with approval of the court. **Chapters 228 and 229 of 2025** authorized a trustee to resign without having to seek court approval, provided that at least 30 days' notice is given to specified individuals.

In Terrorem Clause: An “*in terrorem*” clause, or “no-contest” clause, is a provision in a will or trust that threatens to revoke a beneficiary's inheritance if they contest the document's validity. Current law provides that if probable cause exists for instituting proceedings, a provision in a will purporting to penalize an interested person for contesting the will or instituting other proceedings relating to the estate is void. **Chapter 502 of 2026** established that the same consideration applies to a trust purporting to penalize an interested person for contesting the trust or instituting related proceedings. **Chapter 502** may not be applied or interpreted to have any effect on or application to any cause of action arising before July 1, 2026.

Maryland Trust Decanting Act

The Maryland Trust Decanting Act, established by **Chapters 715 and 716 of 2023**, allows for an authorized fiduciary, including a trustee, to exercise the decanting power, under specified conditions. “Decanting power” is the power of an authorized fiduciary to distribute property of a first trust to one or more second trusts or to modify the terms of a first trust. The Acts must be construed to apply retroactively and must be applied to and interpreted to affect any trust created before, on, or after October 1, 2023, that has its principal place of administration in the State or is governed by the law of the State.

Chapters 221 and 222 of 2025 required that notice, or the sending of a document to a person, under the Maryland Trust Decanting Act must be accomplished in a manner that is reasonably suitable under the circumstances and likely to result in receipt of the notice or document. Unless specified alternative methods of notice are agreed upon, an authorized fiduciary must provide notice to a person by (1) personal service; (2) certified mail or first-class mail; or (3) courier delivery service. A fiduciary who delivers notice through an approved alternative method is still responsible for providing notice through one of these three methods if the fiduciary knows, or should know, that the person entitled to notice did not actually receive the notice. The Acts also address revocation of authorization to use alternative methods of notice.

Estate Administration

Asset Distribution

Unpaid Child Support: When the applicable assets of the estate of a decedent are insufficient to pay all claims to the estate in full, there is an order of priority in which the personal representative must pay claims to the estate. **Chapter 225 of 2025** moved a claim for unpaid child support due by the decedent from the last category of “all other claims” and placed the payment of unpaid child support after “family allowances” and before “taxes due by the decedent” in the order of priority.

Transfer-on-Death Deed: Maryland law currently allows many assets (*e.g.*, life insurance and pension plans, retirement accounts, and payable-on-death bank accounts) to pass directly to a named beneficiary without probate. However, there is no similar option for real estate. **Chapters 750 and 751 of 2026** addressed this situation by establishing the Maryland Transfer-on-Death Deed Act in State law, which allows homeowners to use transfer-on-death deeds. These deeds, which are nontestamentary instruments, allow an owner to name a beneficiary who automatically receives the property upon the owner’s death, while allowing the owner to retain full control of the property during their lifetime.

Uniform Simultaneous Death Act: The Uniform Simultaneous Death Act addresses circumstances in which the timing of a person’s death in relation to another person’s death, or another event, affects the disposition of property interests or rights or has other significance under specified legal instruments. **Chapters 508 and 509 of 2026** replaced the substantive provisions of the Maryland Uniform Simultaneous Death Act with provisions that conform to the more recent

Uniform Simultaneous Death Act adopted by the Uniform Law Commission in 1993. The updated version of that Act requires a person to have survived another person's death, or other event, by 120 hours in order to be deemed to have survived, for purposes of the disposition of property interests or rights or other purposes under a provision of a legal instrument that relates to a person's survival of another's death or other event.

Petitions Over Living Persons

Property of Alleged Disabled Person

Chapter 538 of 2026 authorized a party who has filed a petition for guardianship of the property of an alleged disabled person to file a request for the stay of an ongoing action against the alleged disabled person for the failure to pay rent, a warrant of restitution, an action for wrongful detainer, a foreclosure, a sheriff's sale, or an action against the property of the alleged disabled person. A party to the guardianship must give specified notice to the parties to the civil action for which the stay is sought and, within 90 days after filing the petition or the period of the stay, notify the court granting the stay and any party to the action if a guardian is appointed or the petition is denied, dismissed, or withdrawn. A stay must automatically be lifted if a guardian is appointed or the petition is denied. Unless extended for good cause, a stay may not remain in effect for more than 90 days after the filing of the petition.

Property of Minors or Disabled Persons

Under existing law, if a basis exists for the circuit court to assume jurisdiction over the property of a minor or a disabled person by appointing a guardian of the property, the court, without appointing a guardian, may authorize or direct certain transactions with respect to the property, service, or care arrangement of the minor or disabled person. *Chapter 433 of 2026* specified additional transactions that a circuit court may authorize or direct under this authority to include transactions granting access to financial records and transactions establishing eligibility for government assistance programs for a minor or disabled person.

Courts and Registers of Wills

Letters of Administration

A letter of administration is issued by a register of wills or a court to authorize a personal representative to administer an estate. However, a letter of administration could not be issued to a person who is not a citizen of the United States, unless the person is a permanent resident of the United States and is the decedent's spouse, ancestor, descendant, or sibling. *Chapter 537 of 2026* altered this provision to prohibit the issuance of a letter of administration to a person who is not a citizen or permanent resident of the United States unless the person is domiciled in the United States and is the spouse, ancestor, descendant, or sibling of the decedent.

Venue for Probate and Inheritance Tax

When a non-Maryland decedent dies owning only intangible personal property with no physical *situs* (location, for legal purposes), Maryland law did not clearly indicate if and where probate may be opened in the State.

The Maryland inheritance tax is imposed on the privilege of receiving property that has a taxable *situs* in the State and passes from a decedent to a collateral beneficiary (*i.e.*, a person other than a lineal relative or sibling of the decedent). When an estate is opened in Maryland for a nonresident decedent, registers of wills in different counties have differing approaches regarding the application of inheritance tax to assets of the decedent that do not have a physical *situs* in Maryland.

Chapters 503 and 504 of 2026 addressed these situations by modifying and expanding the bases upon which a determination can be made that a given county is the proper venue for administrative or judicial probate of the estate of a decedent who was not domiciled in the United States. The Acts also established that, for purposes of the inheritance tax imposed on property with a taxable *situs* in the State, the *situs* of intangible personal property is the domicile of the decedent. As a result, intangible personal property of a decedent who is not domiciled in Maryland is not subject to inheritance tax in the State. The venue provisions apply to estates opened on or after July 1, 2026. The inheritance tax provisions apply to decedents dying on or after July 1, 2026.

Attorney-client Privilege

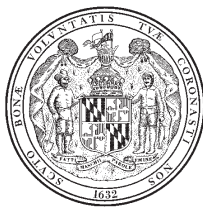
Chapters 500 and 501 of 2026 established that, unless waived by the client, a communication between an attorney and a client that acts as a fiduciary is subject to the attorney-client privilege, even if fiduciary funds are used to compensate the attorney for legal services rendered to the client. The existence of a fiduciary relationship between a fiduciary and a beneficiary does not constitute or give rise to a waiver of the attorney-client privilege for communications between the attorney and the fiduciary.

Orphans' Court Judges – Practice of Law

Chapters 200 and 201 of 2024 established a uniform policy governing when an orphans' court judge may act as an attorney at law in a civil or criminal matter during a term of office applicable to all counties and Baltimore City. Under the Acts, an orphans' court judge is prohibited from acting as an attorney at law in a civil or criminal matter during a term of office if the matter is (1) within the jurisdiction of the orphans' court in any county or Baltimore City and related to the administration of an estate or a guardianship of a minor or (2) related to the preparation of an estate plan or estate planning documents that might come within the jurisdiction of the court in any county or Baltimore City following the death of any individual.

Task Force to Study Fiduciary Adjudication

Fiduciary adjudication is the legal process of resolving disputes involving someone legally bound to manage money or property for another's benefit. It covers matters like estate probate, trusts, guardianships, and powers of attorney. **Chapter 220 of 2025** established a Task Force to Study Fiduciary Adjudication in Maryland. Among other things, the task force was required to: (1) examine the qualifications, training, and methods of selection of judges hearing probate and other fiduciary matters in Maryland; (2) examine the jurisdictions of the orphans' courts and circuit courts with respect to fiduciary matters; (3) analyze and compare the laws and practices of other states relating to the adjudication of fiduciary matters, including the selection, qualification, and training of judges hearing those matters; and (4) make recommendations to improve efficiency, uniformity, and quality of fiduciary adjudication in Maryland. The task force published a preliminary progress report and extension request letter on December 18, 2025, with a full report of the task force's findings expected by June 30, 2026, the termination date for the task force.



Part G

Transportation and Motor Vehicles

Transportation

Planning and Governance

Funding and Financing

The Maryland Department of Transportation (MDOT) oversees the State's multimodal transportation system, including highways, transit, aviation, and port operations. MDOT includes several modal administrations: the Motor Vehicle Administration (MVA), the State Highway Administration (SHA), the Maryland Transit Administration (MTA), the Maryland Aviation Administration (MAA), and the Maryland Port Administration (MPA). In addition, MDOT works closely with the Maryland Transportation Authority (MDTA) – a nonbudgeted State entity that oversees the State's toll facilities. Transportation funding and capital program priorities are planned through the *Consolidated Transportation Program* (CTP), which outlines the multiyear capital plan for transportation projects. Funding for MDOT's operating and capital costs is provided by the Transportation Trust Fund, which consists of tax and fee revenues, operating revenues, bond proceeds, and fund transfers.

Chapters 471 and 472 of 2005 authorized MDOT and MDTA to issue a maximum of \$750 million in bonds backed by future federal aid (typically known as Grant Anticipation Revenue Vehicle (GARVEE) bonds). Under this authority, \$750.0 million in GARVEE bonds were issued in 2007 and 2008 as part of the financing plan for the Intercounty Connector; these bonds have since been fully paid off. **Chapter 455 of 2023** expanded the authority of MDOT to issue additional GARVEE bonds to fund specified transit (including the Baltimore Red Line) and highway projects (including improvements to the Interstate 81 corridor) under specified conditions. Specifically, **Chapter 455** authorized MDOT to issue the bonds as long as the aggregate outstanding and unpaid principal amount of debt issued does not exceed \$1.0 billion as of June 30 of any year.

Chapter 455 also established the Maryland Commission on Transportation Revenue and Infrastructure Needs to review, evaluate, and make recommendations concerning specified

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transportation funding issues and related topics. The commission made recommendations in its 2023 interim report for increases in transportation funding and enhanced transparency in project selection. Some of these recommendations were enacted through the Budget Reconciliation and Financing Act (BRFA) of 2024 (*Ch. 717*), which (1) increased vehicle registration fees; (2) established an annual surcharge for electric vehicles; (3) imposed a fee on trips provided through transportation network companies; and (4) increased the motor vehicle dealer processing charge.

The BRFA of 2025 (*Ch. 604*) increased the debt outstanding limit on consolidated transportation bonds from \$4.5 billion to \$5.0 billion and expanded the types of projects that MDOT may fund using proceeds from GARVEE bonds to include major rehabilitation of the existing light rail system.

Chapter 561 of 2025 required the Governor to include in the annual operating or capital budget at least \$200.0 million in funding for transportation improvements associated with the potential relocation of the Federal Bureau of Investigation (FBI) headquarters to Maryland, contingent on the U.S. General Services Administration applying to Prince George's County or the State for a permit associated with the proposed relocation.

For an additional discussion of actions taken to increase funding for transportation, see the subpart Motor Vehicles of this Part G.

Equity and Interagency Coordination

Chapters 583 and 584 of 2023 required MDOT and MTA to incorporate equity considerations into transportation planning and operations, including conducting equity and cost-benefit analyses prior to major service changes or modifications to capital projects in the Consolidated Transportation Program.

Chapters 331 and 332 of 2023 established a State Coordinating Committee for Health and Human Services Transportation. The committee is required to assess transportation needs and coordinate services for individuals requiring transportation for medical, employment, and other essential services. The Acts also repealed statutory funding caps on certain transportation programs administered by MTA for transportation-disadvantaged individuals.

Human Trafficking Awareness

Chapter 437 of 2025 required MDOT, in consultation with stakeholders, to develop or identify and implement a training program that includes a curriculum on the identification and reporting of suspected human trafficking. MDOT must administer the training program to specified MDOT employees, including employees under contract. *Chapter 437* also requires MDOT to make frequent public service announcements with safety information for human trafficking victims.

Mass Transit

Transit Funding and Financial Stability

Mass transit services in Maryland are primarily operated by three agencies: MDOT, MTA, and the Washington Metropolitan Area Transit Authority (WMATA). As a modal unit with MDOT, MTA operates a comprehensive transit system throughout the Baltimore-Washington metropolitan area, including bus lines in Baltimore and other services, such as the light rail, Baltimore Metro subway, commuter buses, MARC trains, and mobility/paratransit vehicles. WMATA was established in 1967 through an interstate compact between Maryland, Virginia, and the District of Columbia to construct and operate a rapid rail transit system for the Washington metropolitan area. However, WMATA operates various bus routes in addition to the District of Columbia metro system.

MDOT provides funding to locally operated transit systems (LOTS) through a variety of federal and State programs. LOTS provide various fixed route and door-to-door transportation services for residents. **Chapter 508 of 2023** codified MDOT's LOTS Grant Program, establishing statutory authority for State funding to support transit services operated by local jurisdictions. **Chapter 652 of 2024** expanded the program by establishing a minimum annual funding requirement, requiring MDOT to provide at least \$80,533,314 for the program each fiscal year.

In response to financial shortfalls resulting from the end of federal COVID-19 pandemic relief, ridership (and consequently fare revenue) remaining well below prepandemic levels, and increased costs caused by inflation, the fiscal 2025 budget included \$150.0 million in general funds in the Dedicated Purpose Account (DPA) for WMATA to help avoid steep cuts to service levels. Because the \$150.0 million provided in DPA would increase the State's contribution for WMATA operations by more than 3% over the prior fiscal year and would have triggered a statutory provision requiring that 30% of the State's contribution be withheld, **Chapters 533 and 534 of 2024** suspended the withholding requirement until fiscal 2028 to allow WMATA to receive the full funding amount.

Transit Fares and Affordability

Chapters 483 and 484 of 2023 repealed the requirement that MTA increase public transit base fares based on the annual consumer price index increase; however, MTA may still increase or modify its transit fares as needed after a public hearing is held.

Through the Disability Reduced Fare Program, MTA offers reduced fares for its transit services to people with disabilities, senior citizens (age 65+), and Medicare cardholders. **Chapter 560 of 2025** required MTA to automatically renew the program certification of any enrollee who is permanently disabled.

Chapter 494 of 2025 required MTA to develop and implement a program to provide (1) for the first month after transit service on the Purple Line begins, free ridership on the Purple Line to individuals residing within a 0.25-mile radius of the Purple Line track and (2) beginning October 1, 2025, and until three months after transit service on the Purple Line begins, promotional materials and services at no cost to small businesses located within a 0.25-mile radius of the Purple Line track.

Service Planning, Reporting, and Operations

Before holding a public hearing on a proposed service change, MTA must publish on its website, for the routes or lines impacted by the service change, an evaluation on the demographics of the riders of the routes or lines and the service area. **Chapters 649 and 650 of 2024** expanded the information that MTA must publish on its website before holding public hearings and required MTA to distribute that information to certain members of the General Assembly.

Transit Safety and Operator Protections

Chapters 502 and 503 of 2023 required MTA to submit an annual report on assaults against transit operators and include a review of best practices to prevent and reduce assaults on public transit operators. Building on these efforts, **Chapters 541 and 542 of 2025** required MTA to convene a workgroup to develop a comprehensive safety program and establish a rider code of conduct to improve safety across the transit system.

Regional Transit Governance and Oversight

Chapter 504 of 2023 established the Baltimore Regional Transit Commission to study, review, and make recommendations regarding public transit in the Baltimore region and to ensure that MTA plans and operations address the needs of residents and businesses in the area.

The Washington Suburban Transit Commission (WSTC) is responsible for administering the Washington Suburban Transit District and is authorized to develop a transportation system, including mass transit facilities, for Montgomery and Prince George's counties. **Chapter 697 of 2024** (1) repealed the authority of the governing bodies of Montgomery and Prince George's counties to review and approve the contracts and agreements entered into by WSTC; (2) authorized the WSTC commissioner that serves on the WMATA Board of Directors to be reappointed to the board; and (3) authorized the Secretary of Transportation's designee to attend meetings of the WMATA Board of Directors on behalf of the Secretary when the Secretary is not available, instead of only if a scheduling conflict arises.

Reorganization of MTA

Chapter 462 of 2025 established the Workgroup on the Reorganization of MTA to study the potential for reorganizing MDOT and MTA, including, among other things, options allowing MTA to continue providing local Baltimore City transit services, such as light rail, subway, and

bus services, and the creation of a new unit or reorganization of the Office of the Secretary to provide statewide transit services.

Chapters 419 and 420 of 2026 implemented several of the recommendations included in the workgroup’s interim report. Specifically, **Chapters 419 and 420** (1) repealed the Baltimore Regional Transit Commission and established two new oversight boards (for Baltimore area transit and commuter service, respectively) with similar duties and responsibilities; (2) established minimum staffing requirements for the new oversight boards; (3) required the Maryland Transportation Commission to make qualification and compensation determinations for certain MTA employees; and (4) required MDOT to contract with the Baltimore Metropolitan Council to complete a technical study regarding the creation of a rail authority.

Roads and Highways

SHA is responsible for the construction, maintenance, and operation of the State highway system. The agency ensures that State roads and bridges adhere to safety and performance standards while considering economic, environmental, and community concerns. SHA is also responsible for multiple programs that govern or implement these standards in various areas.

Roadway Safety

The Vision Zero Program, established by Chapter 377 of 2019, was designed to eliminate all traffic fatalities and major injuries. **Chapter 603 of 2024** expanded the responsibilities of the Vision Zero coordinator, who oversees MDOT’s Vision Zero Program, to (1) identify strategies to achieve Vision Zero goals by 2030; (2) analyze SHA infrastructure reviews after traffic fatalities; and (3) advise the Governor and State and local agencies on the implementation of Vision Zero and associated policies and programs.

Chapter 418 of 2026 required SHA, using funding programmed for sidewalks and bicycle pathways in the CTP, to prioritize projects that are, or are adjacent to, highways that are subject to a complete streets policy or another similar Vision Zero program. **Chapter 418** also allowed SHA to fully fund the cost of right-of-way acquisition for related projects that are in certain priority funding areas and required local governments to make requests for these types of projects in a specified manner.

Chapter 549 of 2025 established the Maryland Connectivity Coalition to improve wildlife crossings and reduce collisions between motor vehicles and animals. The coalition is required to coordinate efforts among State agencies, environmental organizations, and transportation planners to identify priority locations for wildlife crossings and develop recommendations for incorporating these features into transportation planning and project design.

Helen Delich Bentley Port of Baltimore

MPA manages the State-owned facilities at the Helen Delich Bentley Port of Baltimore. **Chapters 2 and 3 of 2024** established relief programs to assist businesses affected by reduced activity at the Helen Delich Bentley Port of Baltimore, including disruptions following the collapse of the Francis Scott Key Bridge in March 2024. Specifically, **Chapters 2 and 3** authorized financial assistance and related support for businesses that experienced economic losses due to disruptions in port operations and the families of the workers who died as a result of the collapse.

MPA may acquire in its own name, by purchase or by condemnation, any property, including any public land, land lying under water, or riparian right, necessary or convenient to construct or operate any project. However, in order to purchase or condemn any property located in any political subdivision of the State, MPA must make a written request for approval to the appropriate local government. **Chapter 497 of 2026** required MPA to provide written notice to the Anne Arundel County Delegation to the General Assembly when MPA requests approval from Anne Arundel County to acquire an interest in land or improvements on land in the county.

Airports

MAA develops aviation activity in the State and is responsible for the operation and maintenance of Maryland's State-owned airports. MAA is governed by its executive director and the Maryland Aviation Commission (MAC). **Chapter 564 of 2023** altered the membership of MAC and modified its duties, including requirements related to meetings and public participation. **Chapter 564** also established requirements regarding the appointment of members and the conduct of commission meetings.

Toll Facilities

MDTA finances, operates, and maintains the State's toll facilities, which play a significant role in supporting transportation infrastructure through user-generated revenue. These facilities include bridges, tunnels, and highways that generate revenue through toll collections. MDTA is a nonbudgeted State agency, meaning that its budget is not subject to the General Assembly's appropriation process.

Debt Capacity

In response to the collapse of the Francis Scott Key Bridge, which was a toll facility owned and operated by MDTA, **Chapters 2 and 3** increased MDTA's debt capacity from \$3.0 billion to \$4.0 billion to support the ensuing reconstruction project. While the federal government has agreed to pay 100% of the necessary costs related to the reconstruction of the bridge, MDOT has advised that there is uncertainty in the timing of reimbursement for those costs. Consequently, **Chapters 114 and 115 of 2026** further increased MDTA's authorized debt capacity from \$4.0 billion to \$5.0 billion to support reconstruction efforts.

Tolling and Emergency Authority

After the collapse of the Francis Scott Key Bridge, MDTA advised that the 180-day duration for an emergency status determination (which allows MDTA to adopt temporary adjustments to tolls, fees, mileage rate ranges, pricing periods, toll zones, or other charges without meeting specified public notice and comment requirements) did not provide sufficient time for MDTA to complete a full toll-setting process to permanently adjust its tolls before the emergency status expired. In response to this issue, **Chapters 55 and 56 of 2025** increased the maximum duration of an emergency status determination from 180 days to 300 days, providing MDTA with sufficient time to permanently adjust its tolls in any future emergency situation.

Toll Collection and Enforcement

MDTA must send the registered owner of a motor vehicle that uses one of MDTA's toll facilities without paying the toll a notice of toll due to inform the owner that they are liable for a video toll. In order to issue a notice of toll due when a vehicle fails to pay when using a toll facility, MDTA's video tolling systems must be able to capture an image of either the front or rear license plate of the vehicle.

In cases where a motor vehicle has no front license plate and the rear license plate is blocked due to a trailer, MDTA has no legal recourse to send a notice of toll due because it cannot identify the motor vehicle. **Chapter 482 of 2026** made the registered owner of a Class G (trailer) vehicle that uses the MDTA's toll facilities liable for the payment of a video toll assessed at the time of passage through a toll collection facility if the registered owner of the motor vehicle cannot be determined.

Chapter 527 of 2025 required MDTA to establish an installment plan program for the payment of certain video tolls and civil penalties that a person may incur when they use an MDTA toll facility without paying the toll.

MDTA offers various discount plans to commuters that regularly use its transportation facilities projects. For example, an E-ZPass holder operating a two-axle vehicle can purchase a 50-trip plan for \$70 that includes the use of the Fort McHenry Tunnel, Baltimore Harbor Tunnel, John F. Kennedy Memorial Highway, and Thomas J. Hatem Memorial Bridge; however, any unused trips expire after 45 days. **Chapter 488 of 2026** required MDTA to submit a report on these E-ZPass commuter and discount plans. The report must (1) analyze and provide specified data from calendar 2023, 2024, and 2025 and (2) include recommendations for lowering the amount of unused commuter trips.

Motor Vehicles

Tax and Fee Increases

The taxes and fees collected by the Motor Vehicle Administration (MVA) provide significant funding to the Transportation Trust Fund (TTF) and other special funds such as the Maryland Trauma Physician Services Fund (MTPSF) and the Maryland Emergency Medical System Operations Fund (MEMSOF). To address a decline in revenues for the TTF, multiple Budget Reconciliation and Financing Acts (BRFA) directly increased, or authorized increases for, a variety of the taxes and fees collected by MVA.

The BRFA of 2024 (*Ch. 717*) directly increased the annual registration fees paid for most motor vehicles with the first set of increases taking effect July 1, 2024, and further increases taking effect July 1, 2025, and July 1, 2026. The phased-in changes increased the annual vehicle registration fees by amounts ranging from \$30 to \$75. The BRFA of 2024 also established annual surcharges for certain motor vehicles, including a surcharge of \$125 for each zero-emission vehicle and \$100 for each plug-in electric drive vehicle that is not a zero-emission vehicle, also paid at registration. To help with payment of the increased fees, the BRFA of 2024 also allowed for payment of vehicle registration fees in installments over the registration period. *Chapters 718 and 719 of 2024* mirrored many of the changes made by the BRFA, including increasing the annual surcharge, paid at vehicle registration and renewal, for the MTPSF, MEMSOF, and the R. Adams Cowley Shock Trauma Center from \$17 to \$40 annually.

The BRFA of 2025 (*Ch. 604*) altered several motor vehicle tax and fee provisions to generate additional revenues for the TTF by, among other things, (1) doubling the fee for each certificate of title; (2) accelerating the phase-in of the vehicle registration fee increase; (3) authorizing MVA to increase Vehicle Emissions Inspection Program testing fees; (4) authorizing MVA to increase its “miscellaneous fees” to cover a greater portion of its administrative costs; (5) increasing the vehicle excise tax; (6) increasing the annual registration fees for rental vehicles; and (7) establishing a new \$5 fee on the sale of new tires.

The BRFA of 2025 also limited the definition of “historic motor vehicle” to model year 1999 or earlier vehicles, making fewer vehicles eligible for the less costly historic motor vehicle registration. The BRFA of 2026 (*Ch. 6*), however, repealed the 1999 model year standard for historic motor vehicles and instead required a motor vehicle to be at least 25 years old to be eligible for a historic vehicle registration beginning July 1, 2027.

Revenues from the new and increased TTF revenue sources enacted in 2024 and 2025 are estimated to average \$800.0 million annually from fiscal 2026 through fiscal 2031.

Drunk and Drugged Driving

Fines and Administrative Penalties

Fines: *Chapters 717, 718, and 719 of 2024* increased the maximum fine for a first offense, from \$1,000 to \$1,200, and the maximum fine for a second offense, from \$2,000 to \$2,400, for various violations related to drunk and drugged driving including, among others, driving or attempting to drive while under the influence of alcohol and driving or attempting to drive while under the influence of alcohol and transporting a minor. The revenue from these fine increases is generally required to be paid into the MTPSF.

Revocation: *Chapter 366 of 2025* expanded the list of circumstances under which MVA is required to revoke an individual's driver's license to include convictions for specified drunk or drugged driving offenses resulting in the death or life-threatening injury of another person and for failure to remain at the scene of an accident resulting in death or serious bodily injury. Under the Act, if an individual's license is revoked for convictions for these offenses or homicide by motor vehicle while impaired, the individual must wait until five years after the revoked license is surrendered to and received by MVA or after the date of revocation, as appropriate, to file a reinstatement application.

Chapter 568 of 2025 required MVA to assess 12 points against the driver's license of a person convicted of certain subsequent drunk and drugged driving offenses. As the accumulation of 12 points against a driver's license requires MVA to revoke the license, the Act also requires MVA to revoke by operation of law the driver's license of a person who is assessed points under the Act.

Disqualification: *Chapters 49 and 50 of 2025* required MVA to disqualify an individual from driving a commercial motor vehicle for a period of one year if the individual, while holding a commercial instructional permit or commercial driver's license, drives or attempts to drive any motor vehicle while the alcohol concentration of the person's blood or breath is 0.08 or greater.

Ignition Interlock Systems

Chapter 715 of 2024 expanded mandatory participation in the Maryland Ignition Interlock System Program (IISP) to include an individual who is granted probation before judgment (PBJ) for driving while under the influence of alcohol or under the influence of alcohol *per se*. The Act also required an individual who is convicted of or granted PBJ for driving while impaired by alcohol to participate in the IISP. The Act further authorized an individual granted PBJ under the Act to file a petition for expungement under specified circumstances.

Operating a Vessel While Under the Influence

Subsequent Offenders: The State Boat Act prohibits a person from operating or attempting to operate a vessel while under the influence of alcohol; violators are subject to applicable criminal penalties, including fines and imprisonment. *Chapters 552 and 553 of 2023*

established that a conviction for specified drunk and drugged driving offenses constitutes a prior conviction for purposes of determining subsequent offender penalties for a person unlawfully operating or attempting to operate a vessel while under the influence of alcohol, impaired by alcohol and/or drugs, or impaired by a controlled dangerous substance (CDS). Conversely, a conviction for unlawfully operating or attempting to operate a vessel while under the influence of alcohol, impaired by alcohol and/or drugs, or impaired by a CDS constitutes a prior conviction for purposes of determining increased subsequent offender penalties for specified drunk and drugged driving offenses. The Acts also established that a person convicted of specified drunk and drugged driving offenses is subject to increased subsequent offender penalties if the person had previously been convicted of manslaughter by vehicle or vessel.

Privilege to Operate Vessels: ***Chapter 418 of 2024*** authorized a court to prohibit a person from operating a vessel on the waters of the State for up to two years if the person is convicted of operating or attempting to operate a vessel while under the influence of alcohol and up to five years if the person's violation resulted in the death of another.

Licensing and Registration

Licenses and Identification Cards

In General: ***Chapters 404 and 405 of 2024*** exempted certain applicants for identification cards who present appropriate documentation to MVA from paying the required issuance fee. The Acts also extended the term of a learner's instructional permit for an individual seeking a different class of license from 180 days to one year. Additionally, ***Chapters 404 and 405*** established that a driver's license issued to certain U.S. government contractors (and any dependents residing with the contractors) remains in full force and effect during an absence from the State in service of the contract.

Notation of Nonapparent Disability: MVA issues driver's licenses and identification cards to eligible applicants, which may include certain designations such as veteran or organ donor status. ***Chapters 440 and 448 of 2025*** required an initial and renewal application for a license, identification card, or moped operator's permit to allow an applicant to choose to indicate on the document that the applicant had a "nonapparent disability," which includes developmental disabilities and intellectual disabilities. Among other things, the Acts prohibited MVA from charging a fee for the notation – including for the issuance of a corrected document if no other corrections are made – and further prohibited MVA from making certain disclosures related to the notation.

Electronic Credentials: Chapter 142 of 2019 authorized MVA to issue an "electronic credential" (*i.e.*, an electronic representation of a license, an identification card, or a data field) to an individual in addition to, and not instead of, a license or an identification card if MVA has already issued either physical credential to the individual. ***Chapter 565 of 2025*** similarly authorized MVA to enter into an agreement to facilitate the issuance, use, and verification of electronic credentials through a national association of motor vehicle agencies, in addition to

another State agency, an agency of another state, or the federal government. The Act also authorized individuals operating a rented vehicle to use an electronic credential showing a representation of a valid driver's license (instead of a physical driver's license) to rent the vehicle.

Color Photographs: When MVA redesigned its driver's licenses, identification cards, and moped operator's permits to meet federal REAL ID standards, the color photograph was moved to the back of the products and was shrunk to be a smaller image. MVA advised that modern design standards and scanner technology eventually rendered a color photograph obsolete. Consequently, **Chapters 116 and 117 of 2026** repealed the requirement that the photograph included on a driver's license, an identification card, or a moped operator's permit issued by MVA be in color.

Out-of-state Vehicle Registrations

Chapter 487 of 2026 required MVA to engage in a specified process to facilitate compliance with State vehicle registration requirements when MVA has reasonable cause to believe that a motor vehicle owner is a resident of the State and has failed to properly register the motor vehicle with MVA and display registration plates issued by MVA. **Chapter 487** also included provisions related to (1) repossession of registration cards and plates for registration violations; (2) authorization for reciprocal enforcement agreements for automated traffic enforcement systems; (3) registration requirements for trailers, semitrailers, and pole trailers; (4) titling tax exemptions for certain vehicles subject to the Act; and (5) restrictions on the ability of title service agents to register vehicles in other states.

Vehicle Titles Issued to Surviving Spouse

A surviving spouse who is listed as a joint owner of a vehicle with the decedent is not charged a fee to obtain a new certificate of title for the vehicle. **Chapter 441 of 2023** prohibited MVA from charging a fee for the issuance of a new certificate of title to a surviving spouse even if the surviving spouse is not listed as a joint owner of the vehicle.

Vintage Reproduction Registration Plates

Chapter 170 of 2013 required MVA, for a period of one year, to offer a specially designed vintage reproduction registration plate resembling the 1910 Maryland registration plate to a qualifying vehicle owner. **Chapters 491 and 492 of 2025** reinstated and made permanent the requirement for MVA to make available specially designed vintage reproduction registration plates. MVA is required to charge a \$100 initial and \$25 renewal fee for the vintage reproduction registration plates.

Rental Fleet Vehicles

Chapter 526 of 2025 established an alternative registration process for rental fleet vehicles and required MVA to issue distinctive "Fleet Vehicle" registration plates for rental vehicles registered under the alternative process. Among other provisions, the owner of a fleet of five or more rental vehicles must register any rental vehicle in the fleet either under the Act's provisions

or under general statutory provisions that apply to the registration of motor vehicles. The Act did not alter annual registration fees for rental vehicles, but an owner of a rental vehicle registered under the alternative process must pay a one-time initial registration fee of up to \$8.50 when the new registration plates are issued.

Autonomous Vehicles

Autonomous vehicles are governed and regulated primarily at the federal level by the U.S. Department of Transportation. While autonomous vehicles are not authorized to be operated on highways in the State, *Chapters 500 and 501 of 2023* authorized an autonomous vehicle converter to sell, transfer, lease, offer for sale, or resell a converted autonomous vehicle (or a motor vehicle with the intent to convert it). *Chapters 500 and 501* applied only to motor vehicles intended for commercial or industrial use. Under the Acts, an autonomous vehicle converter may not be licensed as a manufacturer, distributor, or factory branch or as a dealer.

Recreational Vehicles

Chapters 525 and 526 of 2024 established a new regulatory framework that applied to recreational vehicle manufacturers and dealers. Among other things, the framework included new licensing requirements for recreational vehicle manufacturers. The Acts established procedures, timelines, and requirements that governed written dealer agreements, provisions governing warranties and the delivery of recreational vehicles, and related enforcement provisions.

Intelligent Speed Assistance System Pilot Program

Chapters 869 and 870 of 2026 required MVA to establish an Intelligent Speed Assistance (ISA) System Pilot Program by October 1, 2027. An ISA system is defined as an aftermarket device that determines the applicable speed limit and actively prevents a motor vehicle from exceeding the applicable speed limit. Among other things, the Acts required an individual to participate in the program for one year if the individual has accumulated enough points for speeding-related violations to result in the suspension or revocation of the individual's driver's license.

Motorcycle Safety Awareness

Chapter 539 of 2026 required MVA to include at least one question related to motorcycle safety awareness on the driver skills examination required for the issuance of a driver's license. The Act required that the pool of questions from which the examination draws include at least five questions related to motorcycle safety awareness.

Rules of the Road

Parking Citations

Chapter 451 of 2023 required a parking citation issued by a political subdivision, State agency, or authorized third-party contractor to include a box that the person issued the citation could check to indicate that the registration plates cited were not issued for the vehicle described in the citation. If a person returns a citation with the box checked, the political subdivision, State agency, or third-party contractor must verify through MVA whether the person should be held liable for the violation and may contact the person as part of the verification process. If, after the verification process, the political subdivision, State agency, or third-party contractor finds that the person should not be held liable, the citation must be dismissed. The Act prohibited a person from submitting a citation with the box checked if the registration plates cited were, in fact, issued for the vehicle described in the citation.

Operation of Golf Carts on Local Highways

Chapters 491 and 492 of 2024 authorized a person to operate a golf cart equipped with approved lighting on county or municipal highways between dawn and dusk if the maximum posted speed limit generally does not exceed 30 miles per hour. Under **Chapters 491 and 492**, the golf cart must be kept as far to the right of the roadway as feasible, and the driver must have a valid driver's license. A golf cart operating pursuant to the Acts' authorization is exempt from the general requirement that each motor vehicle driven on a highway in the State be registered. The governing body of a county or municipality may designate the highways under their respective jurisdictions on which a golf cart may be operated.

Speed Limits

Anne Arundel County: Chapter 468 of 2024 authorized Anne Arundel County and municipalities within the county to decrease the maximum speed limit to no less than 15 miles per hour on a highway after performing an engineering and traffic investigation. The Act prohibits the county from implementing a new speed monitoring system to enforce speed limits on any portion of a highway for which the speed limit has been decreased under this authorization.

Queen Anne's County: Chapter 557 of 2025 authorized a municipality in Queen Anne's County to decrease the maximum speed limit to not less than 15 miles per hour on a highway without performing an engineering and traffic investigation.

Street Racing and Exhibition Driving

To address the growing problem of “pop-up” events involving driving activity that endangered public safety, **Chapters 569 and 570 of 2024** increased penalties and points assessments for violations related to participation in exhibition driving or race or speed contests. The Acts also established a statewide prohibition on exhibition driving on any highway or private property used for driving by the general public. The Acts further applied statewide the prohibition

in Worcester County against exhibition driving, race or speed contests, and other vehicle-related activities in a special event zone.

Right-of-way in Bike Lane/Shoulder

The driver of a vehicle is required to yield the right-of-way to a person who is lawfully riding a bicycle, an electric personal assistive mobility device (EPAMD), or a motor scooter in a designated bike lane or shoulder if the driver of the vehicle is about to enter or cross the designated bike lane or shoulder. **Chapters 464 and 465 of 2024** established increased penalties for a driver who violates this requirement if the violation contributes to the serious physical injury or death of a person riding a bicycle, EPAMD, or motor scooter in the bike lane or shoulder, subjecting a violator to imprisonment for up to two months and/or a maximum fine of \$2,000.

Motorcycles

Chapters 636 and 637 of 2024 prohibited a motorcycle passenger from riding on a seat at the rear of the operator if the passenger cannot position their feet firmly on the footrests while seated. This prohibition does not apply if a motorcycle passenger cannot position their feet as required due to a permanent physical disability. Under **Chapters 636 and 637**, a violation is a misdemeanor and is subject to a maximum fine of \$500.

Bicycles, Play Vehicles, and Unicycles

Chapter 558 of 2025 authorized a person to ride a bicycle, play vehicle, or unicycle on a sidewalk or sidewalk area and in or through a crosswalk *unless prohibited* by local ordinance (as opposed to *where allowed* by local ordinance). When riding a bicycle, play vehicle, or unicycle on a sidewalk or sidewalk area or in or through a crosswalk, a person must yield the right-of-way to a pedestrian or an individual riding on an EPAMD.

Obscured, Modified, or Blocked Registration Plates and Registration Plate Covers

Chapter 566 of 2025 made several changes to laws pertaining to registration plate covers. Among other things, the Act prohibited a person from obscuring or modifying a vehicle registration plate *in a manner that may prevent identification*, as opposed to obscuring or modifying a vehicle registration plate *with intent to avoid identification*. Under **Chapter 566**, a police officer may enforce a violation of this altered prohibition only as a secondary offense.

Reckless, Negligent, and Aggressive Driving

Chapters 446 and 447 of 2025 made reckless driving an incarcerable offense subject to imprisonment for up to 60 days and increased the maximum monetary penalties for negligent driving and aggressive driving to \$750 and \$1,000, respectively. The Acts also (1) expanded the list of traffic offenses that constitute aggressive driving; (2) expanded reckless driving to include driving a vehicle at a speed of at least 30 miles per hour above the posted speed limit; and (3) altered the points assessment MVA must make against a person's driver's license for a

negligent driving conviction and a conviction for speeding at 30 miles per hour or more above the posted speed limit to 2 points and 6 points, respectively.

Medical Exemption for Enhanced Tinted Windows

Chapters 452 and 453 of 2025 required the medical exemption that allowed the operation of a vehicle with enhanced window tinting on a highway in the State to be valid indefinitely if a licensed physician determines that the vehicle owner's medical condition that necessitates the tinting is permanent.

Dangerous Accumulations of Snow and Ice

Chapters 667 and 668 of 2026 prohibited a person from operating or towing a vehicle without making reasonable efforts to remove any accumulated snow and ice that poses a threat to persons or property from exposed vehicle surfaces. The prohibition does not apply if compliance would (1) cause the operator of a vehicle to violate any workplace safety law or regulation or (2) threaten the operator's health or safety. Under the Acts, a police officer may enforce a violation of the prohibition only as a secondary offense, except when the violation contributes to an accident resulting in property damage or the death of, or serious bodily injury to, another person.

Prohibition on Standing in Inherently Dangerous Highway

Chapter 587 of 2026 and *Chapter 781 of 2026* prohibited, in St. Mary's and Wicomico counties, a person from standing in a roadway, shoulder, median divider, or intersection determined to be inherently dangerous by the county or a municipality in the county, in consultation with the State Highway Administration (SHA). The Acts prohibited a police officer from issuing a citation for violating this prohibition unless specified signage requirements are met. In addition, approval must be obtained from SHA before installing the signs on a State highway.

Automated Enforcement Systems

The following Acts, discussed chronologically, expanded or modified the State's various speed monitoring system (*i.e.*, speed camera) programs:

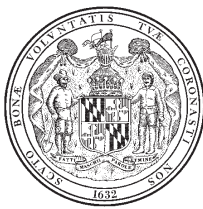
- *Chapter 606 of 2023* increased, from three to six, the number of speed cameras that Prince George's County may use on Maryland Route 210 (Indian Head Highway);
- *Chapter 610 of 2023* authorized the placement of one speed camera at the intersection of Maryland Route 333 (Oxford Road) and Bonfield Avenue in the Town of Oxford in Talbot County;
- *Chapters 592 and 593 of 2023* authorized the use of speed cameras on highways in residential districts in Anne Arundel County with a maximum posted speed limit of 35 miles per hour;

- **Chapter 17 of 2024** significantly enhanced the Work Zone Speed Camera Program by repealing the maximum \$40 fine and instead establishing a tiered penalty structure ranging from \$60 to \$1,000 depending on the excessiveness of the recorded speed for a violation and whether workers were present at the time the violation was recorded;
- **Chapters 505 and 596 of 2025** established a tiered penalty structure similar to that of **Chapter 17** for speed cameras in use in the State under local programs;
- **Chapter 567 of 2025** increased the number of speed cameras that may be placed on Interstate 83 in Baltimore City from two to four;
- **Chapter 582 of 2025** authorized SHA to place and use speed cameras in certain areas at high risk for serious vehicle crashes in Baltimore County on both Interstate 695 and Interstate 83;
- **Chapter 587 of 2025** authorized the Maryland Transportation Authority to place and use speed cameras on Maryland Route 200 (the Intercounty Connector) in Montgomery County;
- **Chapter 590 of 2025** authorized the placement and use of speed cameras on highways in Montgomery County identified as having a high risk for motor vehicle crashes that result in serious bodily injury or death;
- **Chapters 466 and 467 of 2025** authorized a technician employed by or under contract with a local enforcement agency, rather than a duly authorized law enforcement officer, to (1) sign citations alleging a violation recorded by a speed monitoring system and (2) swear to or affirm that a violation recorded by a speed monitoring system occurred; and
- **Chapter 285 of 2026** authorized SHA or local jurisdictions to place and use speed cameras on segments of a highway under their respective jurisdictions identified under federal law as a “safety corridor” and allowed SHA to authorize a local government that has a program of speed monitoring systems or work zone speed control systems to place and use speed monitoring systems on State highways in safety corridors.

The following Acts, discussed chronologically, expanded or modified the State’s other automated enforcement system programs or requirements and prohibitions that apply to all automated enforcement programs, including speed monitoring systems:

- **Chapters 624 and 625 of 2024** established a regulatory framework for Montgomery and Prince George’s counties to use noise abatement monitoring systems to record violations of State law governing maximum sound limits for motor vehicles;

- **Chapter 678 of 2024** authorized, for five years, the use of stop sign monitoring systems on State and local highways located in a school zone in Prince George’s County to record violations of State law requiring obedience to stop signs;
- **Chapters 463 and 464 of 2025** generally prohibited agencies that implement automated enforcement system programs from accessing or using a recorded image or associated data without a warrant, subpoena, or court order unless the access or use is for an appropriate traffic enforcement purpose, subject to certain exceptions;
- **Chapter 571 of 2025** authorized the use of stop sign monitoring systems in school zones in the 45th and 46th legislative districts in Baltimore City and the City of Takoma Park in Montgomery County;
- **Chapter 712 of 2025** and **Chapter 11 of the special session of 2025** extended the termination date for the authorization for Montgomery and Prince George’s counties to implement noise abatement monitoring system programs;
- **Chapter 557 of 2026** authorized, for three years, the use of stop sign monitoring systems in a school zone in the City of Gaithersburg or the City of Rockville in Montgomery County; and
- **Chapter 569 of 2026** authorized, for three years, the use of stop sign monitoring systems in the 41st legislative district in Baltimore City.



Part H

Business and Economic Issues

Business Occupations

Professional Licensing Boards and Commissions

General Occupational Licensing and Certification

Service Members, Veterans, and Military Spouses: The Veterans Full Employment Act of 2013 streamlined professional licensing for active military personnel, veterans, and their spouses by expediting the issuance of licenses, registrations, or certificates to military service members, veterans, and military spouses if specified education, training, and experience conditions are met. ***Chapter 619 of 2023*** required the Maryland Department of Labor (MD Labor), in consultation with the Maryland Department of Veterans Affairs, to conduct a study on the utilization of the expedited licensing process for service members, veterans, and military spouses for licenses. ***Chapter 250 of 2025*** authorized each unit in MD Labor to establish a process to include a notation indicating veteran status on an occupational license. ***Chapter 491 of 2026*** expanded that authority by authorizing the inclusion of a notation indicating veteran status on a person's public profile.

Chapters 492 and 493 of 2026 authorized a foreign service member or a foreign service member's spouse who relocates to the State due to an assignment or detail to the State and holds a license issued by another state to practice under and within the scope of that license for the duration of the assignment or detail within the State, if the individual provides specified documentation and satisfies other criteria.

Criminal History and Record Checks: Individuals with criminal convictions experience greater barriers to finding high quality employment due to many licensing qualifications, including criminal history records checks, even for convictions for conduct unrelated to the role or that is decades old. To address these inequities, the General Assembly passed ***House Bill 482 of 2025***, which would have established a predetermination review process under which an individual could have requested that certain State agencies review the individual's criminal history to determine

whether that criminal history would disqualify the individual from obtaining the occupational license or certification being sought from the agency. However, the Governor vetoed the bill for policy reasons, including because the Maryland Department of Health (MDH) was excluded from the bill's requirements.

After consideration of the Governor's concerns, the General Assembly passed **Chapter 302 of 2026**, which established a predetermination review process that authorized an individual to file a request, for a fee, with certain State agencies, including MD Labor and MDH, but excluding the Department of Public Safety and Correctional Services, to determine whether the individual's criminal history would disqualify the individual from obtaining the occupational license or certificate being sought. The Act terminates June 30, 2029.

Changes by Profession

Accountants

The State Board of Public Accountancy licenses individuals acting as certified public accountants (CPA), and issues permits to business entities that provide public accountancy services. **Chapters 406 and 407 of 2025** altered the qualifications for an individual licensed as a CPA in another state to practice certified public accountancy in Maryland by repealing the requirement that the National Association of State Boards of Accountancy verify that the requirements of the other state be substantially equivalent with the licensure requirements of the Uniform Accountancy Act. Instead, the Acts required the individual who holds a valid license in another state to have passed the Uniform CPA Examination.

Chapters 404 and 405 of 2025 authorized the board to place a licensee on emeritus status and reinstate their license under specified circumstances. Finally, **Chapter 174 of 2026** established alternative pathways to licensure as a CPA by the board. Under the Act, practical work experience requirements may be completed over a longer period, while educational and experiential requirements may be combined in alternative ways to qualify for a license.

Architects

Chapters 245 and 246 of 2026 required, rather than authorized, the State Board of Architects to deny or suspend a license to practice architecture or reprimand a licensee under specified circumstances and expanded the grounds for discipline to include situations in which an applicant or licensee misrepresents that the individual holds a license or a permit. The board must notify each county code official if a license is suspended or revoked by the board, and a code official must verify a licensee's credentials when reviewing and approving architectural documents. **Chapters 245 and 246** also authorized the board to establish an electronic portal to allow the confidential submission of anonymous reporting of certain complaints.

Barbers and Cosmetologists

Domestic Violence Training: *Chapter 286 of 2025* altered the qualifications for a license issued by the State Board of Barbers or the State Board of Cosmetologists to include one hour of training in domestic violence awareness.

Cosmetologists: *Chapters 328 and 329 of 2024* entered Maryland into the interstate Cosmetology Licensure Compact for cosmetologists to facilitate the interstate practice and regulation of cosmetology with the goal of improving public access to, and the safety of, cosmetology services and reducing unnecessary burdens related to cosmetology licensure.

The State Board of Cosmetologists previously issued four limited licenses: hairstylist, blow-drying, nail technician, and esthetician. *Chapters 354 and 355 of 2025* established a fifth limited license to provide eyelash extension services.

Electricians

The State Board of Electricians grants licenses to master electricians, journeyman electricians, and apprentice electricians who meet specified educational and experiential requirements. *Chapter 187 of 2023* made several changes to the Maryland Electricians Act. Specifically, the Act placed approval for a registered apprenticeship program for electricians with MD Labor's Division of Workforce Development and Adult Learning. The Act also established an uninsured status certification for master electricians who are providing journeyman electrical services without the need to secure individual insurance coverage. Master electricians with uninsured status certification were required to meet continuing education requirements and prohibited from pulling permits in local jurisdictions.

Heating, Ventilation, Air Conditioning, and Refrigeration

The State Board of Heating, Ventilation, Air-Conditioning, and Refrigeration (HVACR) Contractors licenses and regulates HVACR services for commercial and residential properties. *Chapter 340 of 2023* altered the qualifications for a journeyman license to provide HVACR services by increasing the number of years an applicant must hold an apprenticeship license and the hours of training an applicant must complete before applying for a journeyman license.

Chapter 386 of 2025 prohibited a person from knowingly selling or offering to sell HVACR equipment to another person unless the individual purchasing the equipment holds a license or employs an individual licensed by the board; operates a specified business; or is not required to be licensed under State law.

Home Improvement

The Maryland Home Improvement Commission licenses and regulates home improvement contractors and salespersons and administers a guaranty fund to reimburse homeowners for actual losses due to the errors and omissions of licensed contractors and their subcontractors,

salespersons, and employees. **Chapters 529 and 530 of 2024** increased, from \$50,000 to \$500,000, the amount of general liability insurance that a licensed home improvement contractor or an applicant for a home improvement contractor license must maintain.

Chapters 638 and 639 of 2024 prohibited a person from serving or acting as a contractor, subcontractor, or broker between a contractor and subcontractor in the State within five years of a conviction for an offense that constitutes criminal malfeasance, misfeasance, or nonfeasance under federal or State law.

Professional Engineers

Generally, an individual must be licensed by the State Board for Professional Engineers to practice engineering in the State. There are several pathways to licensure, each of which require a specified amount of work experience in engineering that is satisfactory to the board, depending on the level of educational attainment. **Chapter 338 of 2025** required an applicant for license under the work-experience-only pathway to pass the fundamentals of engineering examination prior to taking and passing the principles and practice of engineering examination.

State Real Estate Commission

License Issuance and Renewals: The State Real Estate Commission issues licenses to qualified real estate brokers, associate brokers, and salespersons. **Chapter 339 of 2023** required a licensee who fails to reactivate a license on inactive status within three years to comply with specified licensing requirements to obtain a license to provide real estate brokerage services in the State.

Previously, at least one month before a license expires, the commission was required to mail or electronically transmit to a licensee a renewal application form and a notice with specified license renewal information. **Chapter 330 of 2024** required that the notice be sent at least 60 days before the license expires.

Continuing Education and Termination of Employment: Generally, each individual licensed by the commission must complete 15-clock hours of continuing education every two years to qualify for license renewal. **Chapters 313 and 314 of 2023** established separate continuing education requirements for a real estate broker, real estate salesperson, or associate real estate broker licensee issued an initial license by the commission. **Chapter 330** required the commission to adopt regulations related to the conduct of continuing education by virtual or remote means and modified the requirements for providing proof of continuing education completion to the commission. **Chapters 397 and 398 of 2025** altered several continuing education requirements for the renewal of a license for real estate brokers, associate real estate brokers, and real estate salespersons, including clock hour requirements, course topics, course instructor selection, and course application fees.

Real Estate Contract Disclosures: *Chapters 198 and 199 of 2024* established certain requirements and prohibitions for commercial real estate transactions related to a buyer's right to make certain title, settlement, and escrow selections.

Brokerage Agreements: The requirements for brokerage agreements apply to both agreements between a broker and a seller or lessor and agreements between a broker and buyer or lessee. *Chapter 359 of 2024* split general brokerage agreement requirements into two sections: one governing the agreement between a broker and a seller or lessor; and another between a broker and a buyer or lessee and required certain information to be included in an agreement.

Real Estate Appraisers, Appraisal Management Companies, and Home Inspectors

To provide real estate appraisal services or certified real estate appraisal services in the State, an individual must be licensed or certified by the State Commission of Real Estate Appraisers, Appraisal Management Companies, and Home Inspectors. *Chapters 386 and 387 of 2023* established an alternative pathway for obtaining licensure as a real estate appraiser and certification as a residential or general real estate appraiser. *Chapter 341 of 2025* prohibited the commission from requiring an applicant to hold a bachelor's degree or higher to qualify for licensure as a real estate appraiser or for certification as a residential real estate appraiser.

Tax Preparers

Tax preparers are regulated by two separate State agencies: the State Board of Individual Tax Preparers and the Office of the Comptroller. The board regulates the credentials of tax preparers, and the Comptroller determines when a preparer has filed fraudulent returns. *Chapters 731 and 732 of 2024* required the board to publish on its website a code of ethics and rules of professional conduct for engaging in the practice of individual tax preparation by January 1, 2026. The Acts also mandated information sharing between the board and the Comptroller when either body takes injunctive or disciplinary action against an individual. Further, the Acts authorized employees of the Field Enforcement Bureau in the Office of the Comptroller with the powers, duties, and responsibilities of a peace officer for the purpose of enforcing the laws pertaining to income tax preparation. Lastly, *Chapters 731 and 732* prohibited an income tax preparer from willfully preparing, assisting in preparing, or causing the preparation of an income tax return or claim for refund without being properly licensed or registered to provide income tax preparation services in the State.

Business Regulation

Cemeteries and Crematories

The Office of Cemetery Oversight within MD Labor is responsible for the registration and oversight of individuals and businesses engaged in the operation of cemeteries, burial goods businesses, and in limited circumstances, crematories. The State Board of Morticians and

Funeral Directors within MDH has jurisdiction over all remaining crematories not subject to the office's jurisdiction.

Crematories and Reduction Facilities: Chapters 187 and 188 of 2026 generally transferred all regulatory oversight of crematories and reduction facilities exclusively to the State Board of Morticians and Funeral Directors from the dual jurisdiction of the board and the Office of Cemetery Oversight. A person who holds a permit or registration from the Office of Cemetery Oversight may continue to operate under the permit or registration until it expires. Similarly, the Office of Cemetery Oversight retains jurisdiction over complaints regarding crematories and reduction facilities filed with the office before July 1, 2026. The board is required to convene a stakeholder workgroup to review the statutes and regulations regarding the regulation of crematories and reduction facilities by the board and submit a report to specified committees of the General Assembly by December 31, 2026.

Human Remains: Chapters 599 and 600 of 2024 required the Office of Cemetery Oversight, in conjunction with the State Board of Morticians and Funeral Directors, to adopt regulations establishing a process for regulating crematories that use alkaline hydrolysis (water cremation); reduction facilities that use natural organic reduction; and registered reduction operators.

Pet Remains: Chapter 591 of 2023 established that a registered cemeterian, registered crematory operator, or permit holder who sells or offers to sell to the public certain services for pet remains (*i.e.*, cremation services, a burial lot, or a burial right) owes a duty of perpetual care for the cemetery in which the pet remains are interred. ***Chapter 547 of 2026*** established numerous consumer protection and disclosure requirements for persons that provide cremation services under State law and sell or offer for sale to the public pet cremation services of pet remains. The Act also established duties of persons responsible for returning pet cremains to pet owners after cremation. In addition to other criminal penalties, a violation is an unfair, abusive, or deceptive trade practice under the Maryland Consumer Protection Act (MCPA), subject to MCPA's civil and criminal penalty provisions.

Cemeteries: Chapters 411 and 412 of 2025 established a Maryland Inventory of Cemeteries and Burial Sites Workgroup, staffed by the Maryland Historical Trust to, among other things, evaluate existing cemetery inventories maintained by county governments, historic preservation programs, and genealogical organizations to determine how to integrate existing information into a State cemetery inventory system. ***Chapters 409 and 410 of 2025*** established the Abandoned and Neglected Cemeteries Fund to provide for the care, preservation, maintenance, and restoration of abandoned and neglected cemeteries in the State.

Chapter 545 of 2026 prohibited a registered cemeterian, permit holder, or the owner of a cemetery that is exempt from registration and permitting requirements (except a religious organization that is a cemetery owner) from selling or transferring a cemetery, in whole or in part, to another person without the approval of the executive director of the Office of Cemetery Oversight, as specified. The Act also, among other things, (1) specified requirements that must be

met before the executive director of the Office of Cemetery Oversight approves a sale or transfer of a cemetery; (2) authorized a court action by any party that disputes the director’s decision, as specified; and (3) required that in such an action, the court issue a decision within six months of the action being served. Finally, **Chapter 545** authorized the State, a county, or a municipality to acquire an abandoned cemetery for specified purposes, subject to certain exceptions.

Tobacco Products and Electronic Smoking Devices

Retail Sales: The Tobacco Retail Modernization Act of 2024, **Chapter 462 of 2024**, made various changes to the manner in which cigarettes, electronic smoking devices (ESD), and other tobacco products (OTP) may be sold in the State. Generally, ESD and their component parts and accessories may only be sold by licensed vape shop vendors directly to consumers, and cigarettes, OTP, and ESD may not be displayed at retail unless the products are behind a counter. The Act also increased specified county retail tobacco license fees; altered display requirements for tobacco products, OTP, and ESD; required MDH to conduct unannounced vendor inspections; expanded the grounds for the issuance of specified civil citations; increased the criminal penalties associated with the sale of tobacco products to minors; and repealed provisions that authorized the sale of cigarettes, OTP, or ESD to a person who is at least age 18 and an active-duty member of the military.

Seizure of Electronic Smoking Devices: The Comptroller, Executive Director of the Alcohol, Tobacco, and Cannabis Commission, or a peace officer of the State is authorized to seize contraband tobacco products in the State without a warrant, subject to notice of seizure, claim for return of property, and hearing requirements. **Chapter 305 of 2025** established a similar process for ESD. The Act also repealed the direct sale of an ESD by a manufacturer to a consumer and established recordkeeping requirements for ESD wholesaler distributors and wholesaler importers.

ESD Additional Licensure: **Chapter 415 of 2026** required any person with a cigarette business license or OTP license that is seeking to manufacture, distribute, or sell ESD to obtain a separate license to manufacture, distribute, or sell ESD. A person who holds a cigarette or OTP license as of September 30, 2026, is excluded from the Act’s requirement until the current license expires.

Miscellaneous

Charitable Organizations

The Secretary of State registers and oversees charitable organizations to which persons are able to make official charitable contributions. Charitable organizations are required to file an annual report with the Secretary of State, and failure to do so results in a fine. **Chapters 380 and 381 of 2023** altered the definition of “charitable contribution” to exclude an authorization for (or a discount on) the use of services or materials, equipment, or facilities, including those relating to advertising and broadcast airtime (including public service announcements). **Chapters 380 and 381** further authorized the Secretary of State to accept certain documentation in place of an audit or review in connection with a charitable organization’s registration statement. **Chapters 79**

and 80 of 2025 authorized the Secretary of State to suspend or waive late filing fees for charitable organizations and established that a late fee cannot be considered a delinquent account or debt requiring referral to the Central Collection Unit. The Acts also established the process for the Secretary of State to cancel the registration of a charitable organization that fails to file specified reports as well as how a charitable organization can request to reinstate a canceled registration.

Home Builders

Under the Maryland Home Builder Registration Act, a “new home” is a newly constructed residential dwelling, including the fixtures that are a part of the dwelling. New home builders are required to register with the Home Builder Registration Unit within the Consumer Protection Division of the Office of the Attorney General. *Chapter 295 of 2025* required a person registered as a home builder in the State to provide to the buyer specified information about the warranties for appliances registered by the home builder at the time of closing for the initial sale of a new home.

Chapter 544 of 2026 required a home builder that holds an open house to display, in a conspicuous manner, a general notice to prospective buyers that advises the public that the sales representative for a home builder owes a duty of loyalty to their employer and a buyer has the right to independent representation when purchasing a new home.

Home Detention Monitoring Agencies

Chapters 477 and 478 of 2026 prohibited, on the grounds of a courthouse or correctional facility, an agent of a private home detention monitoring agency (PHDMA), an employee of a courthouse, or an employee of a correctional facility from advertising or soliciting business on behalf of a PHDMA, subject to specified criminal penalties.

Security Guards

Subject to specified exceptions, a licensed security guard agency may provide an individual for hire as a security guard only if the individual is certified by the Secretary of State Police as a security guard. *Chapter 763 of 2023* prohibited a security guard employer, subject to specified exceptions, from employing a security guard to provide security guard services unless the security guard is certified. The Act also established and altered training, liability insurance, notification, and recertification requirements for certified security guards. The Maryland Police Training and Standards Commission was required to identify or establish training programs for certified security guards. *Chapter 763* also required that a security guard report any use of force against a person while providing security guard services on behalf of a licensed security guard agency or employer to the agency or employer within 48 hours after the use of force occurs. The security guard agency or employer must in turn report the use of force incident by a security guard to the Secretary of State Police.

Chapter 942 of 2024 required a security guard employer that provides security guard services on the premises of a health care facility to report every seven days to the Secretary of

State Police on the number of code greens initiated for combative persons and code purples initiated for security only responses, as those codes are defined in regulation, occurring in the previous seven days.

Vehicles and Vehicle Parts

Pricing Signage of Gasoline: *Chapter 451 of 2024* required a sign at all retail service stations to prominently display the credit and debit price, if the debit or credit price is higher than the cash price, or the credit and debit price and the cash price for a whole measurement unit of regular gasoline sold on the premises and established specifications for the posted sign.

Records of Catalytic Converters: For each purchase of junk or scrap metal in the State, a junk dealer or scrap metal processor must keep a record in English that includes purchaser information, description of an item, and transaction details. *Chapter 484 of 2024* required a licensed automotive dismantler, scrap metal processor, or junk dealer that acquires all or part of a detached catalytic converter from a person to record and keep in the person's records the vehicle identification number of the vehicle from which the catalytic converter was obtained.

Rounding Cash Transactions

Due to federal cessation of penny production, the State prepared for a future shortage in the availability of pennies. Specifically, *Chapters 515 and 516 of 2026* authorized a merchant to round the portion of the price of certain cash transactions for which a customer pays using cash in a certain manner or round the amount of change due to a customer up or down to the nearest cent divisible by five, as specified. The definition of the term “taxable price” was altered for purposes of law governing the State sales and use tax to clarify the exclusion from the tax of a certain amount collected due to rounding the price for a good or service. The Acts preempt any existing regulations, rules, and ordinances that conflict.

Telecommunications Infrastructure

Chapter 546 of 2026 prohibited a person from recklessly or willfully and maliciously defacing, damaging, or destroying telecommunications infrastructure, subject to specified criminal penalties. The Act also expanded the description of telecommunications equipment for the purpose of defining “junk or scrap metal” and authorized a junk dealer or scrap metal processor to accept an alternative form of documentary evidence from a seller to show that the seller has the legal authority to sell the telecommunications equipment.

Travel Services

Following the tragic death of several Marylanders who traveled to the Middle East as part of a religious pilgrimage who used the services of unregulated travel organizers, the General Assembly passed *Chapter 611 of 2026*, which required specified sellers of travel services and independent agents to annually file with MD Labor proof of professional liability and errors and omissions insurance in the amount of at least \$1.0 million. MD Labor was tasked with

providing reasonable notice of the requirements of the law to consumers and sellers of travel. Fee revenues accrue to the Sellers of Travel Services Registration Fund as administered by MD Labor to cover administrative costs of the Act.

Program Evaluation – Sunset Review

The Maryland Program Evaluation Act (MPEA) is used by the General Assembly to evaluate activities and units of the Executive Branch of State government. The Department of Legislative Services (DLS) may evaluate entities subject to the MPEA as directed by the Legislative Policy Committee, the Joint Audit and Evaluation Committee, the Executive Director of DLS, the Director of the Office of Policy Analysis, the Director of the Office of Program Evaluation and Government Accountability, or by legislation. Many regulatory boards and commissions are subject to termination and therefore potentially subject to an evaluation if determined to be appropriate prior to termination. Several boards and commissions were subject to evaluation and reauthorized during the 2023-2026 term, as shown in **Exhibit H-1**.

Exhibit H-1
**Occupational and Professional Licensing Boards and Commissions Subject to
 Sunset Evaluation and Reauthorized During the Term**

<u>Chapter Law</u>	<u>Board or Commission</u>	<u>Termination Date</u>		<u>Report Due</u>
		<u>Old</u>	<u>New</u>	<u>On or Before</u>
2023 Legislation				
Chapter 595	Architects	July 1, 2023	July 1, 2028	January 1, 2024*
Chapter 34	Foresters	July 1, 2025	July 1, 2035	
Chapter 526	Real Estate Appraisers, Appraisal Management Companies, and Home Inspectors	July 1, 2023	July 1, 2026	
Chapter 31	Stationary Engineers	July 1, 2024	July 1, 2034	
2024 Legislation				
Chapter 395	Amusement Ride Safety Advisory	July 1, 2024	July 1, 2027	July 1, 2025
Chapter 400	Boiler Rules	July 1, 2024	July 1, 2029	July 1, 2025
Chapter 396	Barbers	July 1, 2024	July 1, 2027	July 1, 2025
Chapter 397	Cosmetologists	July 1, 2024	July 1, 2027	July 1, 2025
Chapter 398	Individual Tax Preparers	July 1, 2026	July 1, 2027	July 1, 2025
Chapter 399	Professional Land Surveyors	July 1, 2024	July 1, 2027	July 1, 2025
2025 Legislation				
Chapters 83 and 84	Public Accountancy	July 1, 2025	July 1, 2030	July 1, 2028
2026 Legislation				
Chapters 127 and 128	Barbers	July 1, 2027	July 1, 2032	July 1, 2030
	Cosmetologists	July 1, 2027	July 1, 2032	July 1, 2030
	Professional Land Surveyors	July 1, 2027	July 1, 2032	July 1, 2030
	Real Estate Appraisers, Appraisal Management Companies, and Home Inspectors	July 1, 2026	July 1, 2032	July 1, 2030
	Individual Tax Preparers	July 1, 2027	July 1, 2032	July 1, 2030

* Legislation required the Maryland Department of Labor to hire a consultant to conduct an independent evaluation to determine if the commission is adhering to the most recent Uniform Standards of Professional Appraisal Practice's diversity, equity, and inclusion guidelines in its regulation of real estate appraisal management companies in the State.

Source: Department of Legislative Services

Public Service Companies

Electricity and Energy

The 2023-2026 term began with significant legislation to incentivize renewable energy and energy storage, assist the State in meeting its greenhouse gas (GHG) emissions reductions goals, and alter regulatory requirements for the marketing and sale of electricity and gas by retail suppliers. However, increased energy demand throughout the region and rising utility bills resulted in comprehensive legislation being enacted in the 2025 and 2026 sessions to more directly address in-state electricity generation, grid reliability, utility cost recovery, large electric customer interconnections, ratepayer affordability, and other related issues.

Chapters 625 and 626 of 2025, the Next Generation Energy Act, established and modified various provisions of law relating to electricity generation, utility cost recovery, and large customer (mostly, data center) interconnections, among other related changes. The Acts also established a process to provide a one-time, \$200.0 million, residential electric customer bill credit in fiscal 2026.

Chapter 353 of 2026, the Utility RELIEF (Reducing Energy Load Inflation for Everyday Families) Act, modified specified provisions of the Next Generation Energy Act and took additional measures related to State and ratepayer-funded energy programs, utility rates and cost recovery, large load customers and data centers, the Certificate of Public Convenience and Necessity (CPCN) process, the Strategic Energy Investment Fund (SEIF), competitive retail electricity supply, and local solar permitting. Among other changes, the Act also (1) established a process for \$100.0 million of alternative compliance payment (ACP) revenues from the SEIF to be used to lower the EmPOWER surcharge for residential customers in 2027; (2) established consumer transparency requirements for investor-owned utilities; and (3) required the Public Service Commission (PSC) to establish a registry and voluntary clean capacity rating program for large load customers.

Various significant provisions of the Next Generation Energy Act and the Utility RELIEF Act are discussed in further detail below.

Public Service Company Rates, Cost Recovery, and Operations

PSC must supervise and regulate public service companies, which includes gas and electric companies, subject to its jurisdiction to (1) ensure that they operate in the interest of the public and (2) promote adequate, economical, and efficient delivery of utility services in the State without unjust discrimination. A public service company must charge just and reasonable rates for the regulated services that it renders. Generally, PSC has the power to set a just and reasonable rate of a public service company, as a maximum rate, minimum rate, or both. PSC may adopt an alternative form of regulation for an electric company if it finds, after notice and hearing, that the alternative form of regulation (1) protects consumers; (2) ensures the quality, availability, and

reliability of regulated electric services; and (3) is in the interest of the public, including shareholders of the electric company.

Electric System Planning: The Climate Solutions Now Act (CSNA) (Chapter 38 of 2022) established the goal of the State that the electric distribution system support, in a cost-effective manner, the State’s policy goals with regard to (1) GHG emission reductions; (2) renewable energy; (3) decreasing dependence on electricity imported from other states; and (4) achieving energy distribution resiliency, efficiency, and reliability. **Chapter 540 of 2024** modified provisions related to electric distribution system planning established in the CSNA by (1) broadening the scope of the State policy goals beyond the electric distribution system and making conforming changes; (2) broadening references to federal funds available for electric companies to meet the State’s policy goals; and (3) requiring PSC to require electric companies to take certain actions.

Time-of-use Tariffs: **Chapters 475 and 476 of 2024** required each investor-owned electric company to file with PSC one or more time-of-use (TOU) tariffs to be available for appropriate customer classes on an opt-in basis and an enrollment target to achieve by January 1, 2028. The Acts further required the companies to report to PSC on potential deferral of distribution system capital projects due to TOU tariffs, demand-side programs, and other means to manage electricity demands, as specified. Municipal utilities and electric cooperatives may, but need not, file pilot TOU programs on the same basis as investor-owned electric companies.

Multiyear Rate Plans: **Chapters 625 and 626** prohibited the use of multiyear rate plans by gas, electric, or combination gas and electric companies unless the plan (1) demonstrates the customer benefits of the investment and (2) does not allow for a company to file for reconciliation of cost of revenue variances of the approved revenue component used by PSC to establish just and reasonable rates. **Chapter 353** placed additional restrictions on multiyear rate plans used by those companies by generally prohibiting reconciliations and cost-sharing mechanisms unless they benefit ratepayers.

Prohibitions and Limitations on Cost Recovery by Utilities: **Chapters 625 and 626** prohibited investor-owned gas, electric, or combination gas and electric companies from recovering through rates costs associated with membership, dues, sponsorships, or contributions to industry trade associations or the acquisition, use, or allocation of costs associated with a private plane that is owned or leased by the company or its holding company. Subsequently, **Chapter 353** imposed additional cost recovery limitations on those companies, including prohibiting recovery, through rates, of any costs associated with supervisor compensation exceeding 110% of the maximum annual salary payable to the chair of PSC (currently, approximately \$250,000). Also, each investor-owned electric and gas company’s board of directors was required to adopt a companywide policy placing reasonable cost limitations on expenditures that the company intends to recover through rates for various expenses, including entertainment, transportation, and office renovations.

Gas Infrastructure Surcharge: **Chapters 625 and 626** made changes to the application and review process for gas infrastructure replacement plans that have an associated monthly

surcharge on customer bills (typically known as the “STRIDE” surcharge). In addition to existing requirements, a plan filed by a gas company with PSC was required to include (1) a description of each eligible infrastructure replacement project; (2) a demonstration that the gas company has selected and given priority to projects based on risk to the public and cost-effectiveness; (3) an analysis that compares the costs of proposed replacement projects with alternatives to replacement; and (4) a plan, subject to specified requirements, for notifying customers affected by proposed projects at least six months in advance of construction.

Forecast Test Years: **Chapter 353** required PSC to conduct a proceeding and determine whether allowing the use of forecast test years, historic test years, or a hybrid model for utility ratemaking was in the best interests of and protects ratepayers. Further, the Act (1) prohibited PSC from approving a requested rate increase based on a forecast test year in a base rate proceeding until April 1, 2027, or the completion of the proceeding, whichever comes later and (2) required PSC to report to the General Assembly by April 1, 2027, on the results of the proceeding, including any commission recommendations for legislative action.

Data Centers and Other Large Load Customers

Large Load Customers and Co-Location: **Chapters 625 and 626** authorized PSC to apply certain direct or indirect costs, fees, and obligations or avoided wholesale costs to commercial or industrial customers in specified colocation arrangements between the commercial or industrial customer and a generating station. Generally, the authorization applies only to those entities entering into a contract for the provision of electricity in a way that bypassed (1) interconnection of the load with the electric transmission and distribution systems or (2) the distribution services of an electric company.

Chapters 625 and 626 also expressed the intent of the General Assembly that residential retail electric customers should not bear the financial risks associated with large load customers interconnecting to the State’s electric system. Accordingly, the Acts required investor-owned electric companies, electric cooperatives, and, under specified circumstances, municipal electric utilities, to submit large load customer rate schedules to PSC for approval by September 1, 2026. In making a determination on whether to approve a specific rate schedule for large load customers, PSC must consider whether the schedule (1) requires a large load customer to cover the just and reasonable costs associated with any electric transmission or distribution system buildout needed to interconnect the customer to the electric system serving the State or serve the customer; (2) protects residential customers from financial risks through the use of specified mechanisms; and (3) prevents unreasonable cost subsidization of large load customers by other customers. The threshold for a large load customer was established at 100 megawatts with an 80% load factor.

Tariffs and Rate Schedules: **Chapter 353** lowered the minimum threshold for the application of the mandatory large load customer rate schedule from 100 megawatts with an 80% load factor to 25 megawatts with a 60% load factor and exempted certain types of facilities. Further, the Act required PSC to (1) consider whether the rate schedule allocates specified costs that the commission determines are caused by, or should be attributable to, a large load customer

and (2) establish a process for an electric company to provide voluntary large-load interruptible interconnection service.

Establishment of Large Load Registry: In addition to the changes to large load customer tariffs described above, **Chapter 353** required PSC to establish a large load customer registry and develop, as specified, a registration process for new or expanded interconnection of large load customers (anticipated to consist primarily of data centers). To register, the Act required data centers and other large load customers to disclose certain information relevant to electric system and local planning. The Act also (1) required a large load customer to disclose backup generation and water usage plans to PSC as well as other relevant location information and (2) established specified protections for related confidential data.

Voluntary Clean Capacity Rating Program: **Chapter 353** required PSC to develop a Voluntary Clean Capacity Rating Program with various tiers to create incentives for clean data center and other large load customer projects. Projects meeting 80% to 100% of their peak load (plus a reserve margin) with clean energy, paying the prevailing wage to workers constructing the facility, and satisfying other requirements, receive priority over other projects for interconnection and required grid studies. Projects meeting 100% of their peak load (plus a reserve margin) are also eligible for Maryland Department of the Environment permitting time certainty and the ability to forward-fund substation equipment. Subject to PSC approval, each electric company must establish a related interconnection process for large load customers to participate in the program.

Energy Solicitation, Procurement, and Permitting

Offshore Wind: Pursuant to Chapter 3 of 2013, under Maryland’s Renewable Energy Portfolio Standard (RPS), State electricity sales must include an amount derived from offshore wind energy beginning in 2017. The amount is set by PSC each year, based on the projected annual creation of offshore wind renewable energy credits (OREC) by qualified offshore wind projects. Chapter 757 of 2019 bifurcated the application and approval process for offshore wind into “Round 1” (the process established by Chapter 3) and a “Round 2” process to allow for new applications with different specifications. PSC may also provide for additional application periods. Additionally, Chapter 757 established offshore wind capacity goals of at least 400 megawatts in 2026, at least 800 megawatts in 2028, and at least 1,200 megawatts in 2030 from Round 2 offshore wind projects.

More recently, **Chapter 95 of 2023** established a State goal of reaching 8,500 megawatts of offshore wind energy by 2031. The Act also required (1) PSC to take specified actions related to regional transmission system upgrades for offshore wind and (2) the Department of General Services (DGS) to issue a competitive sealed procurement solicitation and authorized DGS to enter into at least one contract for a power purchasing agreement to procure up to 5.0 million megawatt-hours annually of offshore wind energy and associated renewable energy credits (REC) from one or more qualified offshore wind projects.

Chapter 431 of 2024 altered processes for Round 1, Round 2, and DGS-procured offshore wind projects. Any Round 1 offshore wind project could seek PSC approval to amend its

previously approved project order to increase the maximum amount of ORECs and modify its project schedule. PSC was required to open a revised Round 2 offshore wind project proceeding limited to evaluating revised project schedules, sizes, or pricing for a previously approved Round 2 project. The DGS procurement established by **Chapter 95** was modified to, among other changes, (1) remove the 5.0 million megawatt-hour annual limit and (2) require a second procurement. PSC was also required to develop a plan for achieving a total of 8,500 megawatts of offshore wind energy capacity by 2031 and submit a report on the plan to the General Assembly by January 1, 2025.

Maryland Energy Storage Program: Chapter 570 of 2023 required PSC to establish the Maryland Energy Storage Program for the cost-effective and incremental deployment of 3,000 megawatts of energy storage devices by the end of the 2033 PJM Interconnection, LLC delivery year. If a target cannot be met cost effectively, the target must be reduced to the maximum cost-effective amount for the relevant delivery year. The Act required the program to be implemented by July 1, 2025.

Transmission Energy Storage: Chapters 625 and 626 required PSC to establish a competitive process for the procurement of projects for the construction and deployment of up to 1,600 megawatts of front-of-the-meter transmission energy storage devices in the State. Subject to specified requirements, including a public hearing process, the Acts established two rounds of applications and related approval and construction timelines for up to 800 megawatts of front-of-the-meter transmission energy storage capacity in each round. **Chapter 353** modified these provisions to allow each procurement round to exceed 800 megawatts if PSC determines that the proposals received are cost-effective and support State goals for affordable and reliable electrical service, while also expanding eligibility to specified storage devices.

Distribution Energy Storage: Chapters 625 and 626 established that the State has a goal of reaching 150 megawatts of distribution-connected front-of-the-meter energy storage devices. Subject to specified requirements, the Acts established two rounds of applications and related approval and construction timelines.

Dispatchable Energy Generation and Large Capacity Resources: Chapters 625 and 626 established a solicitation, evaluation, and approval process for a minimum of 3,109 megawatts of dispatchable energy generation and large capacity energy resources in the State. Generally, PSC may approve up to 10 such projects, each eligible for an expedited CPCN (discussed below) through June 30, 2030.

Nuclear Energy: Chapters 625 and 626 established a process, consisting of a minimum of three rounds of applications and related requirements, for PSC approval of one or more proposed nuclear energy generation projects funded through electric distribution rates. A PSC order approving a proposed project must (1) specify the long-term pricing schedule and its duration, up to 30 years; (2) provide that a payment may not be made under a long-term pricing schedule until electricity supply is generated from the project; (3) provide that ratepayers and the State must be held harmless for any cost overruns associated with the system; and (4) require that any debt issued

in connection with the project include language specifying that the debt instrument does not establish a debt, an obligation, or a liability of the State. In addition to the procurement process, the Maryland Energy Administration (MEA), in coordination with PSC and the Department of Natural Resources (DNR), must pursue (1) cost-sharing agreements with neighboring states in the PJM region to mitigate the costs and risks of developing new nuclear energy generating stations and (2) agreements with federal agencies regarding the siting of small modular reactors on federal land on or near federal facilities. **Chapter 353** authorized PSC, before a nuclear energy generation project begins commercial operation in the State, to approve an increase of the total cost of the project that may be recovered under a long-term pricing purchase obligation by up to 15%.

Renewable Energy Power Purchase Agreements: **Chapter 353** authorized the Board of Public Works, on the recommendation of the Secretary of General Services, to waive the requirement to include a termination for convenience clause in a multi-year State contract to procure Tier 1 or Tier 2 renewable energy for the State.

Alternative Compliance Fee Auctions: **Chapter 353** required MEA, in consultation with PSC, to conduct annual competitive, low-bid auctions, in 2027 and 2028, to award grants to eligible bidders to fund renewable energy generation and energy storage projects in Maryland that are needed to satisfy the State's RPS, using \$100.0 million of ACP revenues in the SEIF each year. Among other requirements, each bidder must provide satisfactory evidence to MEA, confidentially, that awarded funds are necessary for the project to be constructed.

Certificates of Public Convenience and Necessity and Transmission Lines

PSC is the lead agency for licensing the siting, construction, and operation of power plants and related facilities in the State through CPCNs. Subject to limited exemptions, a person may not begin construction in the State of a generating station, qualified generator lead line, transmission line designed to carry more than 69,000 volts, or certain energy storage devices unless a CPCN is first obtained from PSC.

Generating Stations: Among other provisions, **Chapter 460 of 2023** exempted the following facilities from the CPCN requirement by excluding them from the definition of a "generating station":

- a facility used for electricity production with a capacity of up to 2 megawatts that is installed with equipment that prevents the flow of electricity to the electric grid during time periods when the grid is out of service; or
- a combination of two or more co-located or adjacent facilities used for electricity production from solar photovoltaic systems or specified eligible customer-generators that have a maximum cumulative capacity of 14 megawatts, including maximum individual capacities of 2 megawatts (subject to satisfying other requirements).

Chapter 411 of 2024 authorized additional facilities, subject to specified requirements, to be constructed without obtaining either (1) a CPCN or (2) approval to construct from PSC under the CPCN exemption process. Specifically, the Act excluded from the definition of “generating station” a facility, or a combination of two or more facilities, used for electricity production for the purpose of onsite emergency backup for critical infrastructure when service from the electric company is interrupted and conducting necessary test and maintenance operations (subject to satisfying other requirements).

Changes Under the Renewable Energy Certainty Act: Chapters 623 and 624 of 2025, the Renewable Energy Certainty Act, (1) altered the factors that PSC must consider before taking final action on a CPCN; (2) established requirements for the construction of certain energy storage devices and solar energy generating stations and imposed specified requirements and limitations on local jurisdictions with respect to their construction, development and approval; and (3) created a Distributed Generation CPCN process.

Expedited Process under the Next Generation Energy Act: Chapters 625 and 626 established an expedited CPCN process for dispatchable energy generation and large capacity resources, discussed above. For a qualifying project, PSC must expedite all proceedings for CPCN review and approval and, except in limited circumstances, take final action within 295 days after the application is determined to be complete by the Power Plant Research Program in DNR. PSC may prioritize the review of qualifying projects over other CPCN applications, and, in doing so, may extend standard CPCN review timelines.

Transmission Lines – Underground Lines, Advanced Transmission Technologies, and Good Cause Waivers: Chapter 353, among other things, (1) expanded PSC’s CPCN jurisdiction to include underground transmission lines, instead of solely overhead transmission lines; (2) required an applicant for a CPCN to include in its application evidence that the applicant considered, as part of its internal planning process, specified transmission planning processes, including the use of advanced transmission technologies, as well as an analysis of the transmission line route selection; (3) established reporting requirements for owners and operators of transmission lines related to transmission congestion and the use of advanced transmission technologies; (4) repealed a mandatory CPCN waiver for specified transmission line construction; and (5) required PSC to consider certain factors before granting a good cause waiver for existing transmission line construction.

Transmission Lines – Property Owner Notifications: Chapter 353 required notice to be provided, by certified mail, to specified property owners and adjacent property owners when a CPCN application is filed with PSC to construct a transmission line. If PSC finds that a person willingly or deliberately fails to provide the required notice, the existing public hearing requirement under the CPCN process is invalidated and another hearing must take place. PSC may also, within its discretion, require another hearing to take place even if the failure to notify is not willful or deliberate.

Regional Transmission Organization Mandate: *Chapter 353* required any person that owns or operates a transmission line that is designed to carry a voltage in excess of 69,000 volts and is located in the State, except for an electric cooperative, to participate as a member in a regional transmission organization. PJM Interconnection, LLC, is currently the State’s regional transmission organization.

EmPOWER Maryland Program

In 2008, the General Assembly passed the EmPOWER Maryland Energy Efficiency Act, which set target reductions of 15% in per capita electricity consumption and peak demand, respectively, by 2015 from a 2007 baseline. Legislation in 2017 extended the program through its 2018 to 2020 and 2021 to 2023 program cycles and established a new annual energy savings goal of 2.0% per year, based on each electric company’s 2016 sales. The CSNA further increased the goal to 2.25% per year in 2025 and 2026 and to 2.5% annually thereafter.

Chapter 539 of 2024 converted the electricity-based reductions required under the EmPOWER Maryland Program to roughly equivalent GHG emissions reduction goals and targets. The Act explicitly required each electric company, each large gas company, and the Department of Housing and Community Development (DHCD) to develop and implement energy efficiency, conservation, demand response, and beneficial electrification programs to achieve those GHG emission reduction goals and targets, subject to review and PSC approval.

Subsequently, *Chapter 353* made significant alterations to the EmPOWER Maryland Program by (1) temporarily reducing the annual GHG emissions reduction targets for each electric company plan from 2.5% each year to 1.75% each year for the 2027-2029 program cycle, 2.0% each year for the 2030-2032 program cycle, and 2.25% each year for the 2033 to 2035 program cycle (the annual target returns to 2.5% beginning in 2036); (2) removing gas companies from the program beginning in 2027 and establishing a wind-down period for gas EmPOWER programs; and (3) allowing, for the 2027 to 2029 program cycle only, emissions reductions from community solar energy generation and residential solar energy generation to count up to 20% toward the targets.

Chapter 353 also required PSC to evaluate the use of a third-party administrator, rather than continuing to allow each utility (and DHCD) to run its individual program. The Act specified that if PSC selects a third-party administrator, which it may decline to do under specified circumstances, the administrator would assume responsibility over the program, as applicable, beginning with the three-year program cycle starting in 2030.

Net Energy Metering

Net energy metering is the measurement of the difference between the electricity that is supplied by an electric company and the electricity that is generated by an eligible customer-generator (primarily through the use of solar energy) and fed back to the electric company over the eligible customer-generator’s billing period. *Chapter 458 of 2023* authorized eligible customer-generators to accrue net excess generation indefinitely, instead of the 12-month

accrual limit established under prior law. The Act also required PSC to determine a method for calculating the value of accrued net excess generation and exempted electric cooperatives and municipal electric utilities from complying with indefinite accrual.

Chapter 353 required PSC to conduct a stakeholder proceeding exploring the development and implementation of a successor program to the State's existing net energy metering program. The Act further required PSC, by order or regulation, to approve a framework for a successor program, to begin July 1, 2027, that (1) provides incentives for development of distributed generation; (2) minimizes ratepayer costs; (3) balances specified factors (the interests and impacts of different types of program participants and the interests of nonparticipating ratepayers); and (4) is available until the combined generating capacity under the existing net energy metering program and the successor program reaches 6,000 megawatts. Additionally, the Act established a transitional period for community solar projects, utility service territory-based community solar caps for the existing program, and grandfathering provisions.

Changes affecting community solar energy generating systems, which participate in a form of virtual net energy metering, are discussed below.

Solar Energy

Brighter Tomorrow Act: Chapter 595 of 2024 modified various provisions of law related to solar energy deployment in the State. Among other things, the Act required PSC to establish a Small Solar Energy Generating System Incentive Program and begin determining eligibility by January 1, 2025. Under the program, a solar energy generating system that meets specified requirements and is subsequently certified by PSC may generate certified solar RECs, which have a compliance value of 150%, for electricity suppliers to put toward meeting the solar carve-out for Maryland's RPS. The total amount of in-state generating capacity for certified systems under the program may not exceed (1) 300 megawatts for systems with a generating capacity of less than 20 kilowatts and (2) 270 megawatts for systems with a generating capacity between 20 kilowatts and 5 megawatts.

Among other provisions, **Chapter 595** also (1) extended the duration of all RECs for purposes of the RPS to five years; (2) required each county and municipality to implement specified solar permitting software and established related procedures; (3) established and modified solar property tax incentives; (4) established prevailing wage requirements for specified solar systems; and (5) established requirements for home improvement contracts for rooftop solar installations.

Community Solar: Chapters 346 and 347 of 2015 established the Community Solar Energy Generating Systems Pilot Program. **Chapter 652 of 2023** made the program permanent and specified, among other requirements, that (1) a community solar energy generating system must serve at least 40% of its kilowatt-hour output to low- and-moderate income (LMI) subscribers, unless the system is owned wholly by its subscribers, and (2) PSC must establish regulations to implement consolidated billing for subscribers to community solar energy generating systems and regulations related to the calculation of bill credits.

Chapter 652 also established a 5-megawatt aggregate capacity limit for all community solar energy generating systems located on the same or adjacent parcels of land, except for projects constructed in specified areas. However, the Act specified that the aggregate capacity limit does not apply to projects constructed in any location, under specified circumstances, if the combined capacity of all community solar energy generating systems on the same or adjacent parcel does not exceed 10 megawatts. **Chapter 353** expanded the maximum aggregate capacity of community solar energy generating systems that may be located on adjacent parcels of land from 10 megawatts to 20 megawatts, subject to specified requirements.

Separately, **Chapters 623 and 624** required PSC to conduct a study on the feasibility of and technical barriers to establishing a community solar automatic enrollment program for local jurisdictions. **Chapter 353** added new requirements to the study and extended its reporting deadline from July 1, 2026, to July 1, 2027. More specifically, PSC, in consultation with the Department of Human Services (DHS), must assess the feasibility of and technical barriers to establishing an automatic community solar enrollment process to provide bill credits for LMI subscribers through DHS's Office of Home Energy Programs (OHEP).

Residential Solar – Permitting and Inspection: **Chapter 353** (1) modified and established requirements applicable to county and municipal processes for permitting and inspection of residential solar energy and energy storage systems (while exempting historic properties from some of the requirements); (2) generally required meter disconnection and reconnections to be performed by the electric company within five business days of a properly completed request; (3) limited local residential solar permitting fees to no more than \$500; and (4) authorized the Attorney General to seek judicial enforcement against a local government for failing to comply with the updated requirements.

Portable Solar – Authorization: **Chapter 353** authorized a person to purchase and install, for residential use only, one portable solar energy generating system of up to 1,200 watts per electric meter, subject to certain limited requirements.

Geothermal Energy

Chapters 563 and 564 of 2024 authorized an electric company, a gas company, or a water company to own, manage, and recover costs associated with a thermal energy network system, subject to PSC approval. The Acts required, by July 1, 2025, gas companies serving at least 75,000 customers to submit one or two pilot project proposals to PSC, while smaller gas companies could submit proposals with at least 60 days' notice. Proposed pilot systems were required to ensure that at least 80% of customers were from low- or moderate-income housing and demonstrate that the company had secured, or was likely to secure, available federal funding. The Acts authorized PSC to decide on the proposals by December 31, 2025.

Chapters 563 and 564 also established PSC oversight for evaluating and potentially making pilot systems permanent, while allowing utilities to recover approved costs. In addition, MEA was required to coordinate funding support for these projects and reserve \$9.0 million in related federal funding for pilot systems.

Retail Energy Supply

The Electric Customer Choice and Competition Act of 1999 facilitated the restructuring of the electric utility industry in Maryland. The resulting system of customer choice allows the customer to purchase electricity from a competitive supplier or to continue receiving electricity under the standard offer service (SOS) of the utility in the customer's service territory. Competitive electric supply is provided by third-party competitive electricity suppliers. In either case, the electric company delivers the electricity and recovers the costs for delivery through distribution rates. Gas supply and delivery are similarly restructured, with gas suppliers and gas companies.

To address concerns raised by residential customers and ratepayer advocates about deceptive sale practices in the competitive retail markets, **Chapter 537 of 2024** altered regulatory requirements for the marketing and sale of electricity and gas by retail suppliers, utilities, and related entities. The Act established energy salesperson and energy vendor licenses, along with associated licensing requirements, and specified that, beginning July 1, 2025, a person may not engage in business as an energy salesperson or energy vendor in the State unless licensed by PSC. Licenses are valid for three years and may be renewed.

In addition, **Chapter 537** established provisions related to the price of energy supply and, specifically, "green power." For residential electricity supply other than supply offered through SOS or from certain governmental entities, the Act specified that a residential electricity supplier (1) may offer electricity, other than green power, only at a price that does not exceed the trailing 12-month average of the electric company's SOS rate in the electric company's service territory; (2) may offer residential electricity supply only for a term up to 12 months at a time; (3) may, for electricity supply other than green power, automatically renew the term only if the electricity supplier provides notice to the customer 90 days and 30 days before renewal; and (4) may offer green power that meets specified requirements, discussed below, but may not automatically renew the term with the customer. The Act established parallel requirements for gas suppliers that supply gas to residential gas customers – although there were no requirements related to green power.

Chapter 537 further specified that an electricity supplier that supplies electricity to residential electric customers may not market electricity as green power unless (1) the percentage of electricity being offered, or the equivalent number of RECs associated with the electricity marketed as green power, equals or exceeds the greater of 51% or 1% higher than the State's RPS for the year the electricity is provided to the customer and (2) PSC approves the price of the electricity being marketed as green power, subject to specified considerations.

Chapter 353 altered some of the above restrictions pertaining to residential electricity supply other than supply offered through SOS or specified governmental entities by (1) authorizing contracts of up to 36 months and (2) permitting prices above the electric company's SOS rate based on contract length. Specifically, suppliers may charge up to 100% of the SOS rate for contracts of up to 23 months, 105% for contracts of 24 to 35 months, and 110% for 36-month contracts. The Act also authorized a type of variable rate contract, provided that the rate does not exceed the electric company's SOS rate at any time during the agreement.

Other New or Modified State Energy Programs and Agencies

Green and Renewable Energy Efficiency for Nonprofits Loan Program: *Chapter 353* established the Green and Renewable Energy Efficiency for Nonprofits Loan Program and an associated fund in the Maryland Clean Energy Center to provide financial assistance in the form of no-interest loans to nonprofit organizations for qualifying energy systems and specified energy efficiency measures.

Low-Income Energy Assistance Programs: *Chapter 207 of 2023* required OHEP to enroll a household in any fuel or utility assistance program for which the household qualifies if the household includes an individual who meets the financial eligibility requirements established by DHS for specified government programs, including the Supplemental Nutrition Assistance Program. *Chapter 353* transferred the administration of the Electric Universal Service Program from PSC to OHEP and made various programmatic changes.

Strategic Energy Planning Office: During the 2025 session, the General Assembly passed *Senate Bill 909 and House Bill 1037*. The Governor vetoed the bills, but the General Assembly overrode the vetoes, and the bills became law as ***Chapters 7 and 19 of the 2025 special session***. The Acts established the Strategic Energy Planning Office, funded through assessments imposed on public service companies through an existing PSC-administered process. By September 1, 2028, and every three years thereafter, the office must develop and submit a Comprehensive Wholesale Energy Markets and Bulk Power System Risk Report to the Governor and the General Assembly.

Water and Sewage Disposal Companies

Chapters 525 and 526 of 2026 required PSC to study the feasibility of requiring water companies, sewage disposal companies, and water and sewage disposal companies to adopt limited-income mechanisms to benefit eligible limited-income customers. By December 1, 2026, PSC must report its findings to the Governor and the General Assembly. Beginning July 1, 2027, PSC may require a water company, sewage disposal company, or water and sewage disposal company to adopt a limited-income mechanism, subject to PSC approval, in the same manner as electric and gas companies under existing law.

Common Carriers

Transportation Network Companies

Chapter 204 of 2015 established a regulatory framework for transportation network services that encompasses transportation network companies (TNC) and transportation network operators (*i.e.*, the drivers), including licensing, criminal history records checks, insurance requirements, and assessments. A TNC may not operate in the State unless PSC has issued a permit to the company. A transportation network operator may not provide transportation network services without a license from PSC to provide such services.

Chapter 506 of 2025 required each TNC to provide each transportation network operator with a weekly fare and earnings summary that includes, among other information, (1) the total fares collected by the TNC for the transportation network services provided by the company's operators in a given week and (2) the total amount the operator earned that week. **Chapters 231 and 232 of 2026** required a TNC to maintain and apply a written deactivation policy, as specified, that provides the policies and procedures for the deactivation of transportation network operators, including an internal appeal procedure.

Human Trafficking Awareness Training Programs

Chapters 278 and 279 of 2026 required an applicant for a local taxicab driver's license or State for-hire driver's license to include in the license application documentation verifying that the applicant completed a human trafficking awareness training program, as specified. The Acts also prohibited a TNC from allowing a transportation network operator licensee or license applicant to provide transportation network services unless the individual has completed such a training program.

Other Public Service Company Issues

Utility Cybersecurity

Chapter 499 of 2023 required PSC to employ one or more cybersecurity experts to participate in cybersecurity related briefings and perform other related duties, while also requiring PSC to consider the protection of public service company infrastructure against cybersecurity threats. The Act further required public service companies, except for common carriers and telephone companies, and including member-regulated cooperatives and municipal electric utilities, to engage third-party cybersecurity experts by July 1, 2024, and by July 1 every other year thereafter, to conduct technology assessments. PSC must collect certifications of compliance with assessment standards and report related data to the State Chief Information Security Officer within the Department of Information Technology. In addition, each public service company must report cybersecurity incidents to the State Security Operations Center within the department, which must immediately notify appropriate State and local agencies of the reported incidents.

Utility Account Liability Terminations for Victims of Abuse

Chapter 566 of 2023 authorized a utility account holder who has been the victim of abuse to terminate their future liability under a utility contract if the account holder provides the utility with written notice and documentation. The utility must allow for the termination, provided that the Act's requirements are met, and must allow the account holder to open a new utility account for a new premises, notwithstanding an account balance or arrearage at the former premises. For purposes of the Act, a utility was defined as an electric company, an electricity supplier, a gas company, a gas supplier, a sewage disposal company, a water company, or any combination thereof.

Insurance (Other Than Health)

National Association of Insurance Commissioners Model Legislation

The National Association of Insurance Commissioners (NAIC) is a national standard-setting and regulatory support organization created and governed by the chief insurance regulators from 50 states, the District of Columbia, and five U.S. territories. NAIC regularly develops model legislation concerning new and existing insurance issues and encourages its member regulators to adopt the legislation. The State regularly adopts NAIC model legislation to ensure continued accreditation for the Maryland Insurance Administration (MIA) by NAIC.

Chapter 740 of 2024 established a regulatory framework for pet insurance by generally adopting the NAIC pet insurance model act. Additionally, *Chapter 121 of 2024* altered Maryland insurance law to reflect revisions made to NAIC Model Act #440 “Insurance Holding Company System Regulatory Act” and Model Act #450 “Insurance Holding Company System Model Regulation with Reporting Forms and Instructions.” Generally, the Act required certain insurers to participate in a Group Capital Calculation and Liquidity Stress Test and established related processes and requirements.

Motor Vehicle Insurance

Uninsured and Underinsured Motorist Coverage

Each private passenger automobile insurance policy in the State must include either uninsured motorist (UIM) coverage or enhanced underinsured motorist coverage (EUIM), both of which provide coverage when a policyholder is involved in an accident with an uninsured or underinsured motorist.

Chapter 514 of 2023 required a person who obtains a new private passenger motor vehicle insurance policy on or after July 1, 2024, at the time the policy is purchased, to opt out of obtaining EUIM coverage through a waiver process instead of opting in to EUIM coverage. In effect, the Act made EUIM coverage, which is generally more expensive and provides additional benefits, the default option for new private passenger automobile policies instead of UIM coverage as of July 1, 2024. The Act terminates June 30, 2029.

Chapter 857 of 2024 increased UIM penalties that apply when required security (*i.e.*, insurance) on a motor vehicle registered in the State terminates or otherwise lapses during the vehicle’s registration period. The Act also increased the portion of UIM penalties that accrue to the Maryland Automobile Insurance Fund (MAIF) and provided additional funding to two new programs administered by the Maryland State Department of Education.

Peer-to-peer Car Sharing

In general, a peer-to-peer car sharing program is an online platform that connects vehicle owners with drivers to enable the sharing of motor vehicles for financial consideration.

Chapter 852 of 2018 established the regulatory framework for peer-to-peer car sharing companies to operate in the State, including provisions related to insurance requirements for motor vehicles used through such a program. *Chapters 49 and 50 of 2026* made various changes to this regulatory framework to more clearly define and specify which insurance coverage is primary when a vehicle is being used through a peer-to-peer car sharing program. The Acts included additional specifications related to liability for tolls, traffic fines, and citations that may apply to a vehicle when it is being used through a peer-to-peer car sharing program.

Maryland Automobile Insurance Fund

Created by the General Assembly in 1972, MAIF is an independent, nonbudgeted, quasi-State agency. Through its Insured Division, MAIF provides automobile liability insurance to residents of the State who are unable to obtain policies in the private insurance market. Like other insurers, MAIF is primarily funded through premiums on the insurance policies it issues; however, to ensure MAIF's continued viability as the insurer of last resort, MAIF is authorized to issue an assessment paid by other motor vehicle insurers in the State if it experiences a significant operating loss (as defined by State law) and meets other specified conditions. Over the 2023-2026 term, the General Assembly focused on ensuring MAIF's continued viability as the insurer of last resort.

Chapter 535 of 2023 increased MAIF's share of UIM penalties collected by the Motor Vehicle Administration by \$2.0 million for fiscal 2024 only. The Act also altered the assessment collection process that takes place when MAIF experiences a significant operating loss by (1) authorizing MAIF to withdraw a portion of an assessment immediately on certification and approval of the assessment, as specified; (2) specifying when insurers that pay the assessment may and may not be subject to an assessment; and (3) requiring the Industry Automobile Insurance Association to promptly return any excess assessment payments, as specified.

Chapter 395 of 2025 required MAIF to (1) calculate and report its risk-based capital level in the same manner as other insurers in the State; (2) maintain a total adjusted capital level above a certain threshold; and (3) implement its rate changes in accordance with prior approval (rather than file and use) ratemaking standards during a specified time period and under specified circumstances. In addition, the Act also required MIA to establish a workgroup to study, among other things, the affordability of private passenger automobile insurance in the State. The workgroup was required to report its findings and recommendations to the Governor and the General Assembly by January 1, 2026. *Chapter 786 of 2026* extended the termination date of the workgroup and expanded its duties to include the development of concrete legislative recommendations to reduce premiums, including specific recommendations regarding the use of territorial rating and other rating factors that may contribute to disparate impacts.

MAIF has historically used an affordability index to determine a premium discount for its insureds based on the median household income of the zip code in which the insured is located. However, in December 2024, MIA issued an order requiring MAIF to raise its rates to an "adequate" level and eliminate the affordability index within two years. The order was later revised

to give MAIF until the end of calendar 2027 to comply. **Chapters 741 and 742 of 2026** established, under the direction and supervision of MIA, a regulatory framework for MAIF to continue to provide discounted automobile liability insurance to certain Maryland residents through fiscal 2029. In addition, the Acts decreased, from 3% to 1%, the cap on the assessment allocation percentage for the private passenger auto division that MAIF is authorized to issue against other motor vehicle insurers in the State.

Regulation of Insurers and Insurance Professionals

The Insurance Article expressly prohibits certain insurer practices and activities as unfair trade practices. Most commonly, these prohibitions apply to the processes and information used when an insurer determines whether to provide insurance to a person and how much to charge that person for the insurance policy. For example, with limited exceptions, an insurer, nonprofit health service plan, or health maintenance organization is prohibited from using a genetic test, its results, genetic information, or a request for genetic services, to reject, deny, limit, cancel, refuse to renew, increase the rates of, affect the terms or conditions of, or otherwise affect a health insurance policy or contract.

Chapters 119 and 120 of 2024 increased the maximum civil penalty that the Insurance Commissioner may impose on an unauthorized insurer or person engaging in the business of insurance in the State from \$50,000 to \$125,000 per violation. The Acts also increased the maximum civil penalty that may be imposed on an insurance producer or public adjuster who violates the requirements and/or prohibitions of the Insurance Article from \$500 to \$5,000 per violation. Additionally, **Chapters 141 and 142 of 2026** authorized the Insurance Commissioner to impose a civil penalty of up to \$10,000 for each violation of the entire Insurance Article by a third-party administrator (TPA), rather than only for a violation of the provisions of law that directly govern TPAs. Additionally, the Acts authorized the Commissioner to deny a TPA registration to an applicant or refuse to renew, suspend, or revoke a TPA registration if the applicant or registrant (1) violates the Insurance Article or any other State law related to insurance or (2) knowingly fails to comply with a regulation or order of the Commissioner.

Chapter 394 of 2025 prohibited an insurer that offers, issues, or delivers a life insurance or disability insurance policy or contract in the State from (1) unfairly discriminating against an individual by conditioning insurance rates, the provision or renewal of insurance coverage, or other conditions of insurance based on certain genetic testing information and (2) accessing sensitive medical information, including genetic data of an individual, without first obtaining the individual's signed, written consent. However, the Act included additional specifications for and exceptions to these prohibitions.

Chapter 381 of 2025 prohibited an insurer, regarding residential condominium insurance, from refusing to issue a policy based solely on a prior lapse in coverage of the applicant if the lapse in coverage was due to an insurers withdrawal from the market, the lapse in coverage was for 90 days or less, and the applicant provides certain documentation as may be required by the insurer, if applicable.

Other Types of Insurance Coverage

Chapters 870 and 869 of 2024 required each advanced practice registered nurse (APRN) practicing as an APRN in the State to notify a patient in writing if (1) an APRN does not maintain professional liability insurance coverage or (2) their professional liability insurance coverage has lapsed for any period of time and has not been renewed. Each APRN practicing in the State as an APRN who does not maintain professional liability insurance coverage must post that information in a conspicuous location in their place of practice. The State Board of Nursing was required to develop appropriate language for the required written notification.

A certificate of guarantee is an instrument issued on behalf of a contractor to satisfy county bond requirements for public improvements or other county bond requirements. *Chapter 749 of 2026* authorized, but did not require, any county in the State, instead of only eight specified counties and Baltimore City, to honor certificates of guarantee issued by a nonprofit association of contractors, or its wholly owned subsidiary, in order to satisfy certain county bond requirements.

Horse Racing and Gaming

Horse Racing

Pimlico Redevelopment

Chapter 590 of 2020 provided for the redevelopment of Pimlico Race Course in Baltimore City and Laurel Park in Anne Arundel County. During the 2023 session, the General Assembly passed legislation addressing concerns about significant delays in the redevelopment timeline for Pimlico Race Course and Laurel Park.

Chapter 111 of 2023 established the Maryland Thoroughbred Racetrack Operating Authority (MTROA) to rebuild Maryland's horse racing infrastructure and oversee thoroughbred horse racing in the State. In January 2024, MTROA submitted a report to the General Assembly that recommended consolidating horse racing at Pimlico Race Course in Baltimore City. The race course is to be supplemented by an industry-run training center.

As a result of the recommendation from MTROA, *Chapter 410 of 2024* provided for the transfer of ownership and operation of thoroughbred racing facilities in the State from 1/ST Racing to MTROA as part of a long-term horse racing agreement. Under the agreement, all day-to-day Maryland thoroughbred racing operations were transferred to MTROA. The Laurel Park racing complex must be used during the construction of Pimlico Race Course and the training facility, after which all racing will end at Laurel Park.

Chapter 410 authorized the Maryland Stadium Authority (MSA) to issue up to \$400.0 million in bonds to finance the construction of the facilities. *Chapter 410* specified that at least \$17.0 million of State Lottery Fund revenues must be transferred annually to the Racing and Community Development Financing Fund to provide debt service payments for the bonds.

Chapter 604 of 2025 (the Budget Reconciliation and Financing Act (BRFA)) terminated MTROA and made MSA the successor entity for the planning, design, construction, and ownership of the racing and community development project and the Maryland Economic Development Corporation (MEDCO) the successor entity for the operation of the racing and community development project.

Chapter 376 of 2026 altered provisions of law regarding various economic development related projects, including the reconstruction of Pimlico Race Course and the administration and oversight of live horse racing in Maryland. **Chapter 376** increased the amount of State Lottery Fund revenues distributed annually to the Racing and Community Development Financing Fund to \$29.0 million. In addition, **Chapter 376** provided \$2.0 million from the portion of the Purse Dedication Account (PDA) allocated to thoroughbred purses to MEDCO to be used for a training facility site. Finally, **Chapter 376** repealed MEDCO's involvement in the Pimlico Race Course reconstruction project by transferring all rights, responsibilities, powers, and privileges to MSA.

Racetrack Facility Renewal Account

Except for the video lottery facility in Allegany County, 1.0% of video lottery terminal (VLT) proceeds from each video lottery facility is distributed to the Racetrack Facility Renewal Account (RFRA), which is under the authority of the Maryland Racing Commission (MRC), for the first 16 years of operations at each video lottery facility. Grants from RFRA are provided to racing licensees for racetrack facility capital construction and improvements. MRC must allocate 80% of RFRA funds to the thoroughbred tracks (Pimlico Race Course, Laurel Park, and the racecourse in Timonium) and 20% to the standardbred tracks (Rosecroft Raceway and Ocean Downs Race Course). Generally, in order to obtain a grant, a holder of a license to hold a race meeting in the State must submit a capital construction plan to MRC and provide matching funds. **Chapter 410 of 2024** required that if Rosecroft Raceway closes and is no longer used for live racing, the unencumbered fund balance of the amount available to Rosecroft Raceway must be made available to Ocean Downs Race Course.

Chapters 382 and 383 of 2026 authorized standardbred racing licensees to receive a grant for a capital construction plan from RFRA without providing and expending a matching fund. A licensee that receives a grant without providing and expending a matching fund must complete the capital construction plan and conduct live racing in the State for at least 10 years after completion of the capital construction plan. MRC must recapture grant funds if either of the requirements is not satisfied. In addition, **Chapters 382 and 383** altered, from 100% to 75%, the amount of the unencumbered fund balance that is required to be made available to Ocean Downs Race Course if Rosecroft Raceway is closed and no longer used for live racing. **Chapters 382 and 383** also established a similar provision of law directing 75% of any unencumbered RFRA fund balance to Rosecroft Raceway if Ocean Downs Race Course is closed and no longer used for live racing.

Purse Dedication Account

Generally, 6% of VLT proceeds, not to exceed \$100.0 million, is distributed to PDA, which is under the authority of MRC. **Chapters 642 and 643 of 2023** made permanent the annual

distribution from PDA to Ocean Downs Race Course for financial assistance for operating losses and altered the annual distribution amount to equal up to \$30,000 per live racing day.

The organization that represents a majority of the owners and trainers of race horses in the State is required to set an amount not less than 1% but not more than 2% to be deducted from all open purses and paid to the organization. The BRFA of 2025 increased, from 2% to 3%, the maximum amount that may be deducted from open purses.

Gaming

Video Lottery Operations

License Renewal

Chapter 736 of 2023 extended the renewal term of a video lottery operation license from 10 to 15 years. A video lottery operation licensee must pay, for each 5-year period of its initial renewal term, a fee equal to 0.75% of the average annual proceeds from the operation of VLTs and table games at its video lottery facility for the preceding 3-year period, to be paid in equal annual installments and credited to the Education Trust Fund. **Chapter 736** also provided for the distribution of 20% of the fees collected back to the licensee for marketing, advertising, and promotions that exclusively target out-of-state audiences.

Licensing of Employees

To be employed by a video lottery operation licensee, an individual must hold a valid video lottery employee license or temporary video lottery employee license issued by the State Lottery and Gaming Control Agency (SLGCA). SLGCA is generally required to deny a video lottery employee license to an applicant for several causes, including but not limited to the applicant's conviction, active parole, or probation for any crime involving moral turpitude or gambling under the laws of the United States or any state within the prior seven years or current prosecution for any crime involving moral turpitude or gambling under the laws of the United States or any state.

Chapter 663 of 2023 exempted an applicant for a video lottery employee license from disqualification related to crimes involving moral turpitude if the applicant's conviction, active parole, or probation within the prior seven years or current prosecution for a crime involving moral turpitude involves a nonviolent misdemeanor offense, other than a crime involving gambling, for which the applicant participated in and completed a problem-solving court program.

Chapter 628 of 2024 exempted an applicant for a video lottery employee license from disqualification for conviction, active parole, or probation within the prior seven years or current prosecution for any crimes involving moral turpitude under the laws of the United States or of any state, if (1) the conviction, active parole, probation, or prosecution involves a nonviolent misdemeanor offense, other than a crime involving gambling; (2) the applicant will not be employed by the video lottery operation licensee in the operation of gaming or security; and (3) the

video lottery operation licensee requests that the State Lottery and Gaming Control Commission (SLGCC) issue the license.

Interception of Gaming Winnings

The Office of Legislative Audits in the Department of Legislative Services issued an audit of SLGCA in May 2025 that found that State casinos did not intercept prize money for amounts due to the State because statute only provides for such recoveries from lottery winnings. **Chapters 87 and 88 of 2026** authorized the Central Collection Unit to certify a debt or claim owed to the State to a video lottery operator for prize interception from a responsible debtor.

State Lottery Operations

Lottery Agent Commissions

In exchange for selling State lottery products, licensed agents earn a commission that is calculated as a percentage of gross lottery sales. A licensed agent may receive a cashing fee of up to a maximum percentage of valid prizes paid for services rendered in cashing winning tickets. The BRFA of 2024 (**Ch. 717**) reduced lottery agent sales commissions from 6% to 5.75% of gross lottery sales and reduced the prize ticket cashing commission from 3% to 2%.

Instant Ticket Lottery Machines

SLGCA may issue specified veterans' organizations a license for up to five instant ticket lottery machines (ITLM). **Chapter 4 of the 2025 special session** added fraternal organizations to the organizations that SLGCA may license to operate ITLMs. **Chapter 4** authorized up to three ITLMs for a licensee that is a fraternal organization. SLGCA must ensure that the element of chance in the conduct of a ITLM is contained within the predetermined instant lottery ticket instead of being wholly within the preprinted instant lottery ticket.

Internet Subscription Plans

Chapter 340 of 2025 authorized SLGCA to establish a system or program that allows for the purchase of a State lottery subscription plan for certain lottery games through an electronic device that connects to the Internet, such as a personal computer or mobile device. In addition, **Chapter 340** authorized SLGCA to permit a retailer to sell a voucher that may be applied toward the cost of a State lottery subscription plan.

Skills Based Amusement Devices

Chapters 289 and 290 of 2025 altered the definition of "slot machine" to exclude a machine, apparatus, or device that is a skills-based amusement device that awards prizes of merchandise, tickets, tokens, or other objects that per play do not exceed minimal value, as approved by SLGCC regulation, and may be accumulated and exchanged for noncash merchandise

or prizes of value that is similar to the cumulated value of the objects exchanged and does not exceed a minimal wholesale value of \$599.

Bingo and Electronic Instant Bingo

An entity licensed to offer instant bingo under a commercial bingo license on July 1, 2007, or a qualified nonprofit organization, may continue to operate a game of instant bingo in the same manner using electronic machines. A “slot machine” does not include a machine, apparatus, or device that is a handheld device that displays only facsimiles of bingo cards that an individual uses to mark and monitor contemporaneously to a live call of bingo numbers called on the premises by an individual where the user is operating the machine, does not permit a user to play more than a certain number of bingo cards at the same time, does not randomly generate any numbers, and is not part of an integrated system.

Chapter 669 of 2026 altered the definition of a “slot machine” to increase the number of bingo cards from 54 to 100 that a machine, apparatus, or device may permit a user to play at the same time. In addition, *Chapter 669* provided that an electronic instant bingo machine is not required to print a paper ticket for each game of instant bingo played unless the player elects to print the ticket. Finally, *Chapter 669* required SLGCA to retain an independent third-party vendor and report to the Governor and the General Assembly on the impacts of a potential expansion of electronic instant bingo machines, historical horse racing machines, and video lottery facilities.

Sports Wagering

Regulation of Licenses

Chapter 638 of 2023 required SLGCC to license independent evaluators to evaluate and rate sports wagering content provided by sports wagering experts, sports wagering influencers, and content partners. A sports wagering licensee or operator that advertises in the State may contract with a licensed independent evaluator.

Among other things, *Chapters 700 and 701 of 2023* prohibited an institution of higher education from entering into a contract with a regulated gaming entity or its agent, if, under the terms of the contract, the institution of higher education receives a commission, a bonus, or any other incentive payment based on the success of securing student participation in sports wagering or online sports wagering.

Online Sports Wagering Tax Rate

The BRFA of 2025 increased the online sports wagering tax rate from 15% to 20% and directed that the additional revenue be distributed to the General Fund.

Sports Wagering Facilities

Chapters 332 and 333 of 2025 authorized competitively awarded Class B-1 and B-2 sports wagering facility licensees to submit a written request to SLGCC to relocate a Class B sports wagering facility if the licensee was originally issued a Class B sports wagering facility license before October 1, 2023, the new location for the sports wagering facility is within the same county and complies with specified location requirements, and the new location is approved by the Sports Wagering Application Review Commission.

Chapter 332 also authorized a Class A sports wagering facility licensee that provides sports wagering services on behalf of a Class B sports wagering facility licensee to utilize the Class A sports wagering facility's branding and loyalty rewards program at the Class B sports wagering facility.

Economic Development

Maryland Protecting Opportunities and Regional Trade Act

In response to the collapse of the Francis Scott Key Bridge on March 26, 2024, and the resulting reduced operations of the Port of Baltimore, **Chapters 2 and 3 of 2024**, emergency Acts, provided various economic relief measures in different sectors, among other provisions discussed elsewhere in this *Major Issues Review*. More specifically, the Acts (1) required the Maryland Department of Labor (MD Labor) to establish a temporary relief program, absent a major disaster declaration from the President of the United States, to provide assistance to specified individuals impacted by the reduced operations of the port; (2) required MD Labor to establish a grant program to provide assistance to specified business entities for the purpose of employee retention; and (3) required the Department of Commerce to establish a temporary relief program to provide assistance to businesses that meet specified criteria. MD Labor and Commerce were also required to establish requirements regarding the prompt filing of insurance claims related to the reduced operations of the port.

The Emergency Business Assistance Program in Commerce established under the Acts provided grants of up to \$100,000 to businesses affected by the halt of operations due to the collapse of the bridge. Grant funds could be used for general operating expenses, including rent, utilities, maintenance, fuel, supplies, insurance premiums, employee payroll, and loan repayments. Applications for the program were accepted through June 28, 2024. The program ultimately distributed \$9.5 million to 128 recipients. For further discussion of the MD Labor programs, see the subpart "Unemployment Insurance" of this Part H.

Department of Commerce

Commerce's primary goals are to increase business investment in Maryland, enhance business success and the competitiveness of businesses in their distinct markets, develop a diverse

economic base, and ensure that all jurisdictions share in the State's economic vitality. Commerce develops and implements programs that aim to generate new jobs or retain existing jobs, attract business investment in new or expanding companies, and promote the State's strategic assets to strengthen the Maryland economy.

New Programs and Entities

Several new economic development programs and entities were established within Commerce during the 2023-2026 term. Relevant Acts, and any associated mandated appropriations, are listed below.

- ***Build Our Future Grant Pilot Program and Fund: Chapters 430 and 431 of 2023*** established the Build Our Future Grant Pilot Program and Fund to provide grant funding for infrastructure projects intended to support innovation in eligible technology sectors. The program was subsequently transferred to the Maryland Economic Development Corporation (MEDCO) by the Delivering Economic Competitiveness and Advancing Development Efforts (DECADE) Act (***Chapters 351 and 352 of 2026***), discussed below.
- ***Maryland Entertainment Council: Chapter 434 of 2023***, among other things, established the uncodified Maryland Entertainment Council, staffed by Commerce, to assess Maryland's existing assets, opportunities, and competitive position within the film, television, and entertainment industry and to submit a related report. ***Chapter 70 of 2024*** then codified the Maryland Entertainment Industry Council and made the council permanent, instead of terminating June 30, 2025.
- ***Industry 4.0 Technology Grant Program and Fund: Chapter 498 of 2023*** established the Industry 4.0 Technology Grant Program and Fund to assist small and medium-sized enterprise manufacturers in the purchase, implementation, and related employee training of Industry 4.0 technology and related infrastructure. "Industry 4.0 technology" means smart hardware and software manufacturing technologies that include advanced sensor integration, embedded software system applications, robotics and autonomous equipment, cloud computing, and artificial intelligence. From fiscal 2025 through 2028, the Governor must include in the annual budget bill an appropriation of \$1.0 million to the program.
- ***Maryland-Ireland Trade Commission: Chapter 409 of 2024*** established the Maryland-Ireland Trade Commission to study and promote trade between Maryland and Ireland. ***Chapters 36 and 37 of 2026*** altered the membership of the commission and extended the commission's termination date to September 30, 2028.
- ***Maryland Aerospace and Technology Commission: Chapters 622 and 623 of 2024*** established the Maryland Aerospace and Technology Commission to promote innovation in the fields of space exploration and commercial aerospace opportunities.

- **Maryland’s Future Board: Chapters 377 and 378 of 2026** established Maryland’s Future Board and a related special fund to develop a visionary plan for the future of the State, annually evaluate the plan and make revisions as appropriate, and annually recommend projects that ensure the economic strength of the State. The fiscal 2027 budget includes \$1.7 million in general funds for implementation – \$200,000 for the Comptroller and \$1.5 million for Commerce. The Acts terminate June 30, 2031.
- **Local Sourcing Database: Chapter 423 of 2026** required Commerce to develop and maintain a searchable online database, to be known as the Maryland Local Sourcing Portal, to connect businesses in the State with local sources for tariff-impacted goods and other supplies. The Act terminates September 30, 2031.
- **Maryland Workforce Launch Pilot Program: Chapter 535 of 2026** established the Maryland Workforce Launch Pilot Program in Commerce to provide customized, no-cost workforce training as a business attraction tool to recruit strategic industries and qualified business entities to the State. The fiscal 2027 budget includes \$1.0 million in general funds for the pilot program. The program terminates September 30, 2029.

Changes to Existing Programs and Operations

The General Assembly also passed legislation that altered existing programs and entities within Commerce or altered how Commerce operates as an entity. Relevant Acts, and any associated mandated appropriations, are listed below.

- **Cannabis Business Establishments: Chapters 471 and 472 of 2023** prohibited Commerce from denying specified cannabis business entities licensed by the State certain economic development and financial assistance program benefits solely because the business entities are cannabis establishments. Among other things, the Acts added the growth, processing, or dispensing of cannabis, in accordance with the laws of the State, as eligible business activities under the Job Creation and One Maryland tax credit programs.
- **Maryland Nonprofit Development Center Program: Chapter 475 of 2023** required the Governor to include a \$1.0 million appropriation in the annual budget to the Maryland Nonprofit Development Center Program Fund for fiscal 2024 (or alternatively fiscal 2025 under a certain circumstance) to be used for loans made under the Nonprofit Interest-Free, Micro Bridge Loan Account. The purpose of the fund is to provide grants and bridge loans to support the operations of the Maryland Nonprofit Development Center Program.
- **Regional Institution Strategic Enterprise (RISE) Zone Program: Chapters 522 and 523 of 2023**, among other changes, extended the termination date of the RISE Zone Program to January 1, 2030, extended the duration of a RISE Zone designation from 5 years to 10 years, and increased the maximum number of allowable RISE zones in Baltimore City

from three to four. The program was further modified and transferred to MEDCO by the DECADE Act, discussed below.

- **Maryland Economic Development Commission: Chapter 71 of 2024** altered several administrative requirements related to the Maryland Economic Development Commission. The purpose of the commission is to establish economic development policy in the State and to oversee Commerce’s efforts to support the creation, attraction, and retention of businesses and jobs.
- **Small, Minority, and Women-Owned Business Account:** The Small, Minority, and Women-Owned Business Account (SMWOBA) is used to provide investment capital and loans to small, minority, and women-owned businesses in the State. Commerce provides grants to eligible fund managers, which then provide investment capital and loans to eligible businesses. **Chapters 68 and 69 of 2024** allowed fund managers of SMWOBA to award grants of up to \$10,000 to businesses in conjunction with a loan through the program. **Chapters 391 and 392 of 2026** authorized Commerce to allow an eligible fund manager to receive, use, and retain an additional management fee for administrative expenses. The fee is calculated as between 1.5% and 3% of the total loan principal. The Acts also authorized Commerce to establish an annual cap on the cumulative amount of management fees an eligible fund manager may receive. Additional changes were made to SMWOBA by the DECADE Act, discussed below.
- **Winery and Vine Economic Development Grant Program:** Chapter 358 of 2022 established the Winery and Vineyard Economic Development Grant Program in Commerce, which provides financial assistance to individuals and corporations to establish a new winery or vineyard in the State or complete capital improvements at an existing winery or vineyard. **Chapters 505 and 506 of 2024** removed the application and grant award deadline under the program and modified the period during which qualified capital expenses must be paid or incurred for purposes of calculating the grant amount.

DECADE Act

Chapters 351 and 352 made several changes to various State economic development programs and tax credits administered by Commerce and altered related reporting requirements. The details of the economic development programs altered by the Acts are discussed below. For a discussion of the tax provisions in the Acts, see the subpart “Income Tax” of Part B – Taxes of this *Major Issues Review*.

- **Economic Development Opportunities Program Account:** The Economic Development Opportunities Program Account (formerly known as the Sunny Day Fund) is an account in the State Reserve Fund that is used to provide conditional loans, grants, and investments to maximize extraordinary economic development opportunities, such as attracting particular businesses to locate in the State. Among other things, the Acts altered and renamed the account to the Strategic Closing Fund, transferred the account to Commerce,

and established that the Legislative Policy Committee must have 60 days to review and approve a proposed use of funds before the funds may be loaned, granted, or invested.

- ***Maryland Economic Development Assistance Authority and Fund:*** Generally, the Maryland Economic Development Assistance Authority and Fund provides financial assistance (1) to businesses engaged in eligible business sectors; (2) for the redevelopment of qualified brownfield sites; and (3) to local governments and MEDCO for economic development projects. The Acts (1) increased the maximum amount of financial assistance that may be unilaterally approved by the Secretary of Commerce; (2) repealed the requirement for a local government to provide specified funds for a local economic development opportunity; (3) increased the amount of assistance that may be provided from the fund; and (4) repealed certain provisions relating to the interest on and term of a loan from the fund and instead required Commerce or the authority to set those terms.
- ***Maryland Small Business Development Financing Fund:*** The Maryland Small Business Development Financing Authority provides financing options for small businesses that are owned by economically and socially disadvantaged entrepreneurs and small businesses that are unable to meet the established credit criteria of financial institutions. The Acts established the Maryland Small Business Development Financing Fund in Commerce as the successor to multiple funds (Small Business Development Contract Financing Fund, Small Business Development Guaranty Fund, Equity Participation Investment Incentive Program Fund, and Small Business Surety Bond Fund), each of which were repealed but are continued as programs of the fund. The Acts streamlined and altered various requirements for financial assistance under the aforementioned programs and increased the available financial assistance. Finally, the Acts reallocated \$5.0 million from the proceeds of video lottery terminals to the fund.
- ***Altered and Transferred Programs:*** The RISE Zone Program accesses the assets of institutions of higher education and nonprofits that are affiliated with a federal agency that have a strong and demonstrated history of commitment to economic development and revitalization in the communities in which they are located and incentivizes the location of specified technology start-up businesses. The Build Our Future Grant Pilot Program provides grant funding for infrastructure projects intended to support innovation in eligible technology sectors. The Acts transferred the programs from Commerce to MEDCO and made various changes to both programs.
- ***Annual Filing Fee for Targeted Industry Businesses in RISE Zones:*** Generally, business entities in the State are required to file an annual report along with a reporting fee of \$300 to the State Department of Assessments and Taxation by April 15. The Acts required the department, beginning in fiscal 2027, to waive the filing fee for a business entity for each year that the entity provides evidence that it has located within a RISE zone within three years of the date by which the filing fee is due and is in an eligible technology sector.

- **Administration of SMWOBA:** Generally, SMWOBA provides loans and grants to small, minority, and women-owned businesses in the State. Among other things, the Acts required Commerce to approve a loan disbursement request from an eligible fund manager within 30 days, consider specified performance metrics when determining grant amounts, and conduct annual reviews of grant amounts awarded to determine whether the awards are sufficient. The Acts also authorized an eligible fund manager to use funds for marketing.

Maryland Technology Development Corporation

The Maryland Technology Development Corporation (TEDCO) is an independent entity established by the Maryland General Assembly in 1998 to enhance the transfer of technology from universities and federal laboratories to the private sector and foster the growth of companies in critical or high-growth sectors.

New Programs

Several new programs were established within TEDCO as a result of legislation enacted during the 2023-2026 term. Relevant Acts, and any associated mandated appropriations, are listed below.

- **Cyber Maryland Program: Chapter 578 of 2023** established the Cyber Maryland Program and a related special fund to create a talent pipeline in cybersecurity, serve as a hub for State workforce development programs in cybersecurity, and generally coordinate cybersecurity research and innovation in the State, among other things. The Act also established a mandated appropriation beginning in fiscal 2025 for an amount sufficient for hiring individuals to conduct the duties of the program. **Chapter 509 of 2024**, among other things, removed the requirement to hire specific staff for the program, removed the mandate to provide funding for specific staff, and instead established a \$99,000 annual mandate for the fund to be used for talent pipeline management. **Chapter 218 of 2025** transferred the program and special fund from TEDCO to MD Labor. The Act also, among other changes, (1) repealed the \$99,000 annual funding mandate and an additional discretionary authorization; (2) expanded the program's required activities, including awarding new competitive grants and contracts; (3) authorized a fiscal 2026 discretionary appropriation of \$3.1 million for the new grants; (4) authorized the Governor to include an appropriation sufficient to run the program beginning in fiscal 2027; and (5) added additional members to the Cyber Maryland Board.
- **Equitech Growth Commission: Chapters 461 and 462 of 2023** established the Equitech Growth Commission and a related special fund to create infrastructure to support the growth of emerging and advanced industries. The Acts also established a mandated annual appropriation of \$5.0 million from fiscal 2025 through 2033. The fiscal 2024 budget also included \$3.0 million for the fund. **Chapters 514 and 515 of 2024** subsequently specified the fund may also be used to pay the costs of administering the program.

- ***Pava LaPere Innovation Acceleration Grant Program: Chapters 710 and 711 of 2024*** established the Pava LaPere Innovation Acceleration Grant Program and the Baltimore Innovation Initiative Pilot Program with the general purpose of providing funding for certain technology start-up companies. The Acts also eliminated an annual mandated appropriation of \$1.0 million for the Business Telework Assistance Grant Program and established a mandated annual appropriation for the Baltimore Innovation Initiative Pilot Program of \$1.5 million for fiscal 2025 and 2026.
- ***Maryland Innovation Initiative Institution Partnership Extension Program: Chapter 217 of 2025*** established the Maryland Innovation Initiative Institution Partnership Extension Program with the purpose of expanding opportunities at eligible institutions of higher education for technology validation, entrepreneurial development, and industry engagement.
- ***Maryland Advanced Manufacturing Grant Program: Chapter 379 of 2026*** established the Maryland Advanced Manufacturing Grant Program and a related special fund to support the growth of companies specializing in regenerative medicine and other advanced manufacturing. The fiscal 2027 operating and capital budgets include a combined \$5.0 million for the program.
- ***Maryland Growth Initiative: Chapter 381 of 2026*** established the Maryland Growth Initiative and a related special fund to support the growth of start-up companies in the State. The Act also established an annual mandated appropriation of \$5.0 million beginning in fiscal 2028. The fiscal 2027 budget includes \$4.0 million in general funds for the initiative.

Changes to Operations and Existing Programs

The General Assembly also passed legislation that altered how TEDCO operates as an entity and modified existing programs within TEDCO. Relevant Acts are listed below.

- ***TEDCO Operations: Chapters 626 and 627 of 2024*** authorized TEDCO, subject to a written agreement, to provide administrative support and services to specified business entities and receive compensation for doing so. ***Chapters 633 and 634 of 2024*** required TEDCO to include an option for an applicant to provide specified demographic information in its investment application but prohibited TEDCO from taking any adverse action against an applicant who declines to provide the information. ***Chapter 380 of 2026*** required TEDCO to adopt, as part of establishing the responsibilities of its investment committee, a process for considering remedies, including divestment, for investments in a business that no longer meets the definition of a qualified business. The Act also authorized, rather than required, TEDCO to divest or instead pursue another remedy that is in TEDCO's best interest within 15 years after making an equity investment.

- ***Maryland Small Business Innovation Research and Technology Transfer Incentive Program: Chapters 200 and 201 of 2025*** removed the limits on the amount of an award or investment under the Maryland Small Business Innovation Research and Technology Transfer Incentive Program and instead limited an award or investment to one per year per small business.

Maryland Stadium Authority

The Maryland Stadium Authority (MSA) was established in 1986 as an independent unit in the Executive Branch to be responsible for the construction, operation, and maintenance of facilities for use by professional baseball and football teams. MSA's authority has since been expanded further to include a variety of State and local projects. MSA may, in fact, manage any type of construction project for local governments and State agencies upon request and approval by the General Assembly. Legislation enacted during the 2023-2026 term affected funding and requirements for various types of existing and new MSA economic development projects. Relevant Acts are discussed below.

Sports Entertainment Facilities

Chapter 61 of 2022 established a \$200.0 million limit on the amount of bonds that MSA may issue for sports entertainment facilities and established related conditions. "Sports entertainment facility" means a structure or other improvement at which minor league games are played or other nonmajor league sporting events are held. It includes parking lots, garages, and other property adjacent and directly related to the facility. It does not include a facility located at Camden Yards, a sports facility, or a high school, collegiate, or recreational venue that does not generate positive incremental tax benefits to the State. ***Chapter 468 of 2023*** increased the amount of bonds that MSA may issue for sports entertainment facilities from \$200.0 million to \$220.0 million. The Act also authorized a nonprofit organization that will own or operate a sports entertainment facility, instead of only certain governmental entities, to request financing from MSA and enter into a written agreement with MSA related to the ownership, marketing, promotion, maintenance, and repair of such a facility.

Camden Yards Sports Facilities

Chapter 60 of 2022 increased the amount of taxable or tax-exempt bonds that MSA may issue for sports facilities at Camden Yards from \$235.0 million to \$1.2 billion, split evenly between the baseball and football stadiums (and the sports facilities directly related to their operation), and allowed renovation as an additional purpose. The Act also required the Comptroller to distribute up to \$90.0 million (an increase from \$20.0 million) annually from State lottery revenues to the Maryland Stadium Facilities Fund. ***Chapter 112 of 2023*** established two supplemental financing funds in MSA for the purpose of allocating authorized lottery revenues for debt service between existing Camden Yards facilities bonds and future bonds associated with the baseball and football stadiums. ***Chapter 403 of 2024*** established the Camden Yards Football Sports Facility Capital Works Fund and the Camden Yards Football Sports Facility Emergency Repair Fund (both special

funds administered by MSA). The purpose of the Camden Yards Football Sports Facility Emergency Repair Fund is to enable MSA to pay all expenses related to emergency repairs at the facility. The purpose of the Camden Yards Football Sports Facility Capital Works Fund is to enable MSA to pay all expenses related to capital improvements and repairs at the Camden Yards football sports facility and, to the extent that funds in the Camden Yards Football Sports Facility Emergency Repair Fund are insufficient, emergency repairs. The Act also required that \$5.0 million of specified MSA bond proceeds be transferred to each fund.

Prince George’s County and the Blue Line Corridor

Chapter 112 of 2023 added one member to MSA who is appointed by the County Executive of Prince George’s County, altered the definition of the Prince George’s County Blue Line Corridor (BLC), specified that a BLC facility does not include a sports facility, and made other minor changes. **Chapter 483 of 2024** required that, after June 30, 2024, \$27.0 million of State lottery funds must be transferred to the BLC Facility Fund annually, instead of an amount of up to \$27.0 million annually in two installments. Among other things, **Chapter 376 of 2026** (1) altered the definition of BLC to include an area that is designated as an enterprise zone in Prince George’s County; (2) broadened the types of facilities for which MSA may issue bonds; (3) increased the authorization for bond issuance from \$400.0 million to \$425.0 million; and (4) increased the amount of lottery funds distributed to the BLC Facility Fund each year for debt service – from at most \$27.0 million to at most \$29.0 million – beginning in fiscal 2027.

Baltimore Convention and Tourism Redevelopment and Operating Authority Task Force

Chapter 635 of 2024 established the Baltimore Convention and Tourism Redevelopment and Operating Authority Task Force to study the establishment of an entity or strategy to govern and redevelop certain State and local real property assets while promoting the Baltimore Convention Center and the immediate surrounding area. The task force was required to make related recommendations on the membership, purpose, and function of any recommended entity, and to report its findings and recommendations to the Mayor of Baltimore City, the Governor, and the General Assembly by December 1, 2024. **Chapter 214 of 2025** extended the duration of the task force by one year to June 30, 2026. The Act required the task force to identify funding sources and mechanisms, and make related recommendations, to redevelop the Baltimore Convention site and the immediate surrounding area and to establish and sustain the operations of a Baltimore Convention and Tourism Redevelopment and Operating Authority. By December 1, 2025, the task force was required to report its findings and recommendations on the funding sources and mechanisms to the Mayor of Baltimore City, the Governor, and the General Assembly.

Transportation-related Economic Development

In 2008, it became the policy of the State that the development of improved and expanded railroad and transit facilities and services would create a unified and coordinated regional

transportation system. Additionally, the use of transit-oriented development (TOD) throughout the State was determined to be essential for the satisfactory movement of people and goods, the alleviation of present and future traffic congestion, and the economic welfare and vitality of the State. **Chapter 512 of 2023**, among other changes, established the TOD Capital Grant and Revolving Loan Fund, expanded the definition of “transit-oriented development,” and altered the designation of TODs.

Maryland Transit and Housing Opportunity Act

“Transit-oriented development” means mixed-use, deliberately planned development within one half-mile of existing or planned transit stations that is designed to maximize the use of transit, walking, and bicycling and is supported by State and local government. The State TOD Designation Program designates TODs. A local jurisdiction applies to the Maryland Department of Transportation (MDOT) for a designation, which then makes a recommendation to the Sustainable Growth Subcabinet, which subsequently approves or denies the designation.

Among other benefits and State support available to designated TODs, MDOT provides funding through the TOD Capital Grant and Revolving Loan Fund, which provides grant and loan funding to local jurisdictions for design plans and public infrastructure improvements, as well as gap financing (the gap between expected development costs and available funds) applied for jointly by a local jurisdiction and a nonprofit/private developer. **Chapter 592 of 2026** altered State laws governing and supporting TOD in the State. Broadly, the Act:

- allowed an area designated as a TOD that meets other specified requirements to be automatically designated as an enterprise zone (which provides businesses in the zone access to tax credits and incentives under specified conditions) at the discretion of the local government or multicounty agency with land use and planning responsibility for the area;
- among other criteria for priority projects, required MEDCO, when making loans through its Strategic Infrastructure Revolving Loan Program, to prioritize projects that redevelop land contiguous to rail transit stations owned by the State, Baltimore City, or the Washington Metropolitan Area Transit Authority (WMATA);
- generally prohibited local governments from imposing minimum off-street parking requirements in certain areas near rail transit stations, subject to certain exemptions;
- prohibited local governments from imposing limitations or restrictions (e.g., land use classification, height, setback) on certain land owned by the State, Baltimore City, or WMATA subject to a TOD plan; and
- required local jurisdiction rezonings and related actions to allow mixed-use development on land near a rail transit station that meets specified qualifications.

Bus Rapid Transit Funding

Chapter 61 of 2022 established a bus rapid transit (BRT) system grant program in MDOT, funded with up to \$27.0 million annually of lottery revenues. “Bus rapid transit system” means a bus line that operates on at least some portion of roadway dedicated to buses and offers off-board fare collection if a fare is charged. The program has been modified each year since.

Among other things, **Chapter 112 of 2023** (1) established the Bus Rapid Transit Fund (BRTF) in MDOT to receive and distribute the authorized lottery revenue distributions for BRT system grants and (2) generally, required that a minimum of \$20.0 million of those grants go to Montgomery County each year. **Chapter 483 of 2024** required that, beginning in fiscal 2025, \$27.0 million – instead of *up to* \$27.0 million – of State lottery funds be transferred annually. **Chapter 604 of 2025** modified the funding to require that, beginning in fiscal 2026, \$17.0 million be paid from lottery revenues and \$10.0 million be appropriated from the Transportation Trust Fund (TTF).

Chapter 376 of 2026 (1) altered the BRT system grant program to only provide grants to Montgomery and Howard counties for their BRT programs; (2) expanded the authorized uses of grant funding to encompass various related costs; (3) required MDOT to develop and implement a multi-year grant agreement to remain in effect until the principal of and interest on any bonds issued by Montgomery and Howard counties are paid in full; and (4) increased the total amount allocated to the BRTF each year to \$29.0 million, specifically by increasing the portion of funding appropriated from the TTF to the BRTF from \$10.0 million to \$12.0 million (beginning in fiscal 2028). The Act also limited the grants to Montgomery and Howard counties to \$27.0 million and \$2.0 million each fiscal year, respectively.

Regional and Local Economic Development

Tax Increment Financing – Noncontiguous Areas and Extraordinary Development Districts

All counties and municipalities in Maryland, except Baltimore City, are authorized to utilize tax increment financing (TIF). Baltimore City retains separate authority to use TIF as provided in the city charter. Counties and municipalities (including Baltimore City) may issue bonds to finance the development of infrastructure to support industrial, commercial, or residential areas by using future gains in tax revenues in the TIF district that is generated by new commercial development to pay for the bonds. Under the Tax Increment Financing Act (TIFA), a development must be a contiguous area and authority to issue bonds is generally limited to the local governing body. **Chapter 536 of 2026** authorized the governing body of a political subdivision, including Baltimore City, to designate, by resolution, a noncontiguous blighted area within its jurisdiction as a development district under the TIFA. “Blighted area” means an area in which a majority of buildings have declined in productivity by reason of obsolescence, depreciation, or other causes to an extent that they no longer justify fundamental repairs and adequate maintenance.

Baltimore City

Chapters 80 and 81 of 2021 established the West North Avenue Development Authority (WNADA) for the purpose of developing a comprehensive neighborhood revitalization strategy for the benefit of a specified target area and buffer zone in Baltimore City. The Acts also established provisions governing the membership, procedures, and duties of the authority.

Chapter 136 of 2023 altered the membership of WNADA and generally exempted WNADA from State procurement law until September 30, 2026. *Chapters 215 and 216 of 2025* altered the composition, powers, and duties of the authority, established that the authority is a body politic and corporate and an instrumentality of the State, and extended the authority's authorization until September 30, 2029. The Acts also (1) created a special fund for consulting fees, salaries, and administrative expenses of the authority; (2) created a board of directors for the authority, generally consisting of its existing members; (3) permanently exempted the authority from specified provisions of State law, including procurement law; and (4) required the authority to be self-sustaining beginning in fiscal 2028. WNADA was allocated approximately \$11.4 million in fiscal 2024, the first year that it received funding as a State entity, escalating annually to \$21.6 million by fiscal 2027.

Prince George's County

Chapter 458 of 2026 established the Suitland Development Authority in Prince George's County. In general, the Suitland Development Authority is a body politic and corporate, an instrumentality of the State, and the economic development authority for the State to benefit the neighborhoods of Prince George's County within the Suitland Road and Silver Hill Road Corridor in Prince George's County. Structured similarly to WNADA, the Act delineated various express powers for the authority, established related requirements for the authority, and outlined the applicability of various existing provisions of State law, such as procurement, taxation, and ethics. Furthermore, the authority was required to support the development and approval of a comprehensive neighborhood revitalization plan and report its strategy to the Governor and specified committees of the General Assembly by December 15, 2027. The Act also established the Suitland Development Authority Fund as a special, nonlapsing fund to provide funds to use for consulting fees, salaries, and administrative expenses. The Governor must include an annual appropriation of \$500,000 for the authority. However, the authority must become self-sustaining by fiscal 2036.

Chapter 348 of 2026 authorized the proceeds from bonds that Prince George's County or the revenue authority of Prince George's County issues to be used for the acquisition, construction, or rehabilitation of an immersive entertainment venue located within an extraordinary development district, as defined under the Act. Additionally, the Act authorized the Maryland-National Capital Park and Planning Commission to pledge specified tax revenue as security for bonds issued by Prince George's County. However, the commission may not pledge as security specified property taxes until both it and the governing body of Prince George's County adopt specified resolutions. Finally, the Act established that any visual effects displayed on the

exterior of an immersive entertainment venue may not be considered a sign and authorized, for an immersive entertainment venue, the Secretary of Transportation to grant waivers or exceptions to any outdoor advertising that requires State approval.

Housing and Community Development

Affordable Housing Programs

Statewide Rental Assistance Voucher Program

Among other housing assistance programs overseen by the U.S. Department of Housing and Urban Development (HUD), the Housing Choice Voucher Program (HCVP) provides rental assistance through vouchers to subsidize the rent of low-income families, elderly individuals, and individuals with disabilities. Voucher recipients may choose any type of rental housing that meets specified safety and health quality standards, though federal law does not require that a landlord participate in the program. Jurisdictions with public housing agencies (PHA) or local housing offices directly receive funding through HUD; the Maryland Department of Housing and Community Development (DHCD) coordinates the program for jurisdictions without PHAs or local housing offices.

Chapter 446 of 2023 established the Statewide Rental Assistance Voucher Program within DHCD. The purpose of the program is to provide vouchers and housing assistance payments for low-income families that are currently on a waiting list under HCVP for housing units approved by DHCD or PHAs. Generally, the program must be administered in accordance with federal guidelines for HCVP. **Chapter 446** required the Governor to include \$10.0 million in the annual budget bill for the program in fiscal 2025 through 2027 and sufficient amounts in future years to fund the same number of vouchers issued in the prior fiscal year. **Chapter 234 of 2025** (1) altered the definition of a PHA to include DHCD; (2) authorized a PHA to administer the State program in accordance with its local administrative plan; (3) authorized DHCD to use a project-based structure for up to 100% of its authorized voucher units to administer the State program; and (4) altered the eligibility criteria, inspection frequency, and State assistance to local PHAs under the State program.

Housing Innovation Pilot Program

Chapter 212 of 2024 established the Housing Innovation Pilot Program and Fund within DHCD. The purposes of the pilot program are to create opportunities for the State's housing authorities and county governments to increase the volume of housing production and to reward counties pursuing innovative solutions to the problem of housing scarcity. The fund may be used only to provide low- or no-interest loans to local housing authorities or to county governments partnering with housing developers through the pilot program. **Chapter 212** further established that, for each of fiscal 2026 through 2029, the Governor is authorized to include in the annual operating or capital budget bill an appropriation of \$5.0 million to the fund, which may be allocated

using funding for rental housing projects administered in accordance with Title 4, Subtitle 4 of the Housing and Community Development Article (Rental Housing Program). The fiscal 2025 capital budget included \$10.0 million in general obligation bonds for the pilot program. The Act terminates June 30, 2029.

Educator Workforce Housing

Chapter 678 of 2026 expanded the purpose and eligible recipients of funding from the Housing Innovation Pilot Program and Fund and the Neighborhood and Community Assistance Program to support the development of “educator workforce housing.” The purpose of DHCD’s Neighborhood and Community Assistance Program is to (1) help nonprofit organizations carry out approved projects in priority funding areas; (2) encourage business entities to invest in priority funding areas; and (3) strengthen partnerships between public and private entities. “Educator workforce housing” means any housing that is (1) rented or sold as affordable, low- or moderate-income housing and (2) reserved for teachers or other employees of a local school system who are not administrators responsible for the strategic direction and daily operations of the local school system or a public school. The Act also authorized a county board to consider the provision of educator workforce housing as a school purpose.

Adaptive Reuse

Chapters 174 and 175 of 2023 established that “adaptive reuse,” defined under the Acts as the retrofitting and repurposing of an existing building to develop new dwelling units, of a property to develop affordable multifamily housing is an eligible use of the proceeds of a loan for specified housing programs administered by DHCD. While the provisions of the Acts apply generally, if the laws or regulations governing a particular program establish more specific rules regarding the use of a loan for adaptive reuse, the more specific rules must apply. DHCD must notify applicants to those programs that adaptive reuse of a property to develop affordable multifamily housing is an eligible use of loan proceeds; however, the notification requirement does not apply if the DHCD program does not focus on housing (this includes programs within the Division of Neighborhood Revitalization).

Housing Development

Maryland Housing Certainty Act

Vested Development Rights: The Supreme Court of Maryland, in *Prince George’s County v. Sunrise Development Limited Partnership*, addressed the question of when a landowner has a vested right to an authorized use or development of their property, regardless of a subsequent change in zoning or other law or regulations that affects that authorized use or development. 330 Md. 297, 306-314 (1993). Generally, the court clarified, in its holding, the standard for when there is sufficient commencement of construction, by establishing that “in order for rights to be vested before a change in the law, work done must be recognizable, on inspection of the property by a reasonable member of the public, as the commencement of construction of a building for a use permitted under the then current zoning.”

Chapters 590 and 591 of 2026 established that (1) a housing development project application approval or denial is governed only by laws and regulations in effect when a complete application was submitted and (2) after approval, the proponent of the project has a vested right to the authorized use and development for the longer of five years or a period determined by the local jurisdiction or the Maryland-National Capital Park and Planning Commission (M-NCPPC). The Acts also established that a local jurisdiction or M-NCPPC must, within 30 days after receipt of a housing development project application, make a determination whether the application is complete and notify the applicant of the determination and the date of the determination, and provide a list of deficiencies and a reasonable timeframe for curing them if the application is determined to not be a complete application. If the local jurisdiction or M-NCPPC fails to notify the applicant of its determination within 35 days after receipt of the application, it is deemed to be a complete application.

Development Impact Fees and Excise Taxes: Local governments collect revenue for new or expanded public facilities or services that are necessitated from new residential or commercial development by imposing development impact fees or excise taxes. These fees and taxes shift the costs of financing the new or expanded facilities or services from existing taxpayers to those responsible for the development. **Chapters 590 and 591** prohibited a county or municipality from collecting development impact fees or excise taxes imposed on a residential real estate project until after construction is complete, as specified. A development impact fee or excise tax may be collected as a precondition to conducting a final inspection but not more than 30 days before the date of the inspection.

Housing Expansion and Affordability Act of 2024

Chapter 122 of 2024 required a legislative body of a local jurisdiction to allow the placement of a new manufactured home or modular dwelling in a zone that allows single-family residential uses if the home or dwelling (1) meets a specified definition of a manufactured home and is, or will be after purchase, converted to real property in accordance with specified provisions of the Real Property Article, which includes attachment of the manufactured home to a permanent foundation; (2) meets a specified definition of a modular dwelling, including that the modular dwelling is installed and set up according to the manufacturer's instructions on an approved foundation and support system; or (3) is located on land of a certain size that is currently or previously owned by the federal government and that was the site of a former U.S. military reservation.

Chapter 122 also created a new subtitle within the Land Use Article (Title 7, Subtitle 5, "Housing Expansion and Affordability") that specified local zoning requirements for certain affordable housing development statewide. Under the new subtitle, a local jurisdiction must allow the density of a qualified project to exceed the density otherwise authorized in specified districts or zones, subject to certain exceptions. The Act prohibited a local jurisdiction from imposing unreasonable limitations or requirements on a qualified project or requiring a qualified project to be reviewed at more than a specified number of public hearings.

Lastly, the Act established a Historic Property Revitalization Director within DHCD to:

- support the work of the Smart Growth Subcabinet;
- collect and maintain from certain State agencies an inventory of State-owned buildings that are greater than 50 years old to be used for prioritizing physical assessments and, if applicable, determining eligibility for the National Register of Historic Places;
- in consultation with the Smart Growth Subcabinet, determine the highest and best value for the State's disposition of property and support certain studies and consultations;
- work with DHCD, the Department of Commerce, and other members of the Smart Growth Subcabinet to identify existing State and federal programs and financing mechanisms that may be leveraged to enhance the successful redevelopment of property; and
- work with the Department of General Services Office of Real Estate during the disposition process of relevant property.

Local Government Reports on Housing Development

Chapter 213 of 2024 required each local jurisdiction with at least 150,000 residents to annually report to DHCD and the Maryland Department of Planning (MDP) specified information relating to building or development permit applications considered by the local jurisdiction that include a residential housing component as part of the development (e.g., the total number of applications received, the net total number of residential units approved, and the amount of time spent processing applications). A local jurisdiction must make the report publicly available on its website unless it does not maintain a website, in which case the report must be made available through any other reasonable method.

Chapter 349 of 2025 required each county with at least 150,000 residents to report to MDP, quarterly, beginning January 1, 2027, additional specified information relating to building or development permits that include a residential housing component (e.g., the permit number, approval date, and the total number of residential units authorized under the permit). The Act also authorized municipalities to report such information. By July 1, 2027, and as information becomes available thereafter, MDP is required to publish reported information on a public, interactive, and searchable website and annually report to the Governor and the General Assembly on information collected under the Act, as well as specified information collected under Chapter 213.

Housing Protections

Renters' Rights and Stabilization Act of 2024

Generally, a landlord seeking to evict a tenant initiates the process by filing the appropriate action (e.g., failure to pay rent, breach of lease, etc.) in the District Court. If awarded a judgment

by the court, the landlord files a warrant of restitution, which, once reviewed and signed by the court, authorizes an eviction. The warrant of restitution is forwarded to the local sheriff's office who is then authorized to carry out the eviction. Statute sets forth numerous specific requirements for such actions, including those related to written notice prior to filing certain actions.

Among other things, **Chapter 124 of 2024** established the Office of Tenant and Landlord Affairs (OTLA) within DHCD to (1) ensure that tenants have access to educational resources to aid in understanding and exercising the tenants' rights under State law; (2) provide tenants with information on how to report a violation of their legal rights as tenants and facilitate referrals of reported violations to appropriate enforcement agencies; (3) provide tenants with information on how to obtain financial counseling; and (4) notify appropriate authorities regarding housing discrimination and other unfair or illegal housing practices. Generally, OTLA must develop resources to aid tenants in understanding and exercising their legal rights as tenants, provide resources to facilitate access by tenants to credit counseling, and refer covered individuals to the Access to Counsel Evictions Program, in addition to coordinating other responsibilities generally related to tenant and landlord disputes.

Safe and Healthy Homes for All Act

Chapters 631 and 632 of 2026 required OTLA, in collaboration with the Office of the Attorney General, to develop a plan to (1) identify "severe health and safety risk properties" in the State; (2) expand the structure of OTLA to address severe health and safety risk properties in the State; and (3) provide effective interventions to mitigate predatory, noncompliant, and negligent landlords of multi-unit rental properties in the State. The Acts defined "severe health and safety risk property" as a rental property that routinely fails to meet basic health and safety standards. The Acts applied only to properties with 50 or more units. DHCD must submit the plan and recommendations to the Governor and the General Assembly by August 31, 2027; a related report is due by December 31, 2027. DHCD was also required to publish a list of severe health and safety risk properties on its web page. The Acts terminate December 31, 2027.

Housing Discrimination

In general, State law prohibits housing discrimination because of race, sex, color, religion, national origin, marital status, familial status, sexual orientation, gender identity, source of income, disability, or military status. The federal Fair Housing Act (FHA) also prohibits housing discrimination on the basis of race, color, sex, disability, national origin, familial status, or religion. FHA violations may involve actions and policies that are intentionally discriminatory, as well as those that, despite being applied neutrally and without intent to discriminate, have a discriminatory effect (also known as disparate impact). **Chapter 778 of 2026** altered § 20-705 of the State Government Article related to housing discrimination to prohibit a person from acting in a manner that has a discriminatory effect. While the prohibited acts may be violated regardless of intent, **Chapter 778** specified that a person has not committed a violation if (1) the act was without discriminatory intent; (2) the action was necessary to achieve one or more substantial, legitimate,

and nondiscriminatory interests; and (3) the person could not have achieved the substantial, legitimate, and nondiscriminatory interests by less discriminatory means.

Historic Redlining

Appraisal Gap from Historic Redlining Financial Assistance Program

Generally, “redlining” is the discriminatory housing practice of withholding financial services, such as mortgages, from individuals and families in certain neighborhoods on the basis of race, color, national origin, or some other prohibited reason, regardless of their qualifications for the services. Chapters 702 and 703 of 2021 established the Appraisal Gap from Historic Redlining Financial Assistance Program within DHCD with the initial purpose of providing financial assistance to affordable housing developers working in low-income census tracts to help close appraisal gaps that occur in historically redlined neighborhoods.

Chapters 134 and 135 of 2023 made various changes to the program, including (1) authorizing applicants to the program to apply to DHCD for specified forms of financial assistance (including loans) when qualifying projects under the program are proposed; (2) requiring DHCD to develop by regulation an application form and process for the distribution of financial assistance under the program; (3) establishing that a qualified project receiving financial assistance under the program must be in compliance with local development and land use plans; and (4) altering definitions under the program to authorize DHCD to reimburse program applicants for specified project expenses. *Chapters 155 and 156 of 2024* expanded the purpose of the program to include helping close appraisal gaps that occur in historically redlined neighborhoods by making financial assistance available to individuals who purchased a qualified property (1) after a qualified project is completed; (2) at an affordable sales price as determined by regulations adopted by DHCD; and (3) as an owner-occupant. *Chapter 715 of 2026* expanded the definition of a “qualified property” under the program to include residential real property that is in an area that meets criteria established by DHCD for the identification of neighborhoods that have been historically redlined or have undergone urban renewal.

Community Development

Community Health and Safety Works Grant Program and Fund

The Community Health and Safety Works Grant Program, administered by DHCD, was created as part of Governor Lawrence J. Hogan Jr.’s Re-Fund the Police Initiative in fiscal 2022. The program provided grants for business district or facility improvements to Main Street communities or other community development nonprofit organizations. Grants could be used for surveillance tools such as lighting and cameras; pedestrian and vehicle traffic management tools, such as landscaping, fencing, or expanded restaurant space to sidewalks and roadways; and other improvements that renovated and improved public spaces to remove signals of blight. *Chapter 221 of 2024* codified the program and established a related special fund within DHCD.

Maryland Community Investment Corporation

Community Development Entities (CDEs) are certified by the U.S. Department of the Treasury to make loans or investments that stimulate community development. CDEs are funded through federal New Markets Tax Credits. CDEs sell the tax credits to investors with federal income tax liabilities and use the funds raised by the sale to make debt or equity investments in entities located in qualified low-income communities. **Chapter 123 of 2024** established the Maryland Community Investment Corporation as a body politic and corporate and as an instrumentality of the State. Generally, the purposes of the corporation are to (1) do all things necessary to qualify as a CDE and apply to the U.S. Department of the Treasury for designation as such; (2) apply for an allocation of federal New Markets Tax Credits; and (3) make investments and financial assistance available to low-income communities in the State. The Act also expanded the eligible uses of the Strategic Demolition and Smart Growth Impact Fund within DHCD to include credit enhancement.

Continuing the CORE Partnership Fund

On January 5, 2016, Governor Hogan and Baltimore City Mayor Stephanie Rawlings-Blake announced Project CORE (Creating Opportunities for Renewal and Enterprise) as a multiyear State-city partnership to demolish thousands of vacant buildings in Baltimore City and replace them with green space and economic development projects. Chapters 639 and 640 of 2018 established the Continuing the CORE Partnership Fund within DHCD. The fund is a special, nonlapsing fund with the purpose of assisting DHCD, in conjunction with the Maryland Stadium Authority and Baltimore City, in expeditiously removing blighted property within Baltimore City. **Chapter 335 of 2024** extended indefinitely the Continuing the CORE Partnership Fund (originally scheduled to terminate June 30, 2024). The Act also required the Governor, for fiscal 2026 and each fiscal year thereafter, to include in the annual budget bill an appropriation of \$50.0 million to the fund.

Just Communities

Chapters 147 and 148 of 2024 authorized the Governor, on the recommendation of the Secretary of Housing and Community Development, to designate an area as a Just Community if the Secretary demonstrates that past and current trends in homeownership, property values, commercial and residential vacancy, and business or housing investment show a need for reinvestment in the area. In addition, the area must also have been negatively impacted by a history of (1) forms of legal racial segregation; (2) the demolition of residential neighborhoods through the use of eminent domain or State or federal funding; (3) a State imprisonment rate higher than 750 per 100,000 persons; or (4) unequal exposure to environmental and health hazards. Under the Acts, “Just Community” was defined to mean the part of a priority funding area that, as determined by the Governor, satisfies the specified requirements. The Governor was required to identify State programs under which a Just Community must receive priority for State funding.

Workers' Compensation

Failure to Insure

Generally, each employer in the State must secure workers' compensation for all covered employees of the employer by maintaining insurance with an authorized insurer or, in limited circumstances, through self-insurance. If the Workers' Compensation Commission (WCC) finds an employer failed to secure compensation for all its covered employees, it must order the employer to secure and maintain insurance for all its covered employees, submit proof of insurance coverage, and pay a penalty to the Uninsured Employers' Fund (UEF).

Chapter 78 of 2024 increased the maximum penalty that an employer may be required to pay to UEF when WCC finds that the employer failed to secure compensation for all covered employees or failed to comply with an order from WCC to secure and maintain insurance for all covered employees and submit proof of that coverage. In both cases, the Act increased the maximum penalty from \$10,000 to \$25,000.

Benefits

If an employee covered under workers' compensation insurance has suffered an accidental personal injury, compensable hernia, or occupational disease, the employee is entitled to compensation benefits paid by the employer, its insurer, the Subsequent Injury Fund (SIF), or UEF, as appropriate. However, if a covered employee of a governmental unit or a quasi-public corporation receives another benefit granted by a statute, charter, ordinance, resolution, regulation, or policy, then payment of that benefit satisfies any liability of the employer and SIF for the payment of similar workers' compensation benefits. **Chapter 410 of 2023** clarified that these benefits are limited, or offset, only if the benefits are based, in whole or in part, on an injury to the same body part.

For purposes of compensation for occupational deafness, the percentage of hearing loss a covered employee has experienced must be calculated based on average hearing loss at specified frequency thresholds and including an offset based on the average amount of hearing loss from nonoccupational causes found in the population at a given age. **Chapters 282 and 283 of 2024** modified this calculation and requirement to pay compensation by requiring hearing loss to be calculated at an additional frequency when determining occupational deafness, specifying that an employer must provide compensation to a covered employee for hearing loss due to industrial noise at the additional frequency (except under specified circumstances), and by altering the offset calculation for nonoccupational hearing loss.

Occupational Disease Presumptions

Workers' compensation law establishes a presumption of compensable occupational disease for certain public safety employees who are exposed to unusual hazards in the course of their employment. It is assumed that these specified injuries or diseases are due to the employee's

work and, therefore, no additional evidence is required in the filing of a claim for workers' compensation.

Chapters 13 and 14 of 2024 established additional occupational disease presumptions for specified public safety employees and volunteers (generally firefighters) who contract thyroid, colon, or ovarian cancer that is caused by contact with a toxic substance encountered in the line of duty. The presumptions only apply when the covered employee or volunteer meets other eligibility criteria established under State law for cancer or leukemia disability presumptions. Additionally, **Chapter 300 of 2026** expanded a workers' compensation occupational disease presumption for specified public safety employees (generally firefighters) who have hypertension by establishing that an employee has demonstrated disablement from the hypertension if the individual (1) has been diagnosed with hypertension; (2) has been prescribed medication to treat hypertension for at least 90 consecutive days; (3) meets certain job longevity requirements; and (4) is still employed as a public safety employee at the time the claim is filed.

Chapters 341 and 342 of 2026 extended, to all Carroll County correctional deputies, an occupational disease presumption for heart disease or hypertension that (1) is more severe than their condition existing prior to that employment and (2) results in partial or total disability or death. Accordingly, as a condition of employment, Carroll County correctional deputies must submit to a medical examination to determine any heart disease or hypertension condition existing prior to their employment.

Compensable Hernia

In order for a hernia to be compensable, it generally must have been the result of an accidental personal injury or strain. **Chapters 411 and 412 of 2023** established that a hernia caused as a result of repetitive trauma may also be considered an occupational disease compensable under workers' compensation law.

Uninsured Employers' Fund

UEF is a special funded State agency that directly pays a claimant's compensation benefits and medical expenses in the event that an injured employee who should be receiving worker's compensation is not properly compensated by the employer or the employer's insurer (which may happen because the employer has not purchased workers' compensation insurance or becomes insolvent). UEF's primary source of funding is a 1.0% assessment that applies to (1) each compensation award against an employer for permanent disability or death, including awards for disfigurement or mutilation and (2) except for specified medical benefits, amounts payable by an employer or its insurer under a settlement agreement approved by WCC. If the board of UEF determines that reserves are inadequate to meet anticipated losses, the board may direct WCC to collect an additional assessment as well.

In response to financial difficulties faced by UEF, during the 2025 session, the General Assembly passed **Senate Bill 219 and House Bill 193**. The bills, which were vetoed by

the Governor, would have increased the additional assessment that the board of UEF may direct WCC to impose on specified workers' compensation awards and settlements from 1.0% to up to 1.5%. Additionally, the bills would have increased the fund balance thresholds that govern when UEF's assessment applies and required WCC to designate a special monitor to assess the financial condition of UEF, for up to one year.

Previously, the board of UEF consisted of three members: one that must represent labor; one that must represent management; and one that must represent the general public. **Chapter 309 of 2025**, expanded the board to five members and modified qualifications of board members: two are required to have substantial experience as officers or employees of a property and casualty insurance company; one must have substantial experience in the field of accounting or financing; one must be a policy holder of workers' compensation insurance in the State; and one must represent the general public. The Act also required that the board establish reserves to meet potential losses of the fund.

Unemployment Insurance

During the 2023-2026 term, unemployment insurance (UI) underwent changes affecting disclosure of confidential UI information, employer contributions, claimant eligibility requirements, and recovery of overpaid benefits. In addition, the General Assembly passed several UI-related measures as a result of the collapse of the Francis Scott Key Bridge.

Generally, UI provides temporary, partial wage replacement benefits of up to \$430 per week to individuals who are unemployed through no fault of their own and who are willing to work, able to work, and actively seeking work. Both the federal and state governments have responsibilities for UI programs. Generally, funding for the program is provided by employers through UI taxes paid to both the federal government for administrative and other expenses and to the states for deposit in their UI trust funds from which benefits are paid. Using federal tax revenues, the UI program is administered pursuant to state law by state employees. The Division of Unemployment Insurance (DUI) within the Maryland Department of Labor (MD Labor) administers the State's UI program.

Each state law prescribes the tax structure, qualifying requirements, benefit levels, and disqualification provisions. These laws must, however, conform to broad federal guidelines.

Maryland Protecting Opportunities and Regional Trade (PORT) Act

In response to the collapse of the Francis Scott Key Bridge on March 26, 2024, and the resulting reduced operations of the Port of Baltimore, **Chapters 2 and 3 of 2024**, emergency Acts, provided various economic relief measures in different sectors, including UI, among other provisions discussed elsewhere in this *Major Issues Review*. The Acts required the Secretary of Labor to waive the charge of benefits paid to a claimant against the earned rating record of an employer, *i.e.*, not adversely impact an employer's State UI tax rate, for any claim of benefits if (1) the claim is determined by the Secretary to be related to the reduced operations of the port due

to the bridge collapse and (2) the employer had no direct or indirect control over the actions leading to the disruption in employment. In addition, under the Acts, the Secretary was authorized to exempt an individual from the general work search requirement to maintain eligibility for UI benefits if the individual (1) was temporarily laid off from work as a direct result of the event or occurrence that led to the Governor declaring a State of Emergency via Executive Order 01.01.2024.09 (related to the bridge collapse and the reduced operations of the port) and (2) remained able to work, available for work, and work-attached.

The Acts also required MD Labor to establish two temporary UI-related assistance programs: one to provide direct assistance to workers and one to provide assistance to businesses for worker retention. Both programs operated for approximately one year, assisting thousands of individuals and hundreds of businesses during that time.

The Port of Baltimore Worker Support Program provided assistance to certain individuals affected by the reduced operations of the port if those individuals (1) did not qualify for UI benefits or any similar employer-provided benefit or (2) qualified for an amount of UI benefits that was less than the individual's earnings attributable to the individual's employment at the port at the time reduced operations began. Applications for the program were accepted through June 28, 2024. The program provided approximately 3,200 port workers with cash relief totaling more than \$13.7 million, with each worker receiving up to \$430 weekly for up to 13 weeks.

The Port of Baltimore Worker Retention Program provided grants to certain business entities affected by the reduced operations of the port. Program funds were used by recipients to avoid layoffs and maintain their workforces. The Acts required, to the extent practicable, that MD Labor (1) incorporate the State's voluntary work sharing UI program in conjunction with, or as a condition or an extension of, the grant program or (2) substitute the work sharing program for the grant program. Under UI law, an employer participating in the work sharing program must temporarily reduce the normal weekly work hours of employees within an affected unit by 10% to 60%; affected employees are eligible to receive partial UI benefits based on the percent reduction in normal weekly work hours to supplement lost wages. MD Labor incorporated the UI work sharing program as a component of the worker retention program and accepted applications through May 17, 2024. The program provided more than 280 Maryland-based businesses with up to \$200,000 in grant funding to pay for employee wages of up to \$7,500 per worker, with grants totaling approximately \$17.7 million.

Administrative Funding

Using federal tax revenues, each state UI program is administered pursuant to state law by state employees, subject to broad federal guidelines. There are three relevant UI funds in statute. Generally, the Unemployment Insurance Administration Fund is used to pay administrative costs of administering UI benefits. Separately, the Special Administrative Expense Fund (SAEF) may be used for various purposes that are generally related to the administration of Maryland UI law. The Unemployment Insurance Trust Fund, funded by employer taxes paid to the State, is

nonbudgeted and used to pay UI benefits. All three funds are administered by the Secretary of Labor.

Chapter 604 of 2025, the Budget Reconciliation and Financing Act, required, beginning January 1, 2026, each taxable employer to be subject to an administrative fee of 0.15% of the employer's taxable wage base. The fee revenue is deposited into the SAEF and used for authorized administrative purposes, including to improve customer service, conduct data analysis, support information technology improvements, combat fraud, and accelerate reemployment. The UI tax rate assigned to each taxable employer was correspondingly reduced by 0.15%, subject to a minimum overall tax rate of 1.0% for new employers, generally keeping overall amounts owed by individual employers the same.

Confidentiality and Disclosure of Unemployment Insurance Information

Federal and State law establish requirements governing the maintenance, inspection, and sharing of UI records, and these requirements differ to some extent. **Chapters 129 and 130 of 2026** updated the State's framework for the protection of sensitive UI information to be more consistent with and comply with federal requirements, particularly 20 C.F.R. Part 603. Specifically, the Acts required that (1) MD Labor maintain the confidentiality of specified claimant and employer records and (2) confidentiality provisions in State law related to UI data be interpreted in a manner that ensures compliance with federal law. The Acts further provided that, generally, any UI information in department records that reveals the name or other identifying information about an individual or a past or present employer or employing unit, or that could foreseeably be combined with other publicly available information to reveal any such information, is confidential and may not be disclosed. The Acts also specified the limited circumstances in which confidential information must or may be disclosed, such as for the administration of the UI program or at the discretion of the Secretary, respectively.

Benefits

Eligibility

Income Disregard: Generally, a claimant's weekly UI benefit amount is computed, in part, by subtracting any wages exceeding \$50 that were payable to the claimant during that week for part-time employment. In other words, the first \$50 of income earned each week is disregarded and does not reduce the weekly benefit amount, but anything earned over \$50 for part-time employment reduces the weekly benefit amount on a dollar-for-dollar basis. However, there are multiple exemptions, such as compensation for serving or being called to serve on a jury. **Chapter 617 of 2024** established an additional exemption by providing that any payment to an individual as compensation for serving as an election judge for a local board of elections in the State does not reduce a claimant's weekly benefit amount.

Reasonable Assurance Employment: Generally, UI benefits based on service in covered employment with governmental entities or charitable, educational, or religious organizations are

generally payable in the same amount, on the same terms, and subject to the same conditions as benefits payable on the basis of other service in covered employment. However, there are circumstances under which benefits may not be paid during established time periods, such as between successive academic terms or years when the individual has a reasonable assurance that the individual will perform the services in the second term or year.

Chapter 105 of 2024 addressed a potential ambiguity by specifying that the above requirements related to successive academic terms and other established time periods do not apply with respect to service in other covered employment, including covered employment for a for-profit employing unit, even if the service is provided exclusively for a governmental entity or a charitable, educational, religious, or other organization. The Act provided clarity to DUI, Lower Appeals Division, and Board of Appeals so that “reasonable assurance” is interpreted and applied consistently going forward, in line with the historical interpretation of the applicable provisions of law.

Actively Seeking Work Requirements: Among other things, an individual must satisfy an actively seeking work requirement to be eligible for UI benefits; as part of this requirement, the Secretary must consider (1) whether the individual has made an effort that is reasonable and that would be expected of an unemployed individual who honestly is looking for work and (2) the extent of the effort in relation to the labor market conditions in the area in which the individual is seeking work. Furloughed federal civilian employees who are barred from working during a full or partial federal government shutdown due to a lapse in appropriations and who are placed in a nonpay status may be eligible for UI benefits, so long as furloughed individuals otherwise meet the requirements for UI eligibility, including the actively seeking work requirement. **Chapters 102 and 103 of 2024** authorized the Secretary to exempt a federal civilian employee who has been furloughed from the requirement to be actively seeking work if, during the furlough, the employee remains able to work, available for work, and work-attached.

Recovery

The Secretary is authorized to recover benefits paid to a UI claimant if the Secretary finds that the claimant was not entitled to the benefits because (1) the claimant was not unemployed; (2) the claimant received or retroactively was awarded wages; or (3) due to a redetermination of an original claim, the claimant is disqualified or otherwise ineligible for benefits. Additionally, the Secretary may recover benefits paid – plus a monetary penalty and interest – for each affected week if the claimant knowingly made a false statement or representation or knowingly failed to disclose a material fact to obtain or increase a benefit or other payment.

For overpayment recoveries not related to fraud, the Secretary may recover amounts (1) by deduction from benefits payable to the claimant in the future; (2) through civil suit; (3) by assessment; or (4) through other reasonable means of collection, including those permitted under State law for the collection of debts owed to the State or under federal law. **Chapters 370 and 371 of 2023** limited the amount that the Secretary of Labor may deduct from weekly benefits payable to a UI claimant when recovering UI benefit overpayments that are unrelated to fraud. Specifically,

the Secretary may deduct up to 50% from the weekly benefits payable to the claimant in the future, or, if the weekly benefit amount is \$100 or less, up to 25%.

Labor and Industry

Payment of Wages

Minimum Wage

The federal Fair Labor Standards Act (FLSA) requires workers to be paid a minimum hourly wage and overtime compensation for work over 40 hours in a week. The federal minimum wage is \$7.25 per hour and has not been changed since July 2009. The Maryland Wage and Hour Law is the State complement to the FLSA, which specifies minimum wage and overtime requirements for employers and employees in the State. **Chapter 2 of 2023** set the State minimum wage rate for employers at \$15.00 per hour beginning January 1, 2024. The Act repealed the Board of Public Works' authority to temporarily suspend a scheduled increase in the State minimum wage rate since future scheduled wage increases were repealed.

Overtime Compensation

Under Maryland's Wage and Hour Law, an employer is required to pay an overtime wage of at least 1.5 times the usual hourly wage for each hour over 40 hours that an employee works during one work week. However, the definition of "employer" in Maryland's Wage and Hour Law generally does not include units of government except for specific provisions, like the minimum wage requirement. Thus, a unit of government is not subject to overtime provisions under Maryland's Wage and Hour Law. Federal law generally requires governments to pay firefighters overtime wages after 212 hours are worked in a 28-day period. Beginning October 1, 2028, **Chapters 181 and 182 of 2026** require each State, county, or municipal governmental unit, including their political subdivisions, that employ a firefighter to pay overtime wages for each hour over 168 hours that a firefighter works during a 28-day work period.

Wage Disclosures

Maryland's Wage Payment and Collection Law regulates the payment of wages by employers in the State. **Chapters 305 and 306 of 2024** expanded the information that an employer must give to an employee for each pay period. In addition to gross pay, a pay stub must include the employer's name and address and the employee's hours worked, rates of pay, net pay, and a list of deductions. At the time of hiring, an employer must provide written notice to the employee regarding the employee's rate of pay, regular paydays, and leave benefits. Additionally, **Chapters 305 and 306** established enforcement provisions, which include an administrative penalty of up to \$500 for each employee who was not provided a pay stub or online pay statement in accordance with the Acts.

Chapters 271 and 272 of 2024 expanded the applicability, requirements, and penalties of the State’s Equal Pay for Equal Work Law. Under the Acts, an employer must disclose a wage range set in good faith, benefits information, and any other compensation information (1) in public or internal job postings and (2) to applicants to which a job posting is not made available both before a discussion of compensation is held with the applicant and at any other time on request of the applicant. The proactive disclosures replaced a requirement to disclose a wage range to an applicant on request of the applicant. Employers must keep records of compliance with the Acts for at least three years.

Additionally, under **Chapters 181 and 182**, discussed above, beginning October 1, 2028, a county or municipality must provide a firefighter (1) at the time of hiring and at the time of any change of the firefighter’s rate of pay, notice of the firefighter’s rate of pay, the regular pay periods, and the firefighter’s overtime rates of pay, and (2) for each pay period, a statement of the hours worked, gross earnings, and deductions. The Acts established a grievance process for county and municipal firefighters for an employer’s failure to comply with the Acts’ requirements.

Family and Medical Leave Insurance Program

At the end of the prior term, Chapter 48 of 2022 established the Family and Medical Leave Insurance (FAMLI) Program administered by the Maryland Department of Labor (MD Labor). The program generally provides up to 12 weeks of benefits to a covered individual who is taking leave from employment due to caring for or bonding with certain family members, the individual’s own serious health condition, or a qualifying exigency arising out of a family member’s military deployment. The weekly benefit is based on an individual’s average weekly wage and is indexed to inflation. Required contributions to the program, which are shared between employers and employees, are based on employee wages and are to be paid into the FAMLI Fund, a special fund, to carry out the program. Under Chapter 48, contributions and benefits were originally set to begin October 1, 2023, and January 1, 2025, respectively, but the FAMLI Program has been delayed and modified during the 2023-2026 term, so contributions and benefits have not yet commenced under the program.

Among other changes to the FAMLI Program, **Chapters 258 and 259 of 2023** (1) delayed the FAMLI Program’s start dates for contributions and benefit payments by one year; (2) required the Secretary of Labor to set the initial total rate of contribution by October 1, 2023 (which was set at 0.9% of covered wages), and required the Secretary of Labor to conduct a cost analysis every year to determine the appropriate total rate of contribution to the FAMLI Fund for the following 12-month period beginning every July 1; (3) set the employer and employee share of the total rate of contribution at 50% each and authorized an employer to cover the employee share; and (4) prohibited the total rate of employee contributions from exceeding 1.2% of the employee’s wages.

Chapters 258 and 259 also (1) repealed the requirement that an individual exhaust all forms of employer-provided leave that is not required under law before receiving FAMLI benefits while authorizing an employer to require that FAMLI benefits be coordinated with other benefits

or leave; (2) authorized an employee and an employer to agree to use employer-provided leave and FAMLPI Program benefits to replace up to 100% of the individual's average weekly wage during the leave period; and (3) required the Maryland Department of Health to reimburse certain service providers for some or all of the employer share of contributions on at least a quarterly basis.

Chapters 266 and 267 of 2024 made several modifications to the FAMLPI Program, including further delaying the FAMLPI Program's start dates for contributions by nine months to July 1, 2025, and benefit payments by six months to July 1, 2026. An employer must be authorized by the Secretary of Labor to provide a private employer plan, which consists of employer-provided benefits or insurance, and the Acts authorized MD Labor to adopt regulations that set fees for private employer plans to fund oversight of the plans.

Chapter 363 of 2025 delayed the program's start dates for contributions to January 1, 2027, and benefit payments to a date not earlier than January 1, 2027, but not later than January 3, 2028, as determined and announced by the Secretary of Labor, and made other corresponding delays in the program. *Chapter 363* excluded self-employed individuals from receiving benefit payments as outlined in statute. Instead, on or before July 1, 2028, the Secretary of Labor must adopt regulations to establish an optional self-employed enrollment program, which must include contribution and benefit amounts and enrollment procedures.

Worker Protections

Violations and Enforcement of State Labor Laws

Chapter 207 of 2024 prohibited employers from taking or threatening to take adverse action against employees who take specified actions relating to the Employment of Minors, Equal Pay for Equal Work, Maryland Wage and Hour, Maryland Wage Payment and Collection, Workplace Fraud, and Living Wage laws, and created a uniform administrative enforcement process. The Act created new anti-retaliation provisions for the Employment of Minors, Maryland Wage Payment and Collection, and Living Wage laws and standardized and strengthened anti-retaliation provisions for the other laws. Under the Act, (1) an employer may not hinder or delay the Commissioner of Labor and Industry (or any authorized representative) from enforcing the six affected statutes and (2) a person may not make or cause to be made a groundless or malicious complaint to the Commissioner of Labor and Industry or in bad faith bring an action or proceeding related to the six affected statutes.

Chapter 309 of 2024 increased the maximum civil penalty from \$5,000 to \$10,000 for each employee that an employer is found to have knowingly failed to properly classify as an employee under the Workplace Fraud Act. Also, on a showing of clear and convincing evidence that a relevant Workplace Fraud Act or State Prevailing Wage Law violation has occurred, the Commissioner of Labor and Industry must refer any complaint that alleges a violation of specified tax withholding and tax fraud provisions in the Tax-General Article to the Comptroller, the State's Attorney with jurisdiction over the alleged violation, the U.S. Department of Justice, the U.S. Department of Labor, and the U.S. Department of the Treasury.

Labor Standards

The FLSA established minimum wage, overtime pay, recordkeeping, and child labor standards for employees in both the private and public sectors. **Chapter 167 of 2026** established worker protections in the areas of child labor law, private sector collective bargaining, and labor standards. The Act authorized the Commissioner of Labor and Industry within MD Labor to assess a civil penalty against a person for specified child labor law violations, with harsher penalties for knowing or repeated violations, and, beginning July 15, 2027, the penalty amounts are indexed to inflation. Additionally, **Chapter 167** prohibited a unit in the Executive Branch from petitioning or applying to the federal government for a waiver of any provision of the FLSA that is applicable to the unit, even if the waiver is otherwise authorized under federal law.

The federal National Labor Relations Act (NLRA) established private employees' rights to join unions, requiring employers to bargain collectively with unions selected by a majority of workers in an appropriate bargaining unit. **Chapter 167** also expanded the jurisdiction of the Public Employee Labor Relations Board, which oversees collective bargaining for all public employees in the State, to cover private employees subject to the NLRA or who would have been subject to the NLRA as it existed on January 1, 2025, and established protections for employees' collective bargaining rights that take effect if (1) the NLRA is fully repealed or rendered entirely null and void or (2) the National Labor Relations Board (NLRB) expressly cedes jurisdiction of the NLRA to the State. The Act also prohibited employers from forming organizations or entities in the workplace that, among other requirements, are not subject to the NLRA or under the jurisdiction of NLRB based on federal action occurring on or after January 1, 2026, and enable supervisors and employee members to participate to address or negotiate working conditions of mutual interest.

Occupational Safety and Health

The Division of Labor and Industry within MD Labor oversees the Maryland Occupational Safety and Health (MOSH) program, which must align closely with safety standards set by the federal Occupational Safety and Health Administration. The Commissioner of Labor and Industry must provide for and maintain a comprehensive and effective program on occupational safety and health for public employees that is generally consistent with the MOSH program. **Chapters 608 and 609 of 2025** established a Public Employees' Safety and Health Unit in the Division of Labor and Industry, headed by the Commissioner of Labor and Industry. The unit is responsible for administering and enforcing the program on occupational safety and health for employees of public bodies, including an inspection program. The commissioner was required to adopt standards via regulation that protect employees of public bodies from workplace violence. Among other provisions, the MOSH program was expanded by (1) generally making public bodies subject to existing statutory penalties and (2) enhancing notice and reporting requirements associated with public bodies.

Employment and Hiring Practices

Employment Discrimination and Hiring Preferences

State law generally prohibits an employer with at least 15 employees from discriminating against any individual with respect to the individual's compensation, terms, conditions, or privileges of employment because of race, color, religion, sex, age, national origin, marital status, sexual orientation, gender identity, genetic information, or disability. Under the State's Equal Pay for Equal Work law, an employer may not discriminate between employees in any occupation by providing less favorable employment opportunities based on sex or gender identity or paying a wage to employees for similar work of one sex or gender identity at a rate less than the rate paid to employees of another sex or gender identity.

Discrimination Based on Sexual Orientation: Chapter 131 of 2024 expanded the State's Equal Pay for Equal Work law by prohibiting employment discrimination on the basis of sexual orientation. Thus, an employer may not discriminate between employees in any occupation by providing less favorable employment opportunities based on sexual orientation or by paying a wage for similar work to employees of one sexual orientation at a rate less than the rate paid to employees of another sexual orientation.

Spouses of Veterans: Chapter 6 of 2024 authorized employers to grant a hiring and promotion preference to the spouse of an eligible veteran, as defined in State law, who has received an honorable discharge or a certificate of satisfactory completion of service.

Mandatory Employer Meetings: Chapter 221 of 2026 prohibited, subject to certain exemptions, employers and their agents, representatives, and designees from taking or threatening to take specified adverse actions against an employee, or refusing to hire an applicant for employment, because the employee or applicant declines to attend, participate in, or listen to communications in an employer-sponsored meeting regarding the employer's opinion on religious or political matters, as defined by the Act. Prior to the Act, the State did not have protections for employees who declined to attend employer meetings.

Noncompete and Conflict of Interest Agreements

Under State law, a noncompete or conflict of interest provision in an employment contract that restricts the ability of an employee to enter into employment with a new employer or to become self-employed in the same or similar business is null and void as being against public policy of the State in specified circumstances that have significantly evolved during the 2023-2026 term.

Before the enactment of ***Chapter 266 of 2023***, for a noncompete or conflict of interest provision in an employment contract to be permissible under State law the employee must have earned an amount greater than \$15.00 per hour or \$31,200 annually. ***Chapter 266*** altered that threshold to be an amount of earnings greater than 150% of the State minimum wage rate;

therefore, if an employee makes 150% or less of the State minimum wage rate, then a noncompete or conflict of interest provision is null and void.

Chapter 378 of 2024 further prohibited a noncompete or conflict of interest provision in an employment contract for an employee who is (1) licensed as a veterinary practitioner or veterinary technician or (2) for employment contracts executed on or after July 1, 2025, a health care professional who is required to be licensed under the Health Occupations Article, provides direct patient care, and earns \$350,000 or less in total annual compensation. A licensed health care professional providing direct patient care and earning more than \$350,000 may be subject to a noncompete or conflict of interest provision. However, for employment contracts executed on or after July 1, 2025, the noncompete or conflict of interest provision may not exceed one year following the individual's last day of employment, and the geographical restriction in the noncompete or conflict of interest provision may not exceed 10 miles from the primary place of employment. On request of a patient, an employer must provide notice to the patient of the new location where the former employee will be practicing.

In addition, **Chapter 301 of 2026** established that a noncompete or conflict of interest provision in an employment contract is null and void as being against public policy of the State if it involves a licensed architect employed by an employer that (1) on the first day of the employee's employment, employs more than 30 employees, the majority of whom report to a primary work site in the State or perform work remotely from within the State, and (2) as of the date that enforcement of the noncompete or conflict of interest agreement is sought, does not have its principal place of business in the State or no longer has a majority of its employees report to a primary work site located in the State or perform work remotely within the State.

Workforce Development

Apprenticeships

Apprenticeship is a voluntary, industry-sponsored system that prepares individuals for occupations typically requiring high-level skills and related technical knowledge. Apprenticeships are sponsored by one or more employers and may be administered solely by the employer or jointly by management and labor groups. An apprentice receives supervised, structured, on-the-job training under the direction of a skilled journey person or employee and related technical instruction in a specific occupation.

Chapter 168 of 2023 established the Apprenticeship 2030 Commission. The Apprenticeship 2030 Commission's purpose was to examine and make recommendations to the Governor and the General Assembly to reduce skill shortages in high-demand occupations and provide affordable training for career pathways for young people by (1) expanding registered apprenticeships in industry sectors with skill shortages; (2) growing the number of registered apprenticeships to at least 60,000 by 2030; and (3) reaching the Blueprint for Maryland's Future goal of 45% of high school graduates completing the high school level of a registered apprenticeship.

Chapter 2 of 2025 established (1) the Maryland Office of Registered Apprenticeship Development (MORAD) within the Maryland Apprenticeship and Training Program (MATP) to scale registered apprenticeships across industries to meet the needs of the State's economy; (2) the Registered Apprenticeship Qualified Intermediary Program within MATP to increase apprenticeship awareness, connect employers and labor organizations with partners, and provide technical assistance to launch and expand apprenticeships; (3) the Registered Apprenticeship Development Advisory Board to advise MORAD on the strategy to achieve its mission of expanding registered apprenticeship opportunities in the State; and (4) the Maryland Pay Per Apprentice Program (MPPA) and associated special fund to provide grants to employers and sponsors to develop a well-trained, productive workforce that meets the needs of the State's economy and help offset apprenticeship costs.

Chapter 2 also required the Governor to include in the annual budget bill an appropriation sufficient to cover the administrative costs for MORAD and, in fiscal 2027 through 2030, authorized the Governor to include an appropriation for the MPPA Fund. The Act also (1) established a one-to-one ratio of journeyworkers to apprentices and required the Maryland Apprenticeship and Training Council to review and recommend ratio deviations; (2) repealed the Youth Apprenticeship Advisory Committee; and (3) altered related reporting requirements.

Talent Innovation Program

The Division of Workforce Development and Adult Learning's (DWDAL) purpose is to ensure businesses have the skilled workforce necessary to be competitive in today's environment, as well as helping individuals obtain employment. Additionally, DWDAL is responsible for the daily oversight of State apprenticeship programs. **Chapter 421 of 2024** established the Talent Innovation Program (TIP) and Fund within MD Labor, jointly administered by DWDAL and the Governor's Workforce Development Board. The purpose of TIP is to increase access to high-quality job training by using innovative and sustainable talent financing mechanisms to help meet skill needs in the State's prominent and emerging industry sectors including cybersecurity, health care, biotechnology, manufacturing, and artificial intelligence. The program may conduct pilots, convene key stakeholders, and conduct research to develop and support new talent financing approaches. The program must also establish an initial pilot program that focuses on the cybersecurity sector by supporting job training through the expansion of regional cyber ranges.

Cyber Maryland Program

Chapter 578 of 2023 established the Cyber Maryland Program in the Maryland Technology Development Corporation (TEDCO) to create a talent pipeline in cybersecurity, serve as a hub for State workforce development programs in cybersecurity, and generally coordinate cybersecurity and research and innovation in the State. **Chapter 578** also created the Cyber Maryland Board and a special, nonlapsing fund, the Cyber Maryland Fund. **Chapter 509 of 2024**, among other things, removed the requirement to hire specific staff for the program, removed a mandate to provide funding for specific staff, and instead established a \$99,000 annual mandate for the fund to be used for talent pipeline management. **Chapter 218 of 2025** transferred the Cyber

Maryland Program, including the Cyber Maryland Fund and Cyber Maryland Board, from TEDCO to MD Labor. The Act also, among other changes, (1) repealed the mandated annual funding of \$99,000 for talent pipeline management and an additional discretionary authorization; (2) expanded the program’s required activities, including awarding new competitive grants and contracts; (3) authorized a fiscal 2026 discretionary appropriation of \$3.1 million for the new grants; (4) authorized the Governor to include an appropriation sufficient to run the program beginning in fiscal 2027; and (5) added additional members to the Cyber Maryland Board.

Alcoholic Beverages (Statewide)

Manufacturer’s Licenses

Class 9 Limited Distilleries

Generally, a Class 9 limited distillery license may be issued by the Alcohol, Tobacco, and Cannabis Commission (ATCC) to holders of Class B or Class D beer, wine, and liquor licenses where sales for both on- and off-premises consumption are permitted for the licensed premises.

Chapters 428 and 429 of 2023 authorized holders of a Class 9 limited distillery license to apply for and obtain a Class 8 liquor wholesaler’s license, which allows the holder to sell and deliver their own liquor to a retail license holder or permit holder authorized to acquire liquor from a wholesaler, as specified. *Chapter 860 of 2026* repealed the requirements that a holder of a Class 9 limited distillery license must (1) maintain only one brand at any one time for each product of brandy, rum, whiskey, alcohol, and neutral spirits that is distilled, rectified, and sold and (2) not manufacture or rectify product of any other brand for another entity. The Act also limited the holder of a Class 9 limited distillery license to manufacturing or rectifying up to 31,000 gallons of product each calendar year for any other brand or entity.

Class 3 and Class 4 Limited Wineries

Generally, Class 3 winery and Class 4 limited winery license holders may ferment and bottle wine and sell and deliver wine to a wholesaler and other specified entities. A Class 4 license holder may also distill, bottle, sell, and deliver pomace brandy that is made with a certain minimum required content of Maryland grown grapes or other fruit, as specified. Both licenses are issued by the Executive Director of ATCC.

Chapter 452 of 2023 authorized a holder of a Class 4 limited winery license to prepare, sell, or serve food and sell wine and pomace brandy produced by the license holder for on- and off-premises consumption, as specified. The Act also extended the general hours of sale for on-premises consumption from 10:00 a.m. to 6:00 p.m. to 10:00 a.m. to 10:00 p.m. and repealed a notice requirement for planned promotional events.

Chapters 824 and 825 of 2024 altered cultivation and production requirements applicable to holders of Class 4 limited winery licenses by defining “Maryland-grown agricultural product”

and using that more expansive term for the Maryland content requirements applicable to Class 4 limited wineries. The Acts also altered the standards for the purchase of specific wine by a license holder and required the finished wine being purchased by the license holder to be made entirely of Maryland agricultural products fermented by a licensed manufacturer.

Chapter 862 of 2026 authorized (1) a holder of a Class 3 winery license to acquire bulk wine from the holder of a Class 4 limited winery license and (2) a holder of a Class 4 limited winery license to sell and deliver bulk wine to the holder of a Class 3 winery license. The Act further modified the definition of pomace brandy to include a brandy, not exceeding 80 proof, that is distilled by a Class 4 limited winery license from wine produced with ingredients that include at least 51% Maryland-grown agricultural products. Pomace brandy distilled and bottled by the Class 4 limited winery license holder must be reported as a distilled spirit for purposes of the alcoholic beverage tax. The Act also authorized the Montgomery County Board of License Commissioners to issue a Class D beer, wine, and liquor license to the holder of a Class 3 winery license in Silver Spring, Maryland, as specified.

Class 5 Breweries On-premises Consumption

Generally, the holder of a Class 5 brewery license can operate a taproom to sell beer on-site and sell beer it produces at retail for off-premises consumption under certain circumstances. A local licensing board may issue an on-premises consumption permit to an applicant that holds a Class 5 brewery license and a Class D beer license or equivalent license that authorizes the permittee to sell up to 5,000 barrels of beer each year for on-premises consumption if specified criteria are met. **Chapter 144 of 2025** increased, from 25% to 35%, the criteria for the maximum percentage of the total number of barrels of beer not produced by the holder of a Class 5 brewery license that the licensee may sell for on-premises consumption in a calendar year.

Class 8 Farm Breweries

Generally, a Class 8 farm brewery license holder may brew, bottle, or contract for up to 15,000 barrels of beer each year, as specified. **Chapter 861 of 2026** required the licensed farm of a Class 8 farm brewery to be (1) an agribusiness engaged in the production, showcasing, preparation, and sale of farm products and (2) actively engaged in agritourism by exposing the public to farming and value-added farming practices. The Act established that ATCC has exclusive regulatory authority over the operation of a Class 8 farm brewery. The Act also expanded a Class 8 license holder's authorization to sell and serve food and allowed a Class 8 license to hold and host public events related to agribusiness and agritourism.

Direct Delivery of Alcoholic Beverages

Manufacturer's Licenses Sale and Delivery of Alcoholic Beverages

Before the COVID-19 pandemic, the only alcoholic beverages manufacturers that were allowed to deliver their products directly to customers in the State were wineries operating under a direct wine shipper's permit issued by ATCC. During the pandemic, breweries, wineries, and

distilleries in the State were granted a temporary authorization to deliver their products directly to consumers in the State by executive order and legislation that have since terminated.

Chapter 594 of 2023 extended the termination dates for provisions of Chapters 359 and 360 of 2021 and Chapters 477 and 478 of 2022 related to the sale and delivery of alcoholic beverages by certain alcoholic beverages manufacturers from June 30, 2023, to June 30, 2024. The Act also delayed the date, from July 1, 2023, to July 1, 2024, that specified license holders were authorized to sell up to 288 ounces of beer to a person at an off-site permitted event. Under the Act, only holders of manufacturer's licenses that received authorization for direct shipment of alcohol from the Alcohol and Tobacco Commission (now ATCC) by April 6, 2023, could ship alcohol directly. The Act also restricted the amount of liquor or beer that holders of specified manufacturer's licenses may ship directly to a consumer during a calendar year. **Chapter 918 of 2024** authorized a winery to deliver directly to a consumer in the State under a direct wine delivery permit issued by ATCC and established a direct beer delivery permit and a direct liquor delivery permit authorizing the direct delivery of beer and liquor to a consumer in the State, as specified. The Act also repealed restrictions on the maximum amount of alcoholic beverages a consumer may buy when visiting Class 1 distilleries and Class 5 breweries and required holders of specified manufacturer's licenses to report certain information to ATCC each year.

Restaurant Local Delivery Permit

Chapters 774 and 775 of 2024 established a local delivery service permit in jurisdictions where a local licensing board has adopted regulations authorizing the delivery of alcoholic beverages by a third-party contractor, an independent contractor, or an agent. The local delivery service permit holder may deliver alcoholic beverages from a retail license holder authorized to deliver alcoholic beverages to an individual only in the jurisdiction where the retail license holder is located.

Supermarket and Chain Store Licenses

Since 1962, except for grandfathered licensees, local licensing boards have been prohibited from issuing alcoholic beverages licenses to chain stores, supermarkets, or discount houses.

In recent years, there have been multiple attempts to expand the authorization to sell alcoholic beverages to food retailers. Most recently, **House Bill 1379 of 2025**, **Senate Bill 75 of 2026**, and **House Bill 1303 of 2026 (all failed)** would have authorized a food retailer to offer to purchase a Class A license from a Class A license holder under specified circumstances, or to apply to a local licensing board for a Class A license, as specified. Additionally, **Senate Bill 824 of 2025 (failed)** would have repealed the prohibition on local licensing boards from issuing a Class A license for use in conjunction with or on the premises of a chain store, a supermarket, or a discount house.

Alcoholic Beverages (Local)

Local COVID-19 Measures Adopted Permanently

Several counties implemented emergency legislation to alter alcoholic beverage laws in response to the COVID-19 pandemic. Some jurisdictions chose to adopt certain measures permanently.

In 2024, the General Assembly considered multiple pieces of legislation enabling sales privileges for off-premises consumption. *Chapter 1021* authorized Class B licenser holders in Montgomery County to sell beer and wine in sealed containers for off-premises consumption. The same year, the legislature did not pass *Senate Bill 971*, which would have authorized a Class D license holder to deliver alcoholic beverages in Howard County. However, the following year, the General Assembly passed *Chapters 803 and 804 of 2025*, which were reintroductions of *Senate Bill 971*.

Chapters 815 and 816 of 2026 authorized the Baltimore County Board of License Commissioners to issue a permit to specified Class B or Class D alcoholic beverages license holders to sell mixed drinks or cocktails in closed containers for off-premises consumption provided the board has adopted regulations authorizing the sale of alcoholic beverages for off-premises consumption.

Wicomico County Dispensary Reform

Chapter 964 of 2024 repealed the monopoly of Wicomico County's Liquor Control Board and its dispensary system for the sale and distribution of specified wine and liquor in the county. Under the Act, the holder of a Class A, B, C, or D license may purchase alcoholic beverages from a dispensary or a wholesaler. Additionally, the legislation repealed a prohibition for a holder of a Class 1 beer, wine, and liquor or a Class 2 wine and liquor wholesaler's license to sell or deliver liquor in the county for resale.

Residency Requirements for License Holders

In 2023, the General Assembly passed multiple bills that changed the residency standard for alcoholic beverage license holders in five counties. Before the change, each of the counties required a license holder to reside in the county that issued the license. Under the Acts, a license holder in one of the counties may live in another county but still must remain a resident of the State for the duration of the license. More specifically:

- *Chapter 596 of 2023* changed Anne Arundel County's residency requirement;
- *Chapter 405 of 2023* changed the residency requirements in both Caroline and Queen Anne's counties;

- **Chapters 597 and 598 of 2023** changed Carroll County’s residency requirement; and
- **Chapter 421 of 2023** changed Howard County’s residency requirement.

Chapter 1044 of 2024 established a State residency requirement for alcoholic beverage license holders in Garrett County. Prior to the enactment of this legislation, there was no residency requirement for license holders in the county.

Cannabis Regulation

Cannabis Reform

Following the enactment of Chapter 26 of 2022 and the passage of an associated constitutional amendment approved by the voters at the November 2022 general election, an individual at least age 21 may use and possess a “personal use” amount of cannabis. **Chapters 254 and 255 of 2023** established a licensing and regulatory framework for the adult-use cannabis industry in the State and created the Maryland Cannabis Administration (MCA) as an independent agency responsible for administering and enforcing the growing, processing, and sale of medical and adult-use cannabis. The Acts also (1) designated MCA as the successor of the Maryland Medical Cannabis Commission; (2) attributed cannabis-related enforcement duties to the renamed Alcohol, Tobacco, and Cannabis Commission (ATCC); and (3) established a sales and use tax on the sale of adult-use cannabis. Adult-use cannabis sales began on July 1, 2023.

Chapters 254 and 255 created eight categories of cannabis business licenses: standard grower, processor, and dispensary licenses, respectively; micro grower, processor, and dispensary licenses, respectively; incubator licenses; and on-site consumption licenses. The new licenses did not distinguish between medical cannabis (authorized generally in the State under Chapters 240 and 256 of 2014) and adult-use cannabis; both types are produced, processed, and sold by the same tier of licensed cannabis businesses. All medical cannabis licensees were required to either convert to cannabis business licenses before July 1, 2023, or cease operations.

The Acts required MCA, by January 1, 2024, to begin issuing first round licenses to “social equity applicants” for all license types. Beginning May 1, 2024, MCA was required to begin issuing second round licenses pursuant to specified determinations based on the review of a disparity study. As of May 2026, there were 199 total cannabis-related licenses (196 of which are operational) awarded in every license category except for incubator licenses and on-site consumption licenses. **Chapter 120 of 2025** repealed the authorization for MCA to issue on-site consumption licenses during the second round of licensing.

Finally, **Chapters 254 and 255** (1) established an advisory board on medical and adult-use cannabis; (2) established the Office of Social Equity (OSE) and the Social Equity Partnership Grant Program; (3) included various provisions to encourage participation by “social equity applicants”; (4) required, to the extent practicable and authorized by the U.S. Constitution, a

cannabis licensee to comply with the State's Minority Business Enterprise Program; (5) established civil and criminal penalties for specified violations; (6) authorized a State cannabis incubator facility designed to exclusively serve social equity licensees and micro-licensees; (7) required the establishment of a State cannabis testing laboratory to develop cannabis testing methodologies and oversee independent testing laboratories; (8) prohibited the Commissioner of Financial Regulation from taking specified actions against certain types of institutions for providing financial services to a "cannabis business" or a "service provider"; and (9) authorized a "political subdivision" (county or municipality) to establish reasonable zoning requirements for cannabis businesses, with specified limitations.

Maryland Cannabis Administration

As part of its primary responsibilities, MCA must (1) solicit, evaluate, and issue or deny applications for cannabis licenses and registrations; (2) conduct financial and criminal background investigations of any cannabis license applicants and licensees; (3) award or deny cannabis licenses and registrations and give notice and hold hearings on contested license denials; (4) conduct announced and unannounced inspections of any licensed or registered cannabis business to ensure compliance; and (5) impose any authorized penalty following a violation.

Licenses and Registrations

In response to concerns regarding straw ownership of licenses or registrations in the cannabis industry, **Chapter 242 of 2024** prohibited a person from applying for or holding a cannabis license or registration if the ownership interest in the license or registration is (1) nominal or without the benefits and risks of "genuine ownership" or control and (2) for the limited purpose of satisfying the requirements for cannabis licensees or registrants, including requirements for social equity licensees or registrants.

Cannabis Business Licenses: The holder of a cannabis license, including a converted license, may not transfer ownership or control of the license for at least five years following licensure, with limited exceptions. **Chapter 120 of 2025** provided that the five-year moratorium against transferring ownership does not apply to the sale of a cannabis business through an employee stock ownership plan.

Business Registrations: As provided by **Chapters 254 and 255 of 2023**, before providing services to a cannabis licensee, the following businesses must register with MCA: (1) a transporter; (2) a security guard agency; (3) a waste disposal company; and (4) any other type of cannabis business that is authorized to provide plant or product-touching services to cannabis licensees. **Chapter 241 of 2024** extended cannabis business registration requirements to "cannabis nurseries."

Agent Registrations: **Chapters 254 and 255** required that before an agent may volunteer or work for a cannabis business licensee or registrant, the agent must register with MCA. Each registered agent was required to complete an annual responsible vendor training program as established through MCA regulations. **Chapter 375 of 2026** altered the responsible vendor training

program to be the cannabis agent training program with modified curriculum requirements specific to each cannabis business license type. **Chapter 375** also required cannabis business employees to complete a cannabis agent training program within 90 days of employment and at least once every two years instead of annually.

Delivery of Medical Cannabis: **Chapters 254 and 255 of 2023** established the micro dispensary license type as a cannabis delivery service, but authorized standard dispensary licensees to continue to deliver cannabis to medical patients until July 1, 2024, while micro dispensaries became licensed and operational. However, as of the 2026 legislative session, only two micro dispensaries had been awarded final licensure and neither were operational. As a result, the authorization for standard dispensaries to continue delivering medical cannabis has been extended multiple times, with the most recent extension to July 1, 2027, under **Chapter 375 of 2026**.

Enhancement of Penalties and Enforcement

While **Chapters 254 and 255** granted hearing authority to MCA, the Acts were silent on what if any penalties MCA could issue. **Chapter 241 of 2024** explicitly authorized MCA to issue penalties after exercising its hearing authority.

Chapters 57 and 58 of 2025 prohibited the sale or distribution of a product that (1) contains tetrahydrocannabinol (THC) if the product violates specified statutory and regulatory requirements or (2) is advertised as containing an amount of THC that exceeds a specified threshold. A cannabis licensee that violates these restrictions is subject to disciplinary action by MCA; any other violator is guilty of a misdemeanor and, on conviction, is subject to a \$5,000 maximum fine. The Acts also (1) authorized the Executive Director of ATCC to seize, destroy, or confiscate certain illegal products; (2) authorized ATCC's Field Enforcement Division to issue citations for specified violations involving THC; and (3) specified that, in a prosecution for selling THC without an appropriate license, the display or offering of certain THC products for sale is *prima facie* evidence of selling THC.

Cannabis Sales and Use Tax

Chapters 254 and 255 of 2023 imposed a 9% sales and use tax applicable to the sale of adult-use cannabis. The tax does not apply to the sale of medical cannabis and sales between licensed cannabis establishments. The Acts also required the Comptroller to distribute the sales and use tax collected from cannabis sales as follows: (1) to the Cannabis Regulation and Enforcement Fund, an amount necessary to defray operating costs of MCA; (2) 35% to the Community Reinvestment and Repair Fund (CRRF) for fiscal 2024 through 2033; (3) 5% of the revenue collected in each county to the county, which must pay to a municipality located in the county 50% of its share that is attributable to the sales and use tax revenue generated by a dispensary located in that municipality; (4) 5% to the Cannabis Public Health Fund; (5) 5% to the Cannabis Business Assistance Fund for fiscal 2024 through 2028; and (6) any remaining balance to the General Fund.

The BRFA of 2025 (**Ch. 604**) increased the sales and use tax rate for cannabis beginning in fiscal 2026 from 9% to 12% and distributed the revenue attributable to the higher rate to the General Fund.

Social Equity Provisions

Office of Social Equity

Chapters 254 and 255 of 2023 established OSE as a unit in MCA to promote and encourage full participation in the regulated cannabis industry by people from communities that have been disproportionately impacted by the war on drugs in order to positively impact those communities. **Chapter 605 of 2025** created the Department of Social and Economic Mobility (DoSEM) as a principal department in the Executive Branch and transferred OSE from MCA to DoSEM.

The CRRF was established under **Chapters 254 and 255** to provide funds to community-based organizations that serve communities determined to have been the most impacted by disproportionate enforcement of the cannabis prohibition prior to cannabis reform. Pursuant to those Acts, the CRRF was administered by the Comptroller in consultation with OSE. **Chapter 195 of 2025** expanded OSE's duties by requiring OSE, with the assistance of the Comptroller, to oversee the CRRF. In addition, the Act altered the authorized uses of CRRF funds, repealed several existing reporting requirements for OSE relating to the CRRF, established a new reporting requirement for counties that receive CRRF funding, and established requirements for counties as recipients of CRRF funds.

Social Equity Applicants

Chapters 254 and 255 required MCA to (1) conduct extensive outreach to small, minority, and women business owners and entrepreneurs with an interest in applying for a cannabis license before accepting and processing cannabis license applications, and (2) connect potential social equity applicants with OSE. "Social equity applicant" was defined as an applicant for licensing or registration that had at least 65% ownership by individuals who meet certain criteria concerning residency in areas disproportionately impacted by the war on drugs, as specified, attendance at certain schools, or other criteria adopted by MCA. **Chapter 416 of 2026** reduced the ownership percentage required to meet the definition of "social equity applicant" from 65% to 55%.

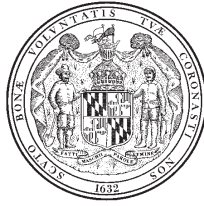
Advertising

Chapters 254 and 255 established that, in general, advertisements may not (1) violate Title 13, Subtitle 3 of the Commercial Law Article, "Consumer Protection Act – Unfair, Abusive, or Deceptive Trade Practices"; (2) directly or *indirectly* target minors or individuals younger than age 21; or (3) engage through specified forms of media or in publicly visible locations. Licensed cannabis businesses, however, were authorized to use signs on their property identifying their businesses. **Chapter 416 of 2026** altered advertising restrictions for cannabis licensees, cannabis products, and cannabis-related services by, among other things, repealing the prohibition on

advertising that *indirectly* targets individuals younger than age 21 and expanding the authorized signage that a standard dispensary licensee may place on the exterior of the dispensary.

Political Subdivisions

Much of the discussion regarding the newly established cannabis industry centered around the appropriate level of local control regarding where cannabis licensees may operate within a jurisdiction. **Chapter 244 of 2024** prohibited a political subdivision from adopting an ordinance that establishes zoning requirements for (1) licensed dispensaries that are more restrictive than zoning requirements for a licensed alcoholic beverage retailer; (2) licensed growers cultivating cannabis exclusively outdoors in an area zoned for agricultural use that are more restrictive than any zoning requirements that existed on June 30, 2023, governing a registered hemp farm in the political subdivision; or (3) licensed growers cultivating cannabis outdoors on a premises that was properly zoned for outdoor cannabis cultivation on or before June 30, 2023. A political subdivision may, however, by ordinance, increase the statutory distance limitation between dispensaries from 1,000 feet to no more than one-half mile. Additionally, a local jurisdiction may, by ordinance, establish a distance limitation for dispensaries of up to 100 feet from an area zoned for residential use or apply to dispensaries the distance limitation for licensed alcoholic beverage retailers from an area zoned for residential use. Furthermore, if a political subdivision establishes any ordinance that provides for a distance requirement for dispensaries, the political subdivision must waive that requirement for a licensed dispensary that was in operation before April 1, 2024.



Part I

Financial Institutions, Commercial Law, and Corporations and Associations

Financial Institutions

Office of Financial Regulation

The Office of Financial Regulation (OFR) within the Maryland Department of Labor oversees and regulates the State’s financial services industry by chartering, licensing, and registering financial institutions and financial service providers in the State and, concurrently, investigating financial service activities in the State.

Name, Organization, and Authority of the Office

Chapters 28 and 29 of 2023 renamed the Office of Financial Regulation from its former name, the Office of the Commissioner of Financial Regulation. To support OFR’s regulatory obligations as nondepository financial activities grow across the State, the Acts also established a new position of Deputy Commissioner for Non-Depository Activities and renamed the existing position of Deputy Commissioner as the Deputy Commissioner for Depository Activities.

In addition, *Chapter 422 of 2024* specifically authorized OFR to examine a third-party service provider regarding any service or activity performed on behalf of an entity chartered or licensed by OFR, *i.e.*, a regulated entity, to the same extent as if the service or activity was performed by the regulated entity itself including (1) all books, accounts, and records of a regulated entity or a third-party service provider necessary to conduct a complete examination and (2) any officer, director, or employee of a regulated entity or, as appropriate, a third-party service provider, under oath. The Act defined a “third-party service provider” as a person that performs activities relating to financial services on behalf of a regulated entity for that regulated entity’s customers and specified types of third-party service providers that meet the definition. Finally, the Act established confidentiality rules for OFR regarding the examination of third-party service providers and also authorized OFR to charge a fee to cover the cost of an examination and take specified enforcement actions.

Access to Banking Act and Financial Regulation Generally

Chapters 432 and 433 of 2023, the Access to Banking Act, established initiatives to expand access to capital for businesses and individuals located in low-to-moderate income (LMI) communities. Subsequent revisions, as described below, have altered those initiatives to expand access to capital while also making broader substantive changes to the regulation of financial institutions and financial activities in the State.

Maryland Community Investment Venture Fund

Chapters 432 and 433 also established the Maryland Community Investment Venture (MCIV) Fund to create opportunities for banking institutions and credit unions in the State to enhance access to capital, funding, and other financial services in LMI communities in the State by (1) investing in the development of financial product or financial product underwriting innovations; (2) deploying, testing, and evaluating the innovations for providing capital and funding to businesses; and (3) promoting and making the innovations available to banking institutions and credit unions to use for businesses in LMI communities. The MCIV Fund may accept money from both public sources and private investment to achieve the stated goals.

The Acts further required OFR to establish a governance structure for the MCIV Fund and authorized OFR to collaborate with investors when establishing the governance structure. Each year, the governing body of the MCIV Fund must engage an independent third party, designated by the Commissioner of Financial Regulation, to evaluate whether the investments made through the MCIV Fund comply with the Acts. As originally enacted, through June 30, 2028, OFR may match an investment made in the MCIV Fund by a banking institution or credit union up to the amount of the assessment credit earned by the banking institution or credit union.

Chapters 131 and 132 of 2026 made changes to the MCIV Fund, including expanding the purpose of the MCIV Fund to include consumers and authorizing money from the MCIV Fund to be distributed as a grant. More specifically, the Acts (1) repealed a reference to a \$2.5 million capital investment by OFR as an initial investment, indicating that the investment can be spread over time; (2) authorized a \$250,000 investment to be used for administering the MCIV Fund; and (3) extended the deadline for OFR to match an investment made in the MCIV Fund until June 30, 2030.

Assessment Credits for Bank and Credit Union Branches

OFR is required to impose annual assessments on each State-chartered banking institution and credit union to cover the expenses of regulating financial institutions. To improve access to banking and financial services for LMI communities, *Chapters 432 and 433* also authorized OFR to provide an assessment offset credit to banking institutions and credit unions for having branches located in LMI communities. Banking institutions and credit unions can request an assessment credit for existing branches and an enhanced assessment credit for new branches for the first five years after a new branch opens.

Chapters 131 and 132 altered deadlines for when banking institutions and credit unions must pay annual assessments to OFR, required OFR to establish a cap for assessment offset credits, altered eligibility and application deadlines for existing assessment offset credits, and established a new assessment offset credit for certain institutions that offer a Maryland Opportunity Account. A Maryland Opportunity Account is a transaction account offered by a bank or credit union to its customers that meet standards annually determined by the Commissioner of Financial Regulation that promote fair and equal access to financial services.

Miscellaneous Changes

Chapters 131 and 132 also (1) specified which entities may claim to do the business of banking in the State; (2) established that cybersecurity incidents at a banking institution or branch of the institution are a potential emergency reason for which the institution or branch may be closed, as declared by the Governor; and (3) repealed obsolete fees.

Licensing Requirements

Nondepository Financial Institutions – Branch Locations

To streamline the licensing and registration process for nondepository financial institutions in the State, **Chapter 567 of 2023** eliminated the requirement that each branch location of a nondepository financial institution obtain and maintain a separate license or registration and pay a fee. The Act instead established a new system under which nondepository financial institutions must obtain a single license or registration and pay one fee that covers all the nondepository financial institution's branch locations in the State.

Consumer Credit

Chapters 118 and 119 of 2025 established that specified licensing provisions of Title 11 of the Financial Institutions Article, including the Maryland Mortgage Lender Law and other licensing requirements for various types of consumer lenders, generally do not apply to a trust that acquires or is assigned, in whole or in part, a mortgage loan if the trust does not otherwise make, broker, or service mortgage loans, not including the act of transmitting or directing payments received by a mortgage servicer. The Acts also established the Maryland Licensing Workgroup, staffed by OFR, to study and make recommendations on licensing requirements for persons that provide financial services in the State. The workgroup submitted an interim report on December 31, 2025, with a final report expected on or before June 30, 2026.

Affiliated insurance producer-mortgage loan originators (AIP-MLO) are exempt from certain provisions of law applicable to mortgage loan originator licensees; however, an AIP-MLO must obtain a special license and limit their activities to originating mortgage loans only on behalf of a single financial institution approved by OFR. **Chapter 512 of 2026** allowed an individual who originates loans made by a mortgage lender that is approved by the Commissioner of Financial Regulation to be licensed as an AIP-MLO under specified conditions. Any individual licensed under the Act is subject to the licensing and regulatory framework set forth for AIP-MLOs who work for financial institutions.

Money Transmitters

The Maryland Money Transmission Act requires persons engaged in money transmission, as defined, to be licensed by OFR. *Chapters 20 and 21 of 2026* excluded a designated agent of a payor who provides payroll processing services from the definition of “money transmitter” if (1) there is a written agreement between the payor and the agent that directs the agent to provide payroll processing services on the payor’s behalf; (2) the payor holds the agent out to employees and other payees as providing payroll processing services on the payor’s behalf; and (3) the payor’s obligation to a payee, including an employee or other party entitled to receive funds via the payroll processing services provided by the agent, is not extinguished if the agent fails to remit the funds to the payee. A designated agent that meets these conditions does not need to be licensed as a money transmitter under the Maryland Money Transmission Act.

Mortgage Lending

Chapters 202 and 203 of 2025 required banking institutions, credit unions, and mortgage lenders to include a provision in certain conventional home mortgage loans that allows any existing borrower, in the event of a divorce, to purchase the property interest of other borrowers on the loan by assuming the seller’s portion of the mortgage if the purchaser qualifies for the loan. The provision must be included only if the conventional home mortgage loan is not already required to be assumable by State or federal law. The affected financial institutions must disclose the assumption provision in writing to a loan applicant before the completion of a loan application. The provisions authorizing a borrower to purchase the property interest of other borrowers applied retroactively to any conventional home mortgage loan entered into before October 1, 2025, if the sale is the result of a decree of absolute divorce entered into on or after October 1, 2025.

Virtual Currency

Virtual Currency Kiosks

To operate in the State, *Chapter 117 of 2025* required a virtual currency kiosk operator to register a kiosk with the Commissioner of Financial Regulation and clearly identify each virtual currency kiosk as such. The Act defined “virtual currency” as a digital representation of value that is used as a medium of exchange, unit of account, or store of value and is not itself currency. A virtual currency kiosk operator must (1) renew the registration annually and may be responsible for paying a renewal fee; (2) collect biographical information from a user; (3) provide the user a receipt for a transaction; and (4) ensure that a virtual currency kiosk does not accept or dispense in a single day an amount of cash, including value downloaded through prepaid access, or the equivalent in credit that exceeds \$2,000 for a new user or \$10,500 for an experienced user, as defined by the Act. A kiosk operator must provide a user with specified disclosures before each virtual currency service transaction and the user must acknowledge receipt of the disclosures. The Act prohibited an operator from collecting a fee of more than \$5.00, or 15% of the amount of each virtual currency transaction, whichever is greater. In addition, the Act prohibited a virtual currency kiosk from operating as an automated teller machine (ATM).

Chapter 417 of 2026 expanded the definition of “virtual currency kiosk operator” to include a person who installs or operates software that enables a stand-alone automated device to provide virtual currency services in the State, thereby making those persons subject to the virtual currency kiosk registration requirements. The Act also expanded the prohibition on a virtual currency kiosk from operating as an ATM by prohibiting a virtual currency kiosk from providing the same services as an ATM. Relatedly, the Act excluded accepting or dispensing cash in connection with a credit, deposit, or convenience account from the definition of “virtual currency service”, which establishes the types of services a virtual currency kiosk provides.

Maryland Stablecoin Act

Chapters 513 and 514 of 2026 established a regulatory framework for payment stablecoin service institutions and State issuers in accordance with the federal Guiding and Establishing National Innovation for U.S. Stablecoins (GENIUS) Act. OFR is designated as the payment stablecoin regulator in the State and the Commissioner of Financial Regulation must apply to the federal government for certification as such. Subject to application submission and review processes delineated under the Acts, (1) a nondepository trust company may be certified by OFR to engage in business as a State issuer, *i.e.*, an entity authorized to become a State qualified payment stablecoin issuer under the GENIUS Act; and (2) a nondepository trust company or a credit union service organization may be certified by OFR to engage in business as a payment stablecoin services institution to provide payment stablecoin-related services. The Acts also lowered the examination fee for a new commercial bank charter from \$15,000 to \$7,000.

Fiduciary Institutions

A “fiduciary institution” is a statutorily defined term that includes various financial institutions, such as banks and credit unions, organized under State or federal law. **Chapters 510 and 511 of 2026** authorized a fiduciary institution to delay or deny disbursements from an account of a resident of the State who is a senior or an adult who lacks the physical or mental capacity to provide for their daily needs (*i.e.*, an eligible adult) or an account on which an eligible adult is a beneficiary if the fiduciary institution reasonably believes the disbursement will result in the financial exploitation of the eligible adult. When delaying or denying a disbursement, a fiduciary institution must provide notice to all individuals authorized to transact business on the account and provide notice and related financial records to the adult protective services program in a local department of social services, a law enforcement agency, or a State’s Attorney. A delay of disbursement expires 15 business days after the date on which the fiduciary institution receives the disbursement request unless the delay is extended as authorized. The Acts also authorized a fiduciary institution to provide notice to a trusted contact and provided immunity from liability to a fiduciary institution acting in good faith and exercising reasonable care when carrying out provisions under the Acts.

Student Financing Companies

Chapter 456 of 2023 required a student financing company to register with OFR before providing services in the State and to comply with specified annual reporting requirements. The

Act defined “student financing company” to mean an entity engaged in the business of securing, making, or extending student financing products, or any purchaser, assignee, or holder of student financing products. Among other items, a student financing company must report on the number of Maryland consumers who owe the company debt, the range of interest rates for the debt, and the default rates for consumers who owe the company debt. The Act also required that OFR make specified information and documents reported by student financing companies available on a publicly accessible website developed and maintained by OFR.

Commercial Law

Consumer Credit Reports

Under the Maryland Consumer Credit Reporting Act, consumer reporting agencies may generally not include in a consumer credit report certain information, such as bankruptcies of more than 10 years before the credit report; accounts placed for collection more than 7 years before the report; records of an arrest, indictment, or conviction for a crime whose date of disposition, release, or parole was more than 7 years before the report date; or any other adverse information that predates the report by more than 7 years.

Conformity with Federal Law

Prior to 2024, however, the prohibition against including the above information did not apply in the case of a consumer credit report to be used in connection with (1) a credit transaction whose principal amount may involve at least \$50,000; (2) the underwriting of life insurance with a face value of at least \$50,000; or (3) the employment of an individual in a position with an annual salary of at least \$20,000. To align Maryland law with the federal Fair Credit Reporting Act, ***Chapters 618 and 619 of 2024*** increased these thresholds to \$150,000 for credit transactions and life insurance underwriting and \$75,000 for employment determinations.

Records of Criminal Proceedings

Chapter 432 of 2024 prohibited a consumer reporting agency from including in a consumer report any record of a criminal proceeding concerning the consumer (1) in which the consumer was falsely accused, acquitted, or exonerated; (2) in which a *nolle prosequi* was entered as to a charge concerning the consumer; or (3) that did not result in a guilty verdict for (or guilty plea by) the consumer. The Act also prohibited a consumer reporting agency from including any criminal records concerning the consumer that have been expunged. A consumer reporting agency may not rely on the information contained in any of these records when determining the creditworthiness of a consumer.

Fair Medical Debt Reporting Act

Chapter 121 of 2025 prohibited (1) a consumer reporting agency from including certain information related to medical debt in a consumer report and (2) a person from using medical debt information included in a consumer report to make a determination regarding creditworthiness.

The Act also prohibited a person (or the person's agent or assignee) whose primary business is providing medical services, products, or devices from disclosing any portion of a medical debt to a consumer reporting agency. Any such person must also include, in any contract entered into with a collection entity for the purchase or collection of medical debt, a provision prohibiting the disclosure of any portion of the medical debt to a consumer reporting agency. A contract entered into on or after the Act's effective date without such a provision is void and unenforceable. The Act also made generally conforming changes to statutory provisions governing hospital debt collection policies and required hospitals that had reported adverse credit information about a patient to a consumer reporting agency to instruct the agency to delete the adverse information about the patient.

Credit Regulation

Although services that offer consumers fast access to earned (but not yet paid) wages have grown in popularity, the services often charge high fees and have been the subject of numerous consumer complaints. **Chapter 847 of 2025** expressly subjected earned wage access products to the Maryland Consumer Loan Law (MCLL) and other related statutory provisions that regulate entities that provide consumer credit. The Act required licensing of entities offering earned wage access products and explicitly treated certain products as loans. In addition, the Act established restrictions and notification requirements regarding the costs and fees associated with obtaining an earned wage access product and modified the State's credit licensing structure to account for new products, services, and fees.

Chapter 847 also established new rules for the acceptance of tips in connection with the provision of earned wage access products and other credit under MCLL. However, **Chapter 170 of 2026** altered such provisions, instead prohibiting earned wage access providers (as well as consumer and commercial loan lenders) from soliciting or receiving tips. **Chapter 170** also required such entities to return any tip collected within seven days after receipt and disclose to the consumer the prohibition on soliciting or accepting tips. The Act also subjected earned wage access providers to consumer protection and nondiscrimination requirements governing other consumer and commercial loans.

Use and Protection of Personal Data

Statute includes numerous provisions designed to protect the personal data of individuals. For instance, the Maryland Personal Information Protection Act imposes certain duties on businesses to protect an individual's personal information, such as requiring a business in possession of personal information to implement and maintain reasonable security procedures to protect the information from unauthorized access, use, modification, or disclosure. During the four-year term, several additional measures generally related to the use and protection of personal data were enacted.

Online Data Privacy Act

Chapters 454 and 455 of 2024 established new consumer protections and rights, as well as disclosure obligations, relating to online personal data controlled or processed by certain entities that conduct business in the State or provide services or products that are targeted to residents of the State. A consumer's rights under the Acts include a right to confirm whether personal data is being processed and, if so, a right to access the data, correct inaccuracies, and require a controller to delete the data. A consumer also has the right to opt out of the processing of personal data for purposes of targeted advertising, the sale of personal data, and certain profiling activities.

The Acts prohibited certain activities by business entities that control online consumer personal data. Among other protections, a controller may not process personal data for a purpose that is neither reasonably necessary to, nor compatible with, the disclosed purposes for which the data is processed unless the controller obtains the consumer's consent.

Special protections for sensitive data (such as consumer health data) and personal data of consumers who are children were also established. In addition, the Acts prohibited the sale of sensitive data for consumers of all ages and the processing of personal data for the purpose of targeted advertising if the controller knew or should have known that the consumer is younger than age 18.

Data of Children

Chapters 460 and 461 of 2024 required businesses that provide an online product reasonably likely to be accessed by children to complete a data protection impact assessment of the online product. This is a systematic survey to assess compliance with the duty to act in the best interests of children. The impact assessment must meet certain requirements, such as identifying the purpose of the online product, identifying how the online product uses children's data, and determining whether the product is designed in a manner consistent with the best interests of children reasonably likely to access the product through consideration of certain factors.

The Acts also established prohibitions that apply to businesses that provide such online products. For example, a business may not process the personal data of a child in a way that is inconsistent with the best interests of children reasonably likely to access the online product or that is not reasonably necessary to provide an online product with which the child is actively and knowingly engaged.

Dynamic Pricing

Chapter 154 of 2026 prohibited a food retailer or a third-party delivery service provider from engaging in the practice of "dynamic pricing" or using personal data to set a higher price for food that is exempt from the sales and use tax in accordance with the Tax – General Article. "Dynamic pricing" means the discriminatory practice of offering or setting a personalized price for a good or service that is specific to a consumer based on the consumer's personal data, regardless of whether the seller collected or purchased the personal data. The Act included a list of numerous actions to which these prohibitions do not apply, such as (1) setting a different price

based on costs associated with the availability or supply of the good or service; (2) offering a price to a consumer through a loyalty, membership, or rewards program in which any consumer may voluntarily enroll or consent to participate; and (3) setting a different price based on objective costs attributable to providing consumer goods or services to different consumers, such as a difference in price caused by shipping costs based on a consumer's physical location.

The Act also prohibited a food retailer or third-party delivery service provider from using protected class data to offer, advertise, or sell a consumer good or service to a consumer for whom the protected class data pertains if the use of such data has the effect of withholding or denying from the consumer an accommodation, an advantage, or a privilege provided to others.

Before initiating an applicable enforcement action under the Maryland Consumer Protection Act (MCPA), the Office of the Attorney General (OAG) must issue a notice of violation to the alleged violator and provide the alleged violator 45 days after the notice is received to cure the violation. If the violation is cured within that period, OAG may not initiate an enforcement action. The Act's enforcement provisions may not be construed to authorize a private right of action.

Data Privacy – Immigration Enforcement

Chapter 874 of 2026 modified the Online Data Privacy Act, the Public Information Act, provisions of law governing access to law enforcement databases, and provisions of law governing the protection of personal records by government entities to enhance the protection of an individual's personal data. More specifically, the Act established guardrails to prevent personal data from being obtained and used for immigration enforcement unless certain conditions have been met. For example, unless presented with a valid warrant issued by a federal or State court that describes with particularity the personal data to be accessed, a controller or processor of data may not comply with certain civil, criminal, or regulatory subpoenas or summons or otherwise cooperate with certain law enforcement agencies; this prohibition applies when that controller or processor knows that the government unit or agency has engaged in or supported civil immigration enforcement, as specified.

Consumer Protection – Contracts, Offers, and Advertisements

Prohibited Waivers and Limitation Periods

Chapter 194 of 2025 established, subject to certain limits on applicability, that a provision in a consumer contract that sets a shorter time to bring an action under or on the contract than otherwise required by State law when the contract is issued or delivered is against State public policy, illegal, and void. "Consumer contract" means a contract involving the sale, lease, or provision of goods or services that are for personal, family, or household purposes. *Chapter 308 of 2026* expanded the protections within *Chapter 194* by, among other things, generally prohibiting a consumer contract from waiving, limiting, impairing, or disclaiming specified remedies if authorized by federal or State law. However, a provision in a consumer contract may

limit recovery of statutory or punitive damages authorized by federal or State law to the extent of the applicable limit of insurance coverage.

Automatic Renewals

Chapters 204 and 205 of 2025 established a regulatory framework to govern automatic renewals. In general, the Acts prohibited a person from making an automatic renewal offer to a consumer unless certain requirements are satisfied, including the disclosure of the terms of the offer in a clear and conspicuous manner before the subscription or purchasing agreement is fulfilled. Further, a person making an automatic renewal offer must, in addition to other requirements, allow a consumer who accepts the offer to terminate the automatic renewal by providing the consumer a cost-effective, timely, and easy-to-use mechanism to (1) cancel the automatic renewal; (2) avoid being charged or avoid being charged an increased amount; and (3) immediately stop any recurring charges. The Acts may not be construed to authorize a private right of action.

Digital Goods

Chapter 206 of 2025 prohibited a person that is a seller from advertising or offering for sale a digital good using terminology that a reasonable person would understand to confer an unrestricted ownership interest in the digital good unless, before executing the sale, either a specified affirmative acknowledgement is received from the purchaser or the seller provides the purchaser with a disclosure meeting certain specifications. The Act's requirements do not apply to a person who advertises or offers for sale (1) a subscription-based service that provides access to a digital good only for the duration of the subscription; (2) access to a digital good without the requirement for monetary consideration; or (3) a digital good for which the seller is unable to revoke access after completion of the sale, including a digital good that is, at the time of purchase, available for permanent offline download to an external storage source to be used without a connection to the Internet.

Unsolicited Loans

Chapter 316 of 2026 prohibited a person from sending a check or other negotiable instrument to an individual if the check or other negotiable instrument is sent in connection with an offer to extend secured credit to the individual and the individual has not submitted an application for or otherwise requested the extension of secured credit beforehand. In addition, a person may not send a check or other negotiable instrument to an individual as part of an unsolicited offer to purchase real property. An individual who is sent a check or other negotiable instrument in violation of the Act is not liable for the amount of the check or other negotiable instrument unless the individual actually receives and negotiates the check or instrument. The Act does not apply to a person that sends to an individual a convenience check for the sole purpose of accessing an existing credit line of the individual or a prescreened firm offer of unsecured credit subject to regulation under the federal Fair Credit Reporting Act. A person that violates the Act is guilty of a misdemeanor and subject to a fine of up to \$500.

Other Consumer Protections

Telephone Solicitations

Chapters 413 and 414 of 2023 established restrictions on telephone solicitations made to residents of the State, including telephone solicitations that involve an automated system for the selection or dialing of telephone numbers or the playing of a recorded message when a connection is completed to the number called. The Acts restricted the methods, times, and identifying information that a solicitor may utilize when making a telephone solicitation.

Chapter 214 of 2024 established that the restrictions on telephone solicitations do not apply to a noncommercial telephone solicitation for the purpose of public opinion research. Additionally, the Act established that the requirements and remedies provided under the telephone solicitations law may not be waived by an agreement unless the agreement is part of a settlement of a legal dispute or action. *Chapter 214* also provided additional remedies to enforce the telephone solicitations law, including by authorizing an aggrieved person to bring an action to enjoin further violations and recover specified damages.

Sale and Resale of Tickets

Chapter 456 of 2024 established protections and disclosure requirements relating to the sale and resale of tickets for entertainment events. Under the Act, the listing for a ticket, and each step of a transaction to purchase a ticket, must (1) clearly and conspicuously disclose the total price of the ticket, including all fees and taxes other than shipping costs that are not determinable at a step in the transaction; (2) provide an itemized listing of all charges that comprise the total price of the ticket, including all fees and taxes; and (3) identify the seat number and zone or section of the ticket, to the extent applicable to the seat and venue. These requirements apply only to secondary ticket exchanges, ticket issuers, and resellers. The Act also expanded protections relating to the sale of speculative tickets, which are tickets that are not in the possession of the reseller at the time of the sale.

Right to Repair Powered Wheelchairs

Chapter 546 of 2025 generally required a manufacturer to make available, on fair and reasonable terms and costs, any documentation, parts, embedded software, firmware, or tools that are intended for use with a powered wheelchair, inclusive of any updates, to an independent repair provider or owner. The Act applies only to documentation, parts, embedded software, firmware, or tools that are necessary for an independent repair provider or owner to perform services with respect to specified parts, such as batteries and battery chargers, nonprogrammable joysticks, or brackets. Among other things, the Act included additional provisions regarding the liability of manufacturers and methods by which manufacturers may make the required items available.

Retail Transactions

Chapter 714 of 2026 established that, for certain transactions between the hours of 6:00 a.m. and 10:00 p.m., a merchant may not (1) prohibit a person from making a cash payment

to purchase an essential consumer good; (2) require a person to use a credit or debit card to purchase an essential consumer good; or (3) charge or collect a higher price than charged or collected for an equivalent cashless transaction for making a cash payment for the purchase of an essential consumer good whether or not the difference in price is described as a fee. The Act included specified exceptions and limits on applicability, such as excluding a transaction with a merchant that primarily sells food or beverages for on-premises consumption. Although a violation of the Act is an unfair, abusive, or deceptive trade practice under MCPA, certain enforcement provisions, including criminal penalties, under MCPA are not applicable; the Act instead established a penalty structure for violations.

Consumer Law – Generally

Self-Storage Facilities

The Maryland Self-Service Storage Act includes numerous requirements related to the operation of self-service facilities. Over the four-year term, several measures were enacted to modify its provisions.

Chapters 210 and 211 of 2025 required a self-service storage facility operator, at least 10 days before conducting an authorized lien sale of personal property, to notify an occupant of the time, place, and terms of the sale using specified delivery methods.

Chapters 215 and 216 of 2026 prohibited an occupant from using a self-service storage facility beyond the term of a rental agreement after the operator or occupant has delivered written notice of the nonrenewal of the rental agreement. The operator must provide the occupant with at least 30 days after delivery of the notice and at least until the end of the term of the rental agreement to remove all personal property from the self-service storage facility. After the 30-day waiting period and at least 10 days before disposing of the remaining personal property, the operator must deliver a notice of intent to dispose of the occupant's property. The operator may not dispose of any remaining personal property at the self-service storage facility until after these time periods have elapsed. An operator must include a related statement in a rental agreement.

Abandoned Property

Chapters 635 and 636 of 2025 made numerous changes to modernize the Maryland Uniform Disposition of Abandoned Property Act, including (1) explicitly applying its requirements to additional forms of property (e.g., virtual currency); (2) establishing various new requirements and procedures related to the administration of abandoned property claims; (3) specifying that additional actions (e.g., logging into an account) are signs of continued ownership, thereby providing more opportunities for consumers to maintain control over their property; and (4) authorizing the Comptroller to retain additional proceeds from the sale of abandoned property to use for certain purposes.

Corporations and Associations

Corporate Filings and Operations

Requirements for Dissolution or Termination of Registration

Chapter 457 of 2023 repealed a requirement that active Maryland and non-Maryland corporations file past due annual reports before filing Articles of Dissolution or Articles of Termination of Foreign Corporation Qualification with the State Department of Assessments and Taxation (SDAT).

Expedited Document Processing

Chapter 312 of 2026 established an additional option for expedited document filings that requires SDAT to process documents within one hour after receipt, provided that the documents have been accepted for preclearance and are filed at least one hour before close of business. The expedited one-hour processing fee is \$1,000. The Act takes effect January 1, 2028.

Principal Offices of Corporations

Each Maryland corporation, limited liability company, limited liability partnership, or limited partnership must have a principal office in the State; the address of the principal office must be included in the applicable incorporation documents filed with SDAT. *Chapter 247 of 2026* modified the definition of “principal office” to include an address in Maryland supplied by a commercial mail receiving agency that a Maryland corporation or other business entity has a valid agreement with in accordance with U.S. Postal Service regulations.

Ratification of Defective Corporate Acts

Under certain circumstances, the board of directors of a corporation may ratify a defective corporate act (e.g., corporate action taken in the absence of board resolutions authorizing the action) by adopting a resolution. *Chapters 604 and 605 of 2024* altered statutory provisions regarding the ratification of defective corporate acts, including by clarifying the approval, quorum, and other requirements that apply to a ratification and altering the process to bring an action in court to determine the validity of a ratification or to modify or waive a ratification procedure.

Cooperatives

Prior to 2025, State law authorized five types of cooperatives (agricultural, consumer, electric, transportation, and housing) to do business in the State. These cooperatives are generally subject to the Maryland general corporation law.

Limited Worker Cooperative Associations – Establishment

Chapters 198 and 199 of 2025 established the Maryland Limited Worker Cooperative Association Act to provide for the formation, operation, and dissolution of a sixth type of

cooperative, known as a limited worker cooperative association (LWCA). A limited liability company may elect to be an LWCA by including in its articles of organization a statement to that effect. Although an LWCA may include multiple classes of members whose rights and membership interests are determined by the cooperative agreement, an LWCA may further elect to be a collective worker cooperative which is an LWCA that has only one class of membership consisting of working members who manage all of the affairs of the association. The Acts included a stated policy of generally giving maximum effect to the principle of democratic self-management of LWCAs by their worker members. Unless the articles of organization provide otherwise, a debt, obligation, or other liability of an LWCA is not the debt, obligation, or liability of a member, and the organization of an LWCA may not create a presumption that worker members are employees of the association for any purpose.

Cooperative Housing Corporations – Dispute Settlement

Chapters 255 and 256 of 2024 altered procedures for the dispute settlement mechanism under the Maryland Cooperative Housing Corporation Act, including by providing that a written cease and desist demand for an alleged violation must specify a time period of at least 15 days to abate the alleged violation without further sanction. In addition, a notice advising a member of the right to request a hearing must specify the procedure for requesting a hearing and the timeframe for submitting the request which may not be less than 10 days beginning on the date of the notice. The governing body must give a member at least 10 days' written notice of the time and place of any hearing.

Electric Cooperatives – Nonescheat Capital Credits

Chapters 212 and 213 of 2025 established that nonescheat capital credits held by an electric cooperative may not be presumed to be abandoned property. In addition, the Acts authorized the use of nonescheat capital credits only to assist members of the cooperative pursuant to the powers granted to the cooperative or make donations to nonprofit charitable organizations approved by the cooperative's board of directors. Nonescheat capital credits are generally defined as money (1) due to any past member of an electric cooperative in retirement of capital allocated on a patronage basis to the account of the past member for amounts received and receivable by the cooperative in excess of operating costs and expenses; (2) for which at least five years have passed since the credits were retired; and (3) that has not been claimed by the past member.

The Budget Reconciliation and Financing Act (BRFA) of 2026 (*Ch. 6*) further specified that these requirements for nonescheat capital credits must be construed to apply only prospectively on or after October 1, 2025, and may not be applied or interpreted to have any effect on the escheatment of nonescheat capital credits before October 1, 2025.

Miscellaneous

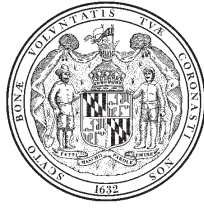
Maryland Vestry Act

Chapter 96 of 1976 decodified provisions of the Maryland Vestry Act governing the Protestant Episcopal Church, Diocese of Washington, by transferring those statutory provisions to

the Session Law. **Chapter 862 of 2024** repealed Chapter 96 and substituted new codified language that is modeled after existing provisions of the Corporations and Associations Article relating to the Protestant Episcopal Church, Diocese of Easton, thereby allowing the parishes in the Diocese of Washington to form a religious corporation.

Securities Act Registration Fund and Agent Fees

State law generally requires broker-dealers that solicit or do business in Maryland to register with the Division of Securities in the OAG. Agents of such firms must similarly register. The Budget Reconciliation and Financing Act (BRFA) of 2025 (**Ch. 604**), increased, from \$50 to \$65, the fee associated with an agent’s application for initial or renewal registration or transfer of registration. The BRFA of 2025 also correspondingly increased the amount of the agent application fee that is distributed to the Securities Act Registration Fund and authorized the fund to be used to support the general operations of OAG. Formerly, the fund was only authorized to be used to administer and enforce the Maryland Securities Act.



Part J

Health and Human Services

Public Health – Generally

Medicaid

The Medical Care Programs Administration (MCPA) within the Maryland Department of Health (MDH) is responsible for administering the Medical Assistance Program (Medicaid) and the Maryland Children’s Health Program that provide comprehensive somatic and behavioral health benefits to almost 1.4 million Marylanders. Over the past four years, the General Assembly has expanded Medicaid eligibility, coverage, reimbursement, and waivers.

Waivers

The Developmental Disabilities Administration (DDA) within MDH provides a coordinated service delivery system for people with developmental disabilities. DDA also provides self-directed services through three special Medicaid waiver programs known as the Medicaid home- and community-based services (HCBS) programs, including the Family Supports, Community Supports, and Community Pathways waivers. Medicaid waiver programs allow states to make exceptions to specified rules and enable services to be provided in different settings that are tailored to individuals with different needs or varying income levels. For those who qualify, the waiver programs offer services within the community as an alternative to receiving services in an institution.

Chapter 175 of 2026 expanded requirements for waivers administered by DDA and codifies existing federal mandates related to the waivers. The Act prohibited MDH from procedurally disenrolling individuals from Medicaid or HCBS programs based on missing documentation, a missing signature, or incomplete information, unless MDH has (1) exhausted all federally required ex parte verification processes; (2) provided written notice identifying the exact information required; and (3) provided the program recipient with a reasonable opportunity to supply the information. MDH must retroactively reinstate certain recipients who were procedurally disenrolled, and, subject to federal approval, must reserve capacity in HCBS waivers for recipients

who (1) were disenrolled from the Medicaid HCBS waiver on or after January 1, 2024; (2) have Medicaid eligibility reinstated; and (3) have requested the reinstatement of waiver services.

Chapter 184 of 2026 required MDH to provide an expedited Medicaid eligibility determination for developmental disability services for enrollment in the Community Pathways waiver to individuals who (1) rely on support from an immediate family member who is a resident of Maryland or has an immediate family member who is a resident of Maryland and acts as the individual's legal guardian; (2) received HCBS waiver services or similar services in another state for the immediately preceding 10 years; and (3) relocated to Maryland on the death or incapacitation of the individual's caretaker in the other state to live with the immediate family member who has been a resident of Maryland for the immediately preceding 2 years. MDH must complete the expedited determination within 60 business days. If an individual is determined eligible, the individual must be placed in the crisis resolution category and given access to waiver services through the most appropriate reserve category as determined based on the services the individual received in their previous state of residence. If an individual would qualify for expedited eligibility determination process but has yet to establish Maryland residency, MDH may determine whether the individual has a developmental disability and the appropriate service priority category.

Coverage

During the 2023-2026 term, legislation was enacted that required Medicaid to provide coverage for:

- gender affirming treatment (**Chapters 252 and 253 of 2023**);
- biomarker testing (**Chapters 322 and 323 of 2023**);
- prostheses (**Chapters 822 and 823 of 2024** and **Chapters 628 and 629 of 2026**);
- remote fetal nonstress tests (**Chapter 889 of 2024**);
- calcium score testing (**Chapters 684 and 685 of 2025**);
- self-measured blood pressure monitoring (**Chapters 714 and 715 of 2025**); and
- orthoses (**Chapters 628 and 629 of 2026**).

Additionally, **Chapter 866 of 2026** authorized Medicaid, beginning January 1, 2027, to provide comprehensive coverage for the treatment of obesity, including coverage for intensive behavioral therapy, bariatric surgery, and any U.S. Food and Drug Administration (FDA)-approved chronic weight management medications.

Employed Individuals with Disabilities Program

The Employed Individuals with Disabilities (EID) program was established in 2005 and implemented by MDH to encourage individuals with disabilities to seek or maintain employment. ***Chapters 845 and 846 of 2024*** repealed existing provisions and established new requirements for the EID program. The Acts also prohibited MDH from limiting eligibility to receive EID program services based on certain factors, such as the earned or unearned income of the applicant or applicant's spouse.

Reproductive Health and Other Legally Protected Health Care

In June 2022, the U.S. Supreme Court overturned precedent regarding abortion access in *Dobbs v. Jackson Women's Health Organization*. Before this decision, abortions prior to viability were constitutionally protected based on *Roe v. Wade* and *Planned Parenthood of Southeastern Pennsylvania v. Casey*. The *Dobbs* decision leaves states to decide how to regulate abortion access, resulting in a patchwork of state laws with varying degrees of access to abortion care. Although the decision did not impact Maryland law because the protections of *Roe* and *Casey* are codified in statute, several pieces of legislation were enacted during the 2023-2026 term relating to reproductive health and other legally protected health care.

Reproductive Health

Right to Reproductive Freedom: Chapters 244 and 245 of 2023 proposed an amendment to the Maryland Constitution to enshrine an individual's fundamental right to reproductive freedom. The amendment, which was approved by the voters in the November 2024 general election, (1) established an individual's fundamental right to reproductive freedom, including but not limited to the ability to make and effectuate decisions to prevent, continue, or end one's own pregnancy and (2) prohibited the State from directly or indirectly denying, burdening, or abridging the right unless justified by a compelling State interest achieved by the least restrictive means.

Reproductive Health Care Clinic Security Grant Program: Chapter 768 of 2024 established the Reproductive Health Care Clinic Security Grant Program in MDH, administered by the Secretary of Health. The program is intended to assist "reproductive health care clinics" – defined as a health care provider that provides "legally protected health care" – in the State with the costs associated with specified security improvements. The Act required the Secretary to establish grant application and award processes and the criteria a clinic must meet to qualify for a grant.

Public Health Abortion Grant Program: Chapters 435 and 436 of 2025 established the Public Health Abortion Grant Program and the Public Health Abortion Grant Program Fund in MDH to provide grants to improve access to abortion care clinical services. The program is funded through the transfer to the fund of certain segregated premium funds collected by insurance carriers for abortion coverage in accordance with the federal Affordable Care Act (ACA). Grant funds must be used to support abortion care clinical services for which federal funding is prohibited for

individuals without sufficient resources, including for the administrative costs of managing services provided under the grant. Individuals without sufficient resources are the uninsured, the underinsured, and individuals who are deterred from using insurance because of risks posed by insurance carrier communications. The Acts terminate if the federal Centers for Medicare and Medicaid Services advises the Maryland Insurance Administration that the Acts' provisions violate the ACA.

Maryland Collaborative to Advance Implementation of Coverage of Over-the-counter Birth Control: Chapters 293 and 294 of 2025 required the Maryland Commission for Women to establish the Maryland Collaborative to Advance Implementation of Coverage of Over-the-Counter Birth Control. The purpose of the collaborative is to study and make recommendations to advance access to over-the-counter (OTC) birth control through (1) implementation of State coverage requirements for OTC birth control at pharmacies; (2) advancement of point-of-sale coverage options at retail counters, virtual retail platforms, and vending machines; (3) identification of public health initiatives to increase access to OTC birth control for individuals who do not have OTC birth control coverage or cannot access OTC birth control coverage; and (4) enhancement of education and engagement of consumers, health care practitioners, public health and community programs, and health care industry stakeholders. ***Chapters 293 and 294*** terminate on June 30, 2028.

Public Senior Higher Education Institutions and Reproductive Health Service Plans: Chapters 250 and 251 of 2023 required public senior higher education institutions to develop and implement a reproductive health service plan. Each plan must include the provision of or referral to services for obtaining (1) all methods of FDA-approved contraception, including prescription emergency contraception; (2) prevention and treatment services for sexually transmitted infections, including HIV prevention; and (3) abortion care services.

Legally Protected Health Care

Chapters 248 and 249 of 2023 defined “legally protected health care” to mean all reproductive health services, medications, and supplies related to the provision of abortion care and other sensitive health services as determined by the Secretary of Health based on the recommendation of the newly established Protected Health Care Commission (PHCC). PHCC must, among other things, (1) identify sensitive health services information by diagnosis, procedural, medication, or related codes for which disclosure by a health information exchange (HIE) or electronic health network (EHN) to a treating provider, business entity, another HIE, or another EHN would create a substantial risk to patients or health care providers and (2) issue semiannual reports to the Secretary of Health recommending what should be classified as legally protected health care. The Secretary must respond to a PHCC report within 60 days of receipt, use the reports in making specified determinations, and adopt emergency regulations identifying the sensitive health services codes to restrict. Maryland Health Care Commission (MHCC) also must adopt emergency regulations to restrict patient data related to legally protected health care and submit quarterly reports on the implementation of the legislation.

Chapters 246 and 247 of 2023 established additional protections for information related to legally protected health care when that information is sought by another state. The Acts prohibited (1) a health occupations board from taking specified disciplinary actions related to the provision of legally protected health care; (2) a medical professional liability insurer from taking specified adverse actions against a practitioner related to the practice of legally protected health care; and (3) specified State entities, agents, and employees from participating in any interstate investigation seeking to impose specified liabilities or sanctions against a person for activity related to legally protected health care, with limited exception. **Chapters 246 and 247** generally (1) established additional protections for information related to legally protected health care when that information is sought by another state; (2) prohibited a health occupations board from taking specified disciplinary actions related to the provision of legally protected health care; (3) prohibited a medical professional liability insurer from taking adverse actions against a practitioner related to the practice of legally protected health care; and (4) prohibited specified State entities, agents, and employees from participating in any interstate investigation seeking to impose specified liabilities or sanctions against a person for activity related to legally protected health care, with limited exception.

Chapter 863 of 2024 expanded the definition of legally protected health care to include all gender-affirming treatment, including medications and supplies, related to the direct provision or support of the provision of care related to gender-affirming treatment that is lawful in the State. Under § 15-151 of the Health – General Article, “gender-affirming treatment” means any medically necessary treatment consistent with current clinical standards of care prescribed by a licensed health care provider for the treatment of a condition related to the individual’s gender identity. Additionally, **Chapter 469 of 2025** altered the definitions of “legally protected health care” and “sensitive health services” to include gender-affirming care with respect to disclosure of information regarding sensitive health services.

Mothers, Infants, and Children

Pediatric Hospital Overstay Patients

The Maryland Children’s Cabinet established a three-year plan for 2021 through 2023 for (1) identifying children in crisis and meeting their needs; (2) developing residential treatment center capacity for individuals with dual diagnoses; and (3) near real-time tracking by the Department of Human Services (DHS) of youth with behavioral health needs who are in hospitals. In response, MDH established the Adolescent Hospital Overstay Grant Program to provide care to children and adolescents who are the hardest to move out of hospitals, resulting in hospital overstays.

Chapters 479 and 480 of 2025 required MDH, or DHS in coordination with MDH if the patient is a child committed to the care and custody of DHS, to ensure that a pediatric hospital overstay patient is transferred to and treated in the least restrictive setting when clinically indicated and when possible. MDH and DHS each are required to establish a pediatric overstay coordinator. The coordinator is required to act in the best interest of the pediatric overstay patient by

coordinating between hospitals, relevant State agencies and programs, and providers of mental health and substance use disorder services. Additionally, the Acts established a Workgroup on Children in Unlicensed Settings and Pediatric Hospital Overstays staffed by the State Council on Child Abuse and Neglect and specified that the Maryland Mental Health and Substance Use Disorder Registry and Referral System includes private and State inpatient and outpatient mental health and substance use services.

Chapter 160 of 2026 prohibited DHS's out-of-home placement program from using an unlicensed setting for a child. Effective January 1, 2027, the definition of "unlicensed setting" is expanded to include an inpatient unit or emergency department of a hospital in which the child is a patient younger than age 22 who remains for more than 48 hours after being medically cleared for discharge or transfer. Through September 30, 2029, **Chapter 160** required the pediatric overstay coordinators to maintain specified data on each pediatric hospital overstay patient and provide monthly reports on specified collected data to the Secretaries of Health and Human Services and the Child and Youth Placement Review Panel in the Governor's Office for Children. A hospital must immediately notify the coordinators, through a system designated by MDH, about a pediatric hospital overstay patient.

Emergency Pregnancy-related Medical Conditions

In 1986, the U.S. Congress enacted the federal Emergency Medical Treatment and Labor Act (EMTALA) to ensure public access to emergency services regardless of ability to pay. Medicare-participating hospitals that offer emergency services must provide a medical screening examination or treatment for an emergency medical condition, including active labor, regardless of an individual's ability to pay. Hospitals must provide stabilizing treatment for patients with emergency medical conditions. If a hospital is unable to stabilize a patient within its capability, or if the patient requests, an appropriate transfer should be implemented.

Chapters 788 and 789 of 2026 generally codified the EMTALA in State law as it relates to an emergency pregnancy-related medical condition. The Acts defined "emergency pregnancy-related medical condition" to mean a medical condition that presents in a pregnant patient through acute symptoms of sufficient severity and for which the absence of immediate medical attention could be reasonably expected to result in placing the health of the patient in serious jeopardy, serious impairment to bodily functions, or serious dysfunction of any bodily organ or body part. If a hospital that has an emergency department determines that a patient has an emergency pregnancy-related medical condition, the Acts required the hospital to (1) use the staff and facilities available to the hospital to provide further examination and the treatment required to stabilize the emergency pregnancy-related medical condition, including the termination of a pregnancy when medically necessary to stabilize the patient or (2) transfer the patient to another medical facility. Additionally, the Acts established monetary penalties for a violation of the Acts' requirements and other requirements regarding the provision of emergency medical care to patients with an emergency pregnancy-related medical condition, including a requirement that the hospital allow the termination of the pregnancy at the hospital if the patient's treating health care practitioner determines termination is medically necessary to stabilize a patient. Finally, the

Acts prohibited a hospital that has an emergency department from taking specified adverse actions against a provider or employee for taking certain actions related to the requirements of the Acts.

Commission on Public Health

Chapter 385 of 2023 established the Commission on Public Health to make recommendations to improve the delivery of foundational public health services in the State by assessing the foundational public health capabilities of MDH and local health departments. Based on this assessment, the commission made recommendations in December 2023, December 2024, and October 2025. *Chapter 190 of 2026* implemented the recommendations of the commission and required MDH to provide quarterly updates on implementation of the commission's recommendations. The changes made by *Chapter 190* included:

- extending the commission's termination date by two years to June 30, 2028;
- requiring MDH to organize the Maryland Medical Reserve Corps to provide a statewide volunteer network integrated into community emergency systems to facilitate a coordinated approach to volunteer management;
- requiring the Department of Legislative Services to develop a process to assess the health equity impacts of relevant legislation;
- requiring MDH to consult with local health departments and notify each health officer before procuring a system for collecting and storing electronic health records;
- altering the membership of the Maryland Corps Program Advisory Board; and
- establishing the Public Health Workforce Development Fund.

Advancing All-Payer Health Equity Approaches and Development (AHEAD) Model

Chapter 615 of 2025 established the Population Health Improvement Fund to support statewide population health targets under the federal AHEAD Model and any successor models. Activities paid for by the fund must support the goal of meeting the statewide population health targets outlined in the AHEAD Model State Agreement and have at least one of the following functions: (1) reducing rates of common preventable health conditions; (2) addressing health-related social needs; or (3) reducing or eliminating health disparities. Each year of Total Cost of Care Model, AHEAD Model, or any successor model, the Health Services Cost Review Commission (HSCRC) may assess a uniform, broad-based, and reasonable amount in hospital rates to be credited to the fund. HSCRC must include the full amount of the assessment in hospital rates. The fund terminates at the end of 2030, while the authority of HSCRC to make the specified assessment terminates at the end of 2027. The Act also authorized the use of electronic health care

transaction information to support the State's participation in the AHEAD Model and any successor models.

Cannabis Reform

In the November 2022 general election, voters approved an amendment to the Maryland Constitution that established the right of individuals in the State who are at least 21 years of age to use and possess cannabis. The constitutional amendment also required the General Assembly to provide, by law, for the use, distribution, possession, regulation, and taxation of cannabis in the State. As a result, *Chapters 254 and 255 of 2023* established the Maryland Cannabis Administration (MCA) as an independent unit of State government to oversee the regulation of adult-use cannabis and designated the administration as the successor to the Natalie M. LaPrade Medical Cannabis Commission in all matters concerning the regulation of medical cannabis. The Acts also:

- largely recodified the provisions related to certifying providers, qualifying patients, and caregivers under the Medical and Adult-Use Cannabis Title of the Alcoholic Beverages Article;
- established a new authorization for a qualifying patient who is at least age 21 to cultivate up to four cannabis plants;
- recodified the Medical Cannabis Compassionate Use Fund administered by MCA (rather than the commission) to provide access to cannabis for individuals enrolled in Medicaid or in the Veterans Affairs Maryland Health Care System;
- expanded the authorized uses of the fund to include access to, at a reduced cost, an assessment of the patient's medical history and current medical condition; and
- required, by July 1, 2023, MCA to convert licenses, including preapproved licenses, issued to medical cannabis growers, processors, and dispensaries to licenses to operate a medical and adult-use cannabis business if a one-time conversion fee was paid to the administration.

Additionally, *Chapters 254 and 255* imposed a 9% sales and use tax applicable to the sale of adult-use cannabis and required the Comptroller, after making specified distributions, to distribute to the Cannabis Public Health Fund 5% of the tax collected. The fund was established to, among other purposes, support the Cannabis Health Advisory Council and data collection and research on the effects of cannabis legalization in the State, support substance use disorder counseling and treatment for individuals, and provide training and equipment for law enforcement to recognize impairments due to cannabis.

Behavioral Health

Behavioral Health Care Treatment and Access

Commission on Behavioral Health Care Treatment and Access: Chapters 290 and 291 of 2023 established the Commission on Behavioral Health Care Treatment and Access to make recommendations to provide appropriate, accessible, and comprehensive behavioral health services that are available on demand to individuals in the State across the behavioral health continuum. ***Chapters 41 and 42 of 2024*** generally required the commission and the Behavioral Health Advisory Council to work in conjunction with one another and required the commission to make specified recommendations regarding the integration of somatic and behavioral health services in Medicaid. Additionally, ***Chapters 686 and 687 of 2025*** required the commission's workgroup on youth behavioral health, individuals with developmental disabilities, and individuals with complex behavioral health needs, along with the council, to provide recommendations to implement the federal Centers for Medicare and Medicaid Services' State Health Official letter #24-005: *Best Practices for Adhering to Early and Periodic Screening, Diagnostic, and Treatment Requirements*.

Certified Community Behavioral Health Clinics: The federal certified community behavioral health clinic (CCBHC) model is designed to ensure access to coordinated comprehensive behavioral health care. CCBHCs must serve anyone who requests care for mental health or substance use, meet standards for the range of services they provide, and provide specified core services either directly or through designated collaborating organizations, such as crisis services 24 hours a day, 7 days a week; outpatient mental health and substance use services; targeted case management; peer, family support, and counselor services; and psychiatric rehabilitation services. ***Chapters 275, 290, and 291 of 2023*** required MDH to apply for federal planning, development, and implementation grant funds related to CCBHCs and inclusion in the state CCBHC demonstration program.

Rate-setting and Rate Methodology Modernization: Chapters 571 and 572 of 2017 required the Behavioral Health Administration (BHA) and MCPA to jointly (1) conduct an independent, cost-driven, rate-setting study to set community provider rates for community-based behavioral health services; (2) develop and implement a payment system incorporating the findings of the study, including projected costs of implementation and recommendations to address potential funding shortfalls; and (3) consult with stakeholders in conducting the rate study and developing the payment system.

Chapters 218 and 219 of 2026 required MDH, rather than BHA and MCPA, to conduct the study required under Chapters 571 and 572, by June 30, 2028. The Acts required (1) MDH to administer cost-reporting tools and oversee cost-report submissions required to support the rate-setting study required by Chapters 571 and 527 and (2) MHCC to assist MDH with the facilitation of the rate-setting study, and BHA and MCPA are required develop and implement a payment system incorporation the findings of the rate-setting study. ***Chapters 218 and 219*** also established the Workgroup on Behavioral Health Rate Methodology Modernization in MHCC to develop

transparent, cost-based reimbursement methodologies for CCBHCs, outpatient mental health centers, and independent outpatient providers using federally required and existing cost-study data as the foundation for future rate reform. The workgroup terminates June 30, 2028. MDH is required to implement the recommendations of the workgroup.

Opioids

Opioid-related Emergency Medical Conditions: Chapters 885 and 886 of 2024 required each hospital to establish and maintain protocols and capacity to (1) provide appropriate, evidence-based interventions that reduce the risk of subsequent harm and fatality before discharging a patient after an opioid-related overdose or a visit for an opioid-related emergency medical condition; (2) possess specified medications used for the treatment of opioid use disorder (OUD); and (3) treat a patient who presents in a hospital emergency department for an opioid-related overdose or emergency medical condition with a medication for OUD.

Buprenorphine Training Grant Program: Chapter 759 of 2025 established the Buprenorphine Training Grant Program in MDH to assist a county with offsetting the cost of training paramedics to administer buprenorphine. A county may apply to MDH for a grant from the program, which may be used only to train paramedics to administer buprenorphine. The program is funded using funds from the Opioid Restitution Fund and terminates after five years.

Colocation of Naloxone with Automated External Defibrillators: Maryland has a statewide standing order for opioid overdose reversal drugs that authorizes any Maryland-licensed pharmacist to dispense unlimited prescriptions and refills of naloxone and devices for its administration to any individual, as specified. In furtherance of the State's goals to make opioid overdose reversal drugs available to individuals in need, **Chapter 764 of 2024** expanded the purpose of the Public Access Automated External Defibrillator Program to include an initiative to colocate up to two doses of naloxone with each automated external defibrillator placed in a public building.

Opioid Restitution Fund: Chapter 537 of 2019 established the Opioid Restitution Fund (ORF), a special fund, to retain any revenues received by the State relating to specified opioid judgments or settlements, which may be used only for opioid-related programs and services. Chapter 270 of 2022 established the Opioid Restitution Fund Advisory Council to provide recommendations to the Governor and the Secretary of Health regarding the allocation of money from the ORF. **Chapters 851 and 852 of 2024** required the Secretary, within six months after receiving specified findings and recommendations from the advisory council, to present to the advisory council the decisions for allocations from the ORF. MDH must post to its website the advisory council's findings and recommendations and the Secretary's decisions. The Acts also expanded ORF usage to include supporting community-based nonprofit recovery organizations that provide nonclinical substance use recovery support services in the State.

Chapters 690 and 691 of 2025 required the Maryland Office of Overdose Response, in collaboration with MDH, to develop and maintain an interactive dashboard on the ORF, to the extent possible, by using existing platforms that provide data on opioid use and overdoses in the

State. MDH must establish an online portal for a county or municipality to report or upload information and upload opioid-related settlement information submitted by a county or municipality in compliance with the terms of a settlement.

Chapters 698 and 699 of 2025 repealed the explicit delineation of certain authorized uses of the ORF and instead specifies that the ORF may be used only to provide funds for the purposes specified in settlement agreements and judgments relating to claims by the State against the opioid industry for violations of State law. The Acts also (1) established that these purposes include addressing racial and socioeconomic disparities in access to prevention, harm reduction, treatment, and recovery support services and (2) altered training on responding to an opioid overdose that MDH may provide under the ORP to include emphasizing the restoration of breathing, avoiding withdrawal, and compassionate post overdose support and care.

Crisis Response

Under Chapters 145 and 146 of 2022 and the federal National Suicide Hotline Designation Act of 2020, MDH designated 9-8-8 as the State’s behavioral health crisis hotline and established the 9-8-8 Trust Fund to provide reimbursement for costs associated with designating and maintaining 9-8-8 and implementing a statewide initiative for the coordination and delivery of the continuum of behavioral health crisis response services. **Chapters 780 and 781 of 2024** established a State 9-8-8 fee to support the 9-8-8 Trust Fund and continued implementation of the State’s behavioral health crisis hotline.

The Maryland Behavioral Health Crisis Response System (BHCRS) in BHA operates a statewide network that provides skilled clinical intervention to help prevent occurrences such as suicide and unnecessary hospitalizations and respond quickly and effectively to community crisis situations. **Chapters 658 and 659 of 2025** required that BHCRS have a State 9-8-8 Suicide and Crisis Lifeline, rather than a crisis communication center, in each jurisdiction that, in addition to providing a single point of entry to the system, coordinates with the national 9-8-8 Suicide and Crisis Lifeline to provide the full range of services provided by the national 9-8-8 Suicide and Crisis Lifeline.

Assisted Outpatient Treatment, Involuntary Commitment, and Committed Individuals

Assisted Outpatient Treatment: Assisted Outpatient Treatment (AOT) is a form of civil commitment that authorizes the judicial system to commit eligible individuals with severe psychiatric disorders to mental health intervention in the community. **Chapters 703 and 704 of 2024** required that an AOT Program be established in each county by July 1, 2026, and set standards for assisted outpatient treatment programs. In any county that does not opt to establish its own program, MDH must establish a program in the county. If MDH is required to establish an assisted outreach program, **Chapter 6 of 2026** required the county to reimburse MDH a certain percentage of the State share of the associated costs beginning in fiscal 2028. The required percentage increases each fiscal year until fiscal 2031 when the county is required to fully reimburse MDH.

Emergency Evaluations and Involuntary Admittance: In order to be subject to an emergency evaluation or involuntarily admitted to a facility or Veterans' Administration hospital, an individual with a mental disorder must be found to present a danger to the life or safety of the individual or others. ***Chapter 177 of 2026*** defined "danger to the life or safety of the individual or of others" to mean there is, as a result of a mental disorder, a substantial risk, based on conduct that is recent and relevant to the danger that the individual may present and in consideration of the individual's current condition and, if available, recent personal, medical, and psychiatric history, that the individual will (1) cause serious bodily harm to the individual or another or (2) be unable, except for reasons of indigence, to provide for the individual's basic needs or safety to such a degree as to create a substantial risk of serious bodily harm, serious illness, or death in the near future.

Committed Individuals: In 1982, MDH began the Community Forensic Aftercare Program (CFAP) to monitor individuals on conditional release orders and report allegations of violations to the appropriate court. ***Chapter 237 of 2026*** generally codified CFAP within MDH to monitor (1) persons committed as not criminally responsible (NCR) who are on conditional release and (2) individuals with mental illness or intellectual disability who are incompetent to stand trial or who are required to be monitored under statutory provisions for NCR. CFAP may make monitoring decisions and recommendations but not clinical decisions regarding the treatment of committed persons. Additionally, the Act (1) required a CFAP monitor to hold a meeting with each monitored committed person and the committed person's mental health team within a certain amount of time before and after the committed person's release from a facility; (2) required CFAP to make specified notifications if a committed person has violated conditional release; (3) codified CFAP's existing board to be the community monitoring board which consists of licensed health care providers to make recommendations; and (4) prohibited a court from issuing an order that authorizes or requires CFAP to make clinical decisions regarding the treatment of a committed person.

Chapters 115 and 116 of 2025 required MDH to establish a forensic review board at each facility that has charge of a person who has been committed to MDH as NCR under the test for criminal responsibility. Each member of a board must be a health care provider licensed in the State. At least once per year, each board is required to review each committed person's eligibility for release and, by majority vote, determine whether to recommend to the court that the committed person is eligible for discharge or conditional release. An additional review must be undertaken if the committed person's treatment team determines that the person is eligible for discharge or conditional release before the scheduled annual review. A committed person may appoint an authorized agent to attend the portion of a board meeting concerning the committed person. The treatment team is required to implement recommendations, if any, from the board and make arrangements for necessary treatment to rehabilitate the committed person. The Acts also established record keeping and notice requirements. ***Chapter 237 of 2026*** altered the law governing forensic review boards by (1) repealing the requirement that a forensic review board provide notice to a committed person and the person's counsel of record within 10 days after the board issues a recommendation to the court; (2) clarifying that the committed person's authorized agent may attend the entirety of the board's meeting concerning the committed person except for

the final voting portion of a meeting; and (3) authorizing an authorized agent to attend a board meeting virtually.

Disease Prevention

Immunizations

While vaccine policy is regulated at both the federal and state level, the federal government has considerable influence over state vaccine policy through the FDA vaccine approval process and guidance from the federal Centers for Disease Control and Prevention (CDC) and the CDC's Advisory Committee on Immunization Practices (ACIP). Recommendations from FDA, CDC, and ACIP are often linked to state policy, including the vaccines that insurers must cover.

Chapter 738 of 2025 specified that the recommendations of ACIP governing the administration of vaccinations by pharmacists refer to federal statutes, rules, and guidance in effect either on December 31, 2024, or later to account for any new vaccines recommended by ACIP after that date. The Act also (1) specified that immunizations and related visits required to be covered by health insurance carriers under the minimum package of child wellness services are those recommended by ACIP as of December 31, 2024 and (2) authorized the Insurance Commissioner to adopt regulations to carry out that requirement consistent with federal statutes, rules, and guidance in effect on December 31, 2024, or at a later date to account for any new vaccines recommended by ACIP after that date.

Chapters 7 and 8 of 2026 repealed the language of *Chapter 738* regarding ACIP recommendations and required the Secretary of Health to issue, publish, and distribute recommendations for immunizations, screenings, and preventive services that follow the generally accepted consensus within the scientific community and sound clinical guidance. The Secretary's recommendations must be made in accordance with recommendations of specified authoritative medical organizations and in consideration of guidance of specified entities. *Chapters 7 and 8* required the Secretary to take several actions before adopting a recommendation for a preventive service that is not an immunization and has not received a recommendation from specified entities. Additionally, the Secretary must publish the recommendations on MDH's website and distribute them to licensed health professionals and the Maryland Insurance Administration.

Further, *Chapters 7 and 8* repealed the authority of the Insurance Commissioner to adopt regulations necessary to carry out the requirement that carriers provide coverage for certain immunizations, screenings, and preventive services without cost-sharing consistent with specified recommendations and guidelines in effect on December 31, 2024. Instead, *Chapters 7 and 8* (1) specified that the Commissioner must enforce the coverage requirement consistent with the specified recommendations and guidelines, as updated by recommendations issued by the Secretary, and (2) required a carrier to provide the required coverage for plan years that begin on or after the date that is one year after the date the Secretary's recommendations are issued. Finally, *Chapters 7 and 8* specified that the minimum package of child wellness services required to be covered by a carrier must include all visits for and costs of childhood and adolescent

immunizations recommended by ACIP as of December 31, 2024, as updated by recommendations issued by the Secretary.

Alzheimer's Disease and Related Dementias

MDH, in partnership with the Maryland Department of Aging, the Virginia I. Jones Alzheimer's Disease and Related Disorders Council, and the Greater Maryland Chapter of the Alzheimer's Association, are required to incorporate information regarding cognitive impairment, Alzheimer's disease, and other types of dementia into relevant public health outreach programs administered by MDH. **Chapters 681 and 682 of 2025** expanded the information that these entities are required to incorporate to include information (1) for health care providers on treatments approved by FDA for Alzheimer's disease and related dementias, including relevant information on treatment use and outcomes, and (2) for the purpose of increasing public understanding and awareness on the value of treatment of Alzheimer's disease and related dementias and FDA-approved treatments and relevant information on treatment use and outcomes. MDH and the State-designated HIE must establish, maintain, and update annually, a publicly accessible website that includes specified information regarding Alzheimer's disease and related dementias in a downloadable format.

Chapters 239 and 240 of 2026 established the Dementia Services and Brain Health Program in MDH to lead the State's public health efforts relating to brain health and dementia. The program must (1) assume the responsibilities of the Director of Dementia Services and Brain Health; (2) provide a quarterly update on the program's activities to the Virginia I. Jones Alzheimer's Disease and Related Dementias Council; (3) oversee the implementation of the State Plan on Alzheimer's Disease and Related Dementias; and (4) support and promote the delivery of dementia-capable care across health care settings through various methods. The methods include (1) establishing and maintaining a provider resource toolkit; (2) promoting participation in dementia-specific education, training, and certification; and (3) identifying opportunities to incorporate dementia-capable care practices into health care models. Among other things, the Acts also required MDH and other specified organizations to establish and maintain a provider resource toolkit for dementia care for health care providers.

Smoking Devices

Chapter 348 of 2023 required the Cigarette Restitution Fund to include a separate account consisting of payments received by the State from any judgement, settlement, penalty, offer of compromise, or any other enforcement action related to the sale and marketing of electronic smoking devices. Distributions from the separate account may be used, consistent with any other provision of State law, to supplement general fund appropriations for specified programs that aim to reduce the use of tobacco products by individuals under 21 years of age.

Chapters 754 and 755 of 2024 extended the ban on smoking in public indoor areas, places of employment, and on specified mass transit systems under the Clean Indoor Air Act (CIAA) to include vaping. Signage that states "No Smoking or Vaping" must be conspicuously posted and

properly maintained in each indoor area open to the public (including each public entrance to an indoor area) where smoking or vaping is prohibited under the CIAA.

Firearm Violence Prevention and Intervention

The American Public Health Association reports that gun violence is a leading cause of premature death in the United States, resulting in more than 39,000 deaths and nearly 85,000 nonfatal injuries nationwide each year. Additional data obtained from CDC and reported by EveryStat.org indicates that between 2012 and 2024, an average of 797 people died, and 1,745 people were wounded by firearms in Maryland each year. Of those who died, 64% were homicides, 36% were suicides, 1% were police shootings, and 1% were either unintentional or undetermined. Guns are the leading cause of death among children and teens in Maryland.

Chapter 622 of 2023 required the Deputy Secretary for Public Health Services to develop a youth suicide prevention and firearm safe storage guide that must (1) provide a description of the firearm and ammunition requirements for safely storing firearms; (2) identify the risks associated with unsafe firearm storage for minors, as specified; and (3) incorporate best practices for firearm and ammunition safe storage. MDH must post the guide on its website, make an electronic version available to specified entities, and provide grants to specified entities to support the education of families on the safe storage practices recommended in the guide.

Chapters 706 and 707 of 2024 established the Center for Firearm Violence Prevention and Intervention within MDH to reduce firearm violence, harm from firearm violence, and misuse of firearms in the State by partnering with federal, State, and local agencies and affected communities to implement a public health approach to firearm violence reduction. The center must submit a State Strategic Plan for Firearm Violence Reduction Using Public Health Strategies by May 1, 2029, and every four years thereafter.

Drugs

Prescription Drug Affordability Board

Chapter 692 of 2019 established the Prescription Drug Affordability Board (PDAB) to protect State residents and other stakeholders from the high costs of prescription drug products. PDAB makes determinations, collects data, and identifies certain prescription drug products that may cause affordability challenges for the State's health care system and patients. On October 22, 2024, the Legislative Policy Committee approved PDAB's action plan for establishing upper payment limits (UPL) for prescription drugs identified as causing or likely to cause affordability challenges. On approval of the plan, PDAB is authorized to set UPLs for prescription drug products that are (1) purchased or paid for by a unit of State or local government or an organization on behalf of a unit of State or local government; (2) paid for through a health benefit plan on behalf of a unit of State or local government; or (3) purchased for or paid for by Medicaid.

Chapters 610 and 611 of 2025 expanded the duties of PDAB by requiring PDAB to determine whether it is in the best interest of the State to set UPLs for other purchases and payor reimbursements of prescription drug products in the State that have led or will lead to an affordability challenge. PDAB's authority to set UPLs (1) is contingent on PDAB setting UPLs on two prescription drugs under the plan of action adopted on October 22, 2024, and those UPLs being in effect for at least one year, and (2) does not apply to payor reimbursements under Medicare Part C and D Plans, purchases under the federal 340B Drug Pricing Program, or purchases and payor reimbursements by federal agencies or federal program that the State is preempted from regulating by federal law. If PDAB makes an affirmative determination, it must establish a process for setting UPLs. If the board establishes the process, the board is required to set UPLs in accordance with the process.

Kratom, Phenibut, and Tianeptine

Chapter 249 of 2024 prohibited a retailer from distributing, selling, exposing for sale, or advertising for sale a tianeptine product. In addition, the Act generally required a retailer that prepares, distributes, sells, or exposes for sale a kratom product to disclose on the product label the factual basis on which the representation is made. The Act also prohibited a retailer from (1) preparing, distributing, selling, or exposing for sale a kratom product that does not comply with the disclosure, has not been recognized by FDA as a dietary ingredient or approved drug, or that is adulterated with, contaminated with, or contains other substances, as specified, and (2) distributing, selling, or exposing for sale a kratom product to an individual younger than 21. A retailer may not advertise or market a kratom product to minors or advertise a therapeutic benefit of kratom.

Chapter 704 of 2025 generally required a retailer that prepares, distributes, sells, or exposes for sale a phenibut product to disclose on the product label the factual basis on which any representations regarding the phenibut product are made. A retailer who violates these provisions is subject to a civil penalty. The Act also prohibited a retailer from preparing, distributing, selling, or exposing for sale (1) a phenibut product that does not comply with the disclosure requirement; (2) a phenibut product that has not been recognized by FDA as a dietary ingredient or approved drug; (3) a phenibut product that is adulterated with or contaminated with a dangerous substance other than phenibut; or (4) a product containing phenibut that does not include on its package or label the amount of beta-phenyl-gamma-aminobutyric acid HCL contained in the product. Additionally, **Chapter 704** prohibited a retailer from distributing, selling, or exposing for sale a phenibut product to an individual younger than age 21. A violator is guilty of a misdemeanor and subject to a criminal penalty. Finally, the Act prohibited a retailer from, directly or indirectly, advertising or marketing a phenibut product to minors, or advertising a therapeutic benefit of phenibut.

Chapters 354 and 355 of 2026 authorized (1) the Field Enforcement Division of the Alcohol, Tobacco, and Cannabis Commission (ATCC) to issue a citation or other charging document to a person who has committed a violation of consumer protection provisions under Title 21, Subtitles 2D, 2E, and 2F of the Health – General Article, which govern tianeptine, kratom,

and phenibut, respectively; (2) the Executive Director of ATCC to seize, confiscate, or destroy an unauthorized consumable product that is offered, advertised, or displayed for sale to a consumer in the State and products that are labeled, advertised, represented, or offered for sale as containing specified ingredients; and (3) the District Court to impose additional sanctions, including suspension or revocation specified licenses. An “unauthorized consumable product” is defined as a tianeptine product, a kratom product that does not comply with Title 21, Subtitle 2E of the Health – General Article, a phenibut product that does not comply with Title 21, Subtitle 2F of the Health – General Article, and a consumable product that contains a poisonous or deleterious substance in violation of specified rules and regulations and is designated by the Secretary of Health for enforcement by the Executive Director of ATCC. Additionally, a retailer that violates the Acts’ provisions is liable for civil damages sustained by an individual that result from the violation. **Chapters 354 and 355** prohibited a retailer from distributing, selling, exposing for sale, or advertising for sale an unauthorized consumable product and imposed criminal and civil penalties on violators of specified provisions. Finally, the Acts expanded the prohibitions against retailers advertising kratom and phenibut products to minors and required MDH to notify ATCC within 30 days of changes in the regulatory status of unauthorized consumable products, including kratom, tianeptine, and phenibut.

Death

Office of Chief Medical Examiner

Chapter 268 of 2023 established the Office of the Chief Medical Examiner (OCME) as a unit within MDH to advance forensic science through medical education and research, as staffing allows, and carry out any other duty established in law, and redesignated the State Postmortem Examiners Commission to be the Postmortem Examiners Advisory Committee, which must advise the Secretary of Health and OCME on the implementation of provisions of law relating to the Postmortem Examiners Commission and OCME’s duties.

Chapter 829 of 2024 required a medical examiner, if the cause or manner of death on a death certificate is amended or corrected to be undetermined or homicide, to provide notice to the State’s Attorney and local law enforcement where the body was found of the different finding or conclusion. The medical examiner must also request that the Secretary of Health send the person in interest a new certified death certificate at no cost. An assistant State’s Attorney with knowledge of the case in which the victim’s cause or manner of death was amended or corrected must meet with a person in interest regarding their request that the Office of the State’s Attorney pursue an investigation into the circumstances of the victim’s death. Finally, a law enforcement agency, upon notification by a medical examiner that a death certificate has been amended or corrected to be undetermined or homicide, must reopen or reinvestigate an investigation involving the death of a victim whose cause or manner of death was corrected and keep the case open for at least 20 years after being notified.

Local Suicide Fatality Review Teams

Chapter 328 of 2026 authorized a county or municipality to establish a multidisciplinary and multiagency suicide fatality review team to prevent suicide deaths by (1) reviewing suicide deaths of county residents or that occur within the county; (2) identifying systemic, service, and policy factors associated with the risk of suicide; (3) promoting coordination between entities involved in suicide prevention, crisis response, treatment, and postvention; and (4) developing recommendations to prevent suicide. Should two or more counties establish a single multi-county team, the counties must execute a memorandum of understanding regarding the team.

Health Occupations

Generally

Sunset Extension and Program Evaluation

Most health occupations boards are subject to termination, or “sunset”, unless reauthorized periodically through statute and subject to the evaluation and establishment provisions of the Maryland Program Evaluation Act (MPEA). MPEA is used by the General Assembly as a mechanism to monitor and evaluate regulatory boards, commissions, and other activities and units of the Executive Branch of State government. The Office of Program Evaluation and Government Accountability within the Department of Legislative Services (DLS) may evaluate entities subject to MPEA as directed by specified entities or by legislation. The termination dates of health occupations boards and a related advisory committee were extended by the following legislation:

- *Acupuncture: Chapter 387 of 2024* extended the board’s termination date to July 1, 2030.
- *Examiners for Audiologists, Hearing Aid Dispensers, Speech-Language Pathologists, and Music Therapists: Chapters 31 and 32 of 2025* extended the board’s termination date to July 1, 2031.
- *Dietetic Practice: Chapter 389 of 2025* extended the board’s termination date to July 1, 2030.
- *Environmental Health Specialists: Chapters 135 and 136 of 2026* extended the board’s termination date to July 1, 2032.
- *Massage Therapy Examiners: Chapters 31 and 32 of 2025* extended the board’s termination date to July 1, 2031.
- *Nursing: Chapters 222 and 223 of 2023* extended the board’s termination date to July 1, 2025. *Chapter 416 of 2025* extended it again to July 1, 2030.

- **Occupational Therapy Practice: Chapter 390 of 2024** extended the board’s termination date to July 1, 2030.
- **Examiners in Optometry: Chapter 53 of 2023** extended the board’s termination date to July 1, 2025. **Chapter 391 of 2024** extended it again to July 1, 2030.
- **Pharmacy: Chapter 218 of 2023** extended the board’s termination date to July 1, 2025. **Chapters 31 and 32 of 2025** extended it again to July 1, 2030.
- **Physical Therapy Examiners: Chapter 52 of 2023** extended the board’s termination date to July 1, 2025. **Chapter 392 of 2024** extended it again to July 1, 2030.
- **Professional Counselors and Therapists: Chapter 50 of 2024** extended the board’s Behavior Analyst Advisory Committee termination date to July 1, 2026, to align with the board. **Chapters 31 and 32 of 2025** extended the board and the committee’s termination dates to July 1, 2028.
- **Examiners of Psychologists: Chapter 51 of 2023** extended the board’s termination date to July 1, 2025. **Chapter 393 of 2024** extended it again to July 1, 2030.
- **Certification of Residential Child Care Program Professionals: Chapter 54 of 2023** extended the board’s termination date to July 1, 2025. **Chapter 388 of 2024** extended it again to July 1, 2030.
- **Social Work Examiners: Chapter 228 of 2023** extended the board’s termination date to July 1, 2025. **Chapter 394 of 2024** extended it again to July 1, 2030, and required the board to report to the Senate Finance Committee and House Health and Government Operations Committee by December 1, 2024, on certain wait times and compliance with requirements for timely application review.

Documentation and Training Requirements

Chapters 375 and 376 of 2023 prohibited a board from requiring as a condition for licensure, certification, or registration that an applicant (1) provide proof of lawful presence in the United States or (2) have a Social Security number or individual taxpayer identification number. Each board must require an applicant to either disclose the applicant’s Social Security number or individual taxpayer identification number or provide alternative documentation as permitted by the U.S. Department of Health and Human Services under the federal Social Security Act. **Chapters 43 and 44 of 2024** did the same for the State Emergency Medical Services Board. Additionally, **Chapters 731 and 732 of 2025** prohibited a health occupations board from requiring an applicant to provide additional evidence of English proficiency if the individual holds a valid, unrestricted license, certification, or registration from another state that requires such evidence.

Most health occupations boards require license or certificate holders to complete a certain number of hours of continuing education to renew a license or certificate. **Chapter 478 of 2025** expanded the scope of required implicit bias training for license renewal to include structural racism. **Chapter 205 of 2026** required each board to (1) allow an applicant for renewal to receive continuing education credits for completing an approved human trafficking awareness training program and (2) conduct outreach to make individuals regulated by the board aware of human trafficking awareness training options.

Chapters 636 and 637 of 2026 required MDH to identify and develop training programs that improve early identification of perinatal behavioral health conditions. Each health occupations board that requires continuing education as a condition of renewal must grant at least two hours of continuing education credits for every one hour of continuing education on perinatal behavioral health conditions. **Chapters 605 and 606 of 2026** required each board to do the same for every one hour of continuing education on menopause and associated symptoms.

Criminal History Records Checks

Licensure, certification, registration, and permit requirements vary by profession but typically require, among other things, a criminal history records check (CHRC). **Chapters 814 and 815 of 2024** required an applicant for an initial license or limited license to practice optometry to submit to a CHRC. **Chapters 370 and 371 of 2026** established and standardized language requiring CHRCs for individuals regulated by the health occupations boards. Generally, an applicant for a credential must apply to the Criminal Justice Information System Central Repository (CJIS-CR) in the Department of Public Safety and Correctional Services by submitting a complete set of legible fingerprints and any State and federal fees, and CJIS-CR must forward an individual's record to the individual and the appropriate board. If criminal history record information is reported to CJIS-CR after the date of the initial CHRC, CJIS-CR must provide revised information to the board and the individual (commonly referred to as "rap back").

Professional Liability Insurance

Medical professional liability insurance (also known as medical malpractice insurance) provides coverage against damages due to medical injury arising out of the performance of professional services rendered, or which should have been rendered, by a health care professional. **Chapters 869 and 870 of 2024** required each advanced practice registered nurse (APRN) practicing in the State to notify a patient in writing if (1) the APRN does not maintain professional liability insurance coverage or (2) their professional liability insurance coverage has lapsed for any period of time and has not been renewed. Each APRN who does not maintain professional liability insurance coverage must post the information in a conspicuous location in their place of practice. **Chapters 32 and 33 of 2026** applied the same requirements to nursing homes, assisted living programs, nurse midwives, and licensed certified midwives.

Alternative Pathways to Licensure

In response to many State residents being laid off from federal jobs in early 2025, **Chapters 11 and 12 of 2025**, among other things, required MDH to develop a plan for temporary or permanent authorization to practice a health occupation in the State for individuals who (1) are not licensed or otherwise authorized to practice the health occupation in the State; (2) hold a license or other authorization issued by another state equivalent to the authorization required in Maryland; and (3) left employment with a federal agency after January 20, 2025.

Legislation has also sought to streamline the health occupational licensing process, including licensure by reciprocity, endorsement, or by entering into interstate licensure compacts. **Chapters 32 and 33 of 2024** authorized health occupations boards that did not otherwise have the statutory authority to do so, to adopt regulations establishing reciprocity for individuals who are licensed or certified in another state that offers similar reciprocity.

Unlike reciprocity, licensure by endorsement does not require a board to enter into a formal agreement with another state. Instead, a board reviews an applicant's original license (granted by another state) to determine if the applicant's qualifications are equivalent to or greater than Maryland's requirements. If the original state's qualifications are deemed comparable, a Maryland license is granted. **Chapters 731 and 732 of 2025** clarified that an applicant for a license under the Maryland Board of Nursing (MBON) may qualify for licensure by endorsement by holding a valid, multistate license under the Nurse Licensure Compact. Additionally, **Chapters 673 and 674 of 2025** required MBON to hold discussions with the state nursing licensing boards for Delaware, Pennsylvania, Virginia, West Virginia, and the District of Columbia to pursue reciprocity agreements for APRN licensure and specialty certification, and to annually report to the General Assembly on its progress until 2029.

Interstate licensure compacts are legally binding agreements between two or more states that allow providers licensed in one state to practice in another without requiring an additional license. State entrance into a compact requires enactment of model legislation containing specific compact language. **Chapters 9 and 10 of 2025** entered Maryland into the Interstate Social Work Licensure Compact (ISWLC) and **Chapters 70 and 71 of 2026** entered Maryland into the Interstate Podiatric Medical Licensure Compact (IPMLC). Generally, the Acts specified procedures and requirements to practice under a multistate license and establish a compact commission responsible for oversight. While ISWLC has a sufficient number of member states for it to be active, legislation entering Maryland into IPMLC is contingent on similar legislation being enacted in at least four other states.

Behavioral Healthcare Workforce

The State, as well as the country as a whole, is suffering from a behavioral health workforce shortage, which reduces access to care. Many of Maryland's counties are designated as Mental Health Professional Shortage Areas by the U.S. Department of Health and Human Services. To combat this and improve access to care, legislation has sought to strengthen and diversify the State's behavioral health care workforce. **Chapters 286 and 287 of 2023** established the

Behavioral Health Workforce Investment Fund to provide reimbursement for costs associated with educating, training, certifying, recruiting, placing, and retaining behavioral health professionals and paraprofessionals. The MHCC and specified stakeholders were required to conduct a comprehensive behavioral health workforce needs assessment and recommend an initial allocation to the fund. The assessment recommended investment in training and apprenticeship programs and expanding certain residency and loan repayment programs.

The Workgroup on Black, Latino, Asian American Pacific Islander, and Other Underrepresented Behavioral Health Professionals, established in 2022, was required to identify and study the shortage of behavioral health professionals in the State who are underrepresented in the behavioral health profession. **Chapter 392 of 2023** extended the workgroup's reporting and termination dates, and the workgroup terminated June 30, 2025. In their final report, the workgroup found that limited access to training, lack of incentives, cultural biases, and limited resources may be barriers to the profession for certain underrepresented groups.

Legally Protected Health Care

Chapters 246 and 247 of 2023 defined “legally protected health care” as all reproductive health services, medications, and supplies related to the direct provision or support of the provision of care related to pregnancy, contraception, assisted reproduction, and abortion that is lawful in the State. The Acts prohibited a health occupations board from generally disciplining any individual authorized to provide health care services under the Health Occupations Article (1) because of the provision of legally protected health care provided in accordance with the standard of care or (2) if the health care practitioner is disciplined by a licensure board in another state because of the provision of legally protected health care provided in accordance with the standard of care. If the legally protected health care was not provided in accordance with Maryland law, a health occupations board may take any action authorized by statute. **Chapter 863 of 2024** expanded the definition of legally protected health care to include all gender-affirming treatment that is lawful in the State.

Veterans, Active Service Members, and Foreign Service Members

Legislation has sought to reduce the barriers to licensure for veterans, active service members, foreign service members, and their spouses. These included aligning State law with federal changes to the Servicemembers Civil Relief Act to allow for professional license portability. **Chapters 492 and 493 of 2026** explicitly authorized a Foreign Service member or a Foreign Service member's spouse who relocates to the State due to an assignment or detail and holds a license – including a health occupations license – issued by another state to practice under that license for the duration of the assignment or detail within Maryland if the individual provides specified documentation and satisfies other criteria. **Chapter 694 of 2026** did the same for an active service member or an active service member's spouse.

Chapter 335 of 2026 made consistent the grounds for discipline by health occupations boards such that a board may deny licensure to an applicant or discipline a licensee if the applicant or licensee is disciplined for an act that would be grounds for discipline under the board's

disciplinary statutes by (1) a court or disciplinary authority of any other state or country; (2) any branch of the uniformed services; or (3) the U.S. Department of Veterans Affairs.

Miscellaneous

Chapter 378 of 2024 expanded the application of provisions of law stating that a noncompete or conflict of interest provision in an employment contract is null and void under State law to an employment contract for an employee licensed as a veterinary practitioner or veterinary technician or required to be licensed under the Health Occupations Article, in a position that provides direct patient care, and earns \$350,000 or less in total annual compensation. For an employee that is required to be licensed under the Health Occupations Article, in a position that provides direct patient care, and earns more than \$350,000 in total annual compensation, a noncompete or conflict of interest provision in an employment contract may not last more than one year after the last day of employment, the geographic restriction may not exceed 10 miles, and on request of a patient, the employer must provide notice to the patient of the new location where the former employee will be practicing.

Chapter 369 of 2026 established the Maryland Health Centralization Commission to provide advice and recommendations to the General Assembly on how best to increase collaboration between MDH and the health occupations boards to achieve greater efficiency, transparency, and accountability. The commission must provide recommendations to ensure that each health occupation board remedies audit findings and violations of law, regulation, or policy and establishes specified policies and procedures. The commission is also required to provide recommendations on establishing a comprehensive licensure system to be used by a board, consolidating functions to enhance efficiency, and increasing awareness of the Maryland Quality Reporting Website.

Acupuncturists

Chapters 233 and 234 of 2026 required the State Board of Acupuncture, on renewal of a license, to make available proof of renewal to each licensee rather than issuing a renewal certificate. The Acts also prohibited and established penalties for employing an individual to practice acupuncture without a license or aiding or abetting the unauthorized practice of acupuncture.

Audiologists, Hearing Aid Dispensers, Speech-Language Pathologists, and Music Therapists

Chapters 909 and 910 of 2024 specified that the Governor must appoint the audiologist members of the State Board of Examiners for Audiologists, Speech-Language Pathologists, and Music Therapists, with the advice of the Secretary of Health, from a list submitted by the Maryland Academy of Audiology rather than the board.

Chapters 60 and 61 of 2023 specified that “practice audiology” includes the prescribing, ordering, selling, dispensing, or fitting of a hearing aid to an individual for the correction or relief of a condition for which such devices are worn. The Acts clarified that “hearing aid dispensing” includes ordering and any act related to ordering suitable hearing instruments, including prescription hearing aids. The measures also specified that Title 2 of the Health Occupations Article (the Maryland Audiology, Hearing Aid Dispensing, Speech-Language Pathology, and Music Therapy Act) does not apply to the servicing, marketing, sale, dispensing, use, customer support, or distribution of over-the-counter hearing aids through in-person transactions, by mail, or online as authorized by federal law and regulations. Additionally, **Chapters 1048 and 1049 of 2024** specified that “practice audiology” means to (1) evaluate, diagnose, manage, and treat auditory or vestibular conditions in the human ear; (2) prescribe, order, sell, dispense, or fit hearing aids to an individual for the correction or relief of a condition for which hearing aids are worn; (3) prescribe, order, sell, dispense, or externally fit a sound processor to an osseointegrated device for the correction or relief of a condition for which osseointegrated devices are worn; and (4) prescribe, order, sell, dispense, or externally fit a “sound processor” to a cochlear implant for the correction or relief of a condition for which cochlear implants are worn.

Chapters 30 and 31 of 2026 authorized the board to issue a limited license to practice music therapy to an individual if the individual has completed all full licensure requirements except the examination. The limited license allows the individual to practice music therapy under supervision of a fully licensed music therapist while completing the requirements for full licensure.

Chiropractors

Chapters 362 and 363 of 2023 authorized the State Board of Chiropractic Examiners to deny a license to an applicant or take specified actions against a licensee if the applicant or licensee fails to comply with any board order. An order of the board may not be stayed pending judicial review; however, the board may grant a stay of enforcement of an order in accordance with the Administrative Procedure Act. The Acts also specified that the board may appeal a decision that reverses or modifies its orders.

Chapters 21 and 22 of 2025 made several changes to the board and the law governing chiropractic licensure, including (1) altering board member appointment methods; (2) expanding disciplinary grounds and granting the board authority to conduct certain examinations of licensees and inspections; (3) revising licensure qualifications, including changes to educational requirements and board-administered examinations; (4) replacing the extern license with a preceptorship (an organized system of clinical experience that allows a student in a chiropractic program to be paired with a clinical preceptor for learning purposes); and (5) authorizing the board to issue temporary licenses instead of extern licenses.

Dentists and Dental Hygienists

The Maryland Dent-Care Program is a loan assistance repayment program intended to increase access to oral health services for underserved Maryland Medicaid recipients by increasing

the number of dentists and dental hygienists who treat that population. **Chapter 377 of 2023** expanded the program to include dental hygienists and specified the higher education loan assistance grant amounts under the program. The Act required MDH to (1) annually evaluate Medicaid dental reimbursement rates; (2) create and distribute specified plain language materials related to dental services; (3) convene a stakeholder workgroup to study the establishment of a specified grant or loan program for dental providers; (4) conduct a study on dental provider participation in Medicaid; and (5) conduct a study on providing Medicaid reimbursement for services provided by a certified community health worker that assist a Medicaid recipient in accessing dental services. **Chapters 356 and 357 of 2025** further expanded eligibility for the program to include dentists and dental hygienists employed on a part-time basis and required the Office of Student Financial Assistance, in collaboration with MDH, to establish prorated loan repayment assistance for any part-time dentists and dental hygienists participating in the program.

Chapter 326 of 2023 expanded the qualifications by which a faculty member at the University of Maryland School of Dentistry trained at a foreign dental school may qualify to take an examination offered by the American Board of Dental Examiners, Inc. A faculty member may qualify if they are a general dentist who has successfully completed a general dental practice residency or advanced education in a general dentistry program or is board certified by the American Board of General Dentistry.

An expanded function dental assistant (EFDA) is a licensed dental assistant who is certified by the State Board of Dental Examiners (BDE) to perform specific intraoral procedures under direct supervision. **Chapters 23 and 24 of 2025** expanded the authorized courses of study an applicant may complete to qualify for an EFDA certificate and required BDE to adopt regulations related to continuing education requirements for EFDAs. BDE must reinstate an EFDA certificate that is expired only if the holder has completed the continuing education requirements, has submitted a renewal application, and pays a renewal fee.

Chapters 901 and 902 of 2024 authorized BDE to waive specified education requirements for an applicant for a limited license to practice adult, in addition to pediatric, dentistry under certain circumstances. The measures also established a pathway for practitioners of adult dentistry who receive a waiver under the Acts to receive a general dentistry license in the State.

Chapter 905 of 2024 required each owner of a private dental office to designate a licensed dentist to be the supervising dentist for the office, who must complete the registration required by BDE and be responsible for all infection control activities within the office.

In addition to requiring MDH to prepare a plan regarding former federal employees as discussed above, **Chapters 11 and 12 of 2025** required BDE to issue a license or certificate to a dentist, dental hygienist, or dental radiation technologist (DRT) licensed in another state within 15 business days after receiving the applicant's completed application if the applicant otherwise meets the requirements for licensure. The Acts also specified the requirements a DRT authorized to practice in another state must meet to qualify for a DRT certificate from BDE.

Dietician-Nutritionists

Chapter 961 of 2024 altered the requirements for licensure as a dietician-nutritionist from the State Board of Dietetic Practice and updated the names of relevant national certification boards. To qualify for licensure, an individual must, at a minimum, receive a baccalaureate degree from a college or university accredited by an educational accrediting association as required by the Commission on Dietetic Registration.

Environmental Health Specialists

Chapters 318 and 319 of 2023 altered training and educational requirements for applicants seeking licensure as an environmental health specialist. The Acts (1) repealed the requirement that an applicant's baccalaureate degree be in the chemical, physical, biological, or environmental sciences and reduced the number of credit hours in those fields that the degree must include; (2) eliminated specific laboratory course requirements for both baccalaureate and master's degrees and instead specified that the degrees must include laboratory coursework as required in regulations; (3) repealed an alternative pathway to licensure; and (4) broadened the grounds under which the board may take disciplinary action.

Chapter 49 of 2024 (1) authorized applicants seeking licensure to complete an approved apprenticeship (as specified in regulations) instead of an environmental health specialist- in- training (EHSIT) program; (2) clarified that an EHSIT participating in an EHSIT program or an individual participating in an apprenticeship is exempt from the licensure requirement; (3) authorized the board to approve an examination provider to administer the licensure examination; and (4) clarified what constitutes a quorum for the board.

Massage Therapists

Beginning in 2022, legislation has generally sought to reduce the use of the *registered* massage practitioner credential. The 2022 measure required an individual to be *licensed* by the State Board of Massage Therapy Examiners by November 1, 2026, to practice massage therapy and prohibited the board from issuing an initial registration on or after October 1, 2023. **Chapters 329 and 330 of 2023** extended the termination date for new registrations by one year to October 1, 2024, but maintained that an individual required a license to practice on or after November 1, 2026. **Chapters 191 and 192 of 2026** repealed the license requirement and authorized individuals registered by the board to continue practicing massage therapy under an existing registration beyond October 31, 2026. However, the Acts repealed the qualifications for a new registration as a massage therapy practitioner and removed the option for a former registered practitioner to apply for a new registration if the registered practitioner fails to renew their registration for five years (as new registrations are no longer issued). Instead, a former registered practitioner may be reinstated by meeting the requirements for licensure.

Chapters 329 and 330 also removed treatment of illness from the definition of what is not included as massage therapy and repealed language specifying that a nonprofit health service plan,

insurer, health maintenance organization (HMO), or person acting as a third-party administrator is not required to reimburse a licensed massage therapist or registered massage practitioner for any services rendered. *Chapters 191 and 192* also altered the educational requirements for applicants who graduated from an out-of-state program, clarified accreditation entities, and repealed certain hearing provisions.

Chapter 788 of 2024 altered the definition of “practice massage therapy” to include certain techniques. A former licensee seeking to reinstate a license must, in addition to other requirements, submit evidence of having completed a State and national CHRC. The board must require any applicant whose application the board is reviewing or licensee whose license the board is investigating to submit to an appropriate examination by a health care provider (designated and paid for by the board) if the board has reason to believe and objective evidence that the applicant or licensee may cause harm to individuals affected by the applicant’s or licensee’s practice of massage therapy.

Disciplinary Action

Chapters 56 and 57 of 2023 repealed a provision that prohibits an unlicensed or unregistered individual from performing or offering to perform a massage on another individual for compensation and instead provides a six-month grace period to practice after a license or registration has expired. The Acts also altered provisions related to grounds for discipline, notice of disciplinary actions, judicial review of board orders, reinstatement of a license or registration, and the applicability of penalties regarding practicing massage therapy without a license or registration or misrepresentation. *Chapter 789 of 2024* prohibited an individual from aiding or abetting the unauthorized practice of massage therapy in the State. A violator is guilty of a felony and on conviction is subject to a fine and/or imprisonment.

Chapters 22 and 23 of 2026 prohibited a licensed massage therapist, registered massage practitioner, or third party from advertising for massage therapy services (1) by stating that prostitution, escort, or sexual services are available; (2) on a website known for advertising prostitution, escort, or sexual services; or (3) by indicating or implying that sexual activity is part of the massage therapy service. The Acts also required that, if an advertisement for massage therapy services lists the name of a licensed massage therapist or registered massage practitioner, the name on the advertisement must match the name on the individual’s license or registration.

Morticians and Funeral Directors

Chapters 187 and 188 of 2026 condensed regulatory oversight of practitioners, and facilities for cremation, alkaline hydrolysis, and natural organic reduction solely under the State Board of Morticians and Funeral Directors, rather than dividing oversight with the Office of Cemetery Oversight (OCO). A person who holds a permit or registration from OCO may continue to operate until the permit or registration expires and may renew the permit or registration with the board. The Acts also increased penalties applicable to such permit holders and altered certain board

processes. The board must convene a stakeholder workgroup to review statute and regulations related to the Acts and submit a report on findings and recommended changes.

Chapter 547 of 2026 established consumer protection and disclosure requirements for people that sell (or offer for sale) pet cremation services of pet remains, including a requirement to distribute a written description of available pet cremation services to specified stakeholders as well as to any other person who requests the information. In addition to other penalties, a violation of the Act is an unfair, abusive, or deceptive trade practice under the Maryland Consumer Protection Act, subject to civil and criminal penalty provisions.

Nursing

After a 2021 ransomware attack on MDH information systems and 2022 review from DLS of MBON exposed several operational challenges within MBON, MDH temporarily oversaw MBON operations until their operations were corrected. **Chapters 222 and 223 of 2023** gave the Secretary of Health authority over the infrastructure operations of MBON, for which board special funds could not be used until June 30, 2025. MBON was required to hire an external consultant to conduct an independent evaluation of the board and develop an action plan. The measures also authorized an individual who has an application for licensure pending before the board to continue to practice as a registered nurse or licensed practical nurse, even if the individual has taken and failed the licensing examination once during the 120-day period immediately following the individual's submission of their application.

Chapter 866 of 2024 established the Maryland Pathway to Nursing Pilot Program under the Maryland Higher Education Commission to provide practical and financial support to specified nursing students. The Act also established the Maryland Pathway to Nursing Advisory Committee to assist the Secretary of Higher Education in the development and implementation of the program.

Among other provisions, **Chapters 932 and 933 of 2024** authorized a registered nurse to provide nonprescription drugs and devices, without a prescription, in compliance with specified provisions in current law.

Clinical Nurse Specialists: **Chapters 327 and 328 of 2023** authorized a clinical nurse specialist to practice as a clinical nurse specialist for the purpose of prescribing drugs and durable medical equipment and designate a clinical nurse specialist as an authorized prescriber under the Maryland Pharmacy Act. The measures also authorized a licensed physician to personally prepare and dispense a prescription written by an APRN working with the physician in the same office setting.

Advanced Practice Registered Nurses: **Chapter 890 of 2024** required an individual to be certified as an APRN before practicing advanced practice registered nursing in the State, unless the individual is (1) a student enrolled in a graduate level accredited program for advanced practice registered nursing while practicing advanced practice registered nursing in that program or (2) permitted to practice advanced practice registered nursing under rules and regulations adopted by MBON.

Certified Nursing Assistants: *Chapters 818 and 819 of 2024* altered the designation of and licensure requirements for a certified nursing assistant (CNA), creating new designations of “certified nursing assistant-I” (CNA-I) and “certified nursing assistant-II” (CNA-II). A geriatric nursing assistant and any CNA that has passed a specified nursing assistant training program and competency evaluation will be designated as a CNA-I. Individuals who do not meet these requirements will be designated as a CNA-II. In addition to the termination extension discussed previously, *Chapter 416 of 2025* delayed the date by which a CNA must obtain certification as a CNA-I or CNA-II to April 1, 2026.

Certified Dialysis Technicians: *Chapter 843 of 2024* altered the continuing education requirement for certified dialysis technicians renewing their certification. The Act required three hours of continuing education approved by MBON rather than a three-hour continuing education course approved by the board.

Midwives

Chapters 367 and 368 of 2023 made numerous changes to the laws related to midwifery in the State. The Acts (1) authorized a licensed certified midwife to delegate a technical task to an assistant; (2) authorized a registered nurse certified as a nurse-midwife or a licensed certified midwife to personally prepare and dispense a starter dosage of a drug; (3) eliminated the requirement that an applicant for a certified midwife license complete coursework in health and sciences; (4) altered definitions ; (5) added an exception to the licensure requirement to practice certified midwifery; (6) authorized MBON to appoint peer advisory committees to provide advice related to midwifery; (7) required MBON to develop regulations governing the delegation of technical tasks by licensed certified midwives to assistants; and (8) required MDH to submit a report on recommendations to expand access to birthing services in birthing centers in the State.

Chapters 644 and 645 of 2025 specified that the practice of direct-entry midwifery is independent and does not require oversight by another health care practitioner. The scope of practice for direct-entry midwifery and the medical conditions under which a licensed direct-entry midwife must consult or transfer the care of a patient were altered. Among other things, the measures (1) repealed a reporting requirement; (2) altered the requirements for specified written plans and procedures for hospital transfer; (3) clarified the actions MBON may take if an applicant to practice direct-entry midwifery or a licensed direct-entry midwife violates a ground for discipline; and (4) extended the termination date of the statutory provisions that govern direct-entry midwives by five years to July 1, 2030. *Chapter 392 of 2025* clarified the actions that MBON may take if an applicant to practice direct-entry midwifery or a licensed direct-entry midwife violates a ground for discipline. MBON may deny or grant a license (including a license subject to a reprimand, probation, or suspension) to an applicant, reprimand a licensee, place a licensee on probation, or suspend or revoke the license of a licensee.

Chapters 222 and 223 of 2026, among other things, authorized a certified nurse-midwife and licensed certified midwife to order a pregnant incarcerated individual to be admitted to an infirmary. The Acts also required that HMO quality of care standards include a requirement that

each HMO member has an opportunity to select a certified nurse-midwife or licensed certified midwife as a primary care provider from among those available to the HMO.

Expedited partner therapy (EPT) is the practice of providing antibiotic therapy to the sexual partner of a patient diagnosed with certain infections transmitted through sexual activity without an intervening medical evaluation to stop the further spread of the infection and reduce the likelihood of reinfection in the diagnosed patient. **Chapters 193 and 194 of 2026** added bacterial vaginosis to the list of conditions for which antibiotic therapy can be provided to an individual under the State's EPT program and authorized a licensed certified midwife to provide antibiotic therapy under the program.

Optometrists

Chapters 26 and 27 of 2026 clarified examination requirements for licensure and reinstatement under the State Board of Examiners in Optometry and prohibited the board from placing a licensee on inactive status for more than six consecutive years. The Acts also repealed a reexamination fee and the requirement for the board to give examinations to applicants not more than once every six months and notify applicants of the time and place of the examination.

Pharmacists

Chapter 218 of 2023 (1) added a registered pharmacy technician member to the State Board of Pharmacy (MBOP); (2) specified that a licensed pharmacist may delegate certain data entry tasks to be performed at a remote location to a registered pharmacy technician or registered pharmacy intern; (3) prohibited a registered pharmacy technician or pharmacy technician trainee from making decisions that require the professional judgment of a pharmacist; (4) authorized a registered pharmacy technician to administer certain vaccinations; and (5) prohibited a pharmacy technician trainee from administering vaccinations.

Chapters 279 and 280 of 2023 required MBOP, by January 1, 2025, to adopt regulations necessary to ensure that an individual who is blind, visually impaired, or otherwise print disabled has appropriate access to prescription labels, bag tags, and medical guides.

A 340B drug is a drug that is a covered outpatient drug under federal law, has been subject to an offer for reduced prices by a 340B manufacturer, and is purchased by a covered entity. **Chapter 962 of 2024** generally prohibited a 340B manufacturer from directly or indirectly denying, restricting, prohibiting, discriminating against, or limiting the acquisition or delivery of a 340B drug to a pharmacy on behalf of a covered entity. A violation is an unfair, abusive, or deceptive trade practice under the Maryland Consumer Protection Act and is subject to specified enforcement actions and penalties. An alleged violation must be investigated by the Consumer Protection Division of the Office of the Attorney General or, as applicable, MBOP.

Chapters 306 and 307 of 2025 required MBOP to send renewal notices by email instead of first-class mail, unless otherwise requested. At least one month before a pharmacy license, wholesale distributor permit, pharmacy technician registration, or pharmacy intern registration

expires, and before March 1 of the expiration year of a pharmacy permit, MBOP must send a renewal notice to the last known email address of the credential holder.

Chapter 206 of 2026 authorized MBOP to issue a clinical research pharmacy permit to a pharmacy that (1) exclusively compounds, dispenses, or distributes drugs as part of scientific research conducted under specified protocols; (2) compounds, dispenses, or distributes pharmaceuticals solely incident to the research being conducted and consistent with related protocols; (3) is not open to the general public for retail pharmaceutical services and is strictly limited to dispensing to participants in a clinical trial; (4) complies with specified security and storage protocols; and (5) satisfies any other board requirements. The Act also allowed a health care provider licensed under the board to have ownership interest in a clinical research pharmacy under certain circumstances.

Prescriber-Pharmacist Agreements

The Drug Therapy Management Program permits an authorized prescriber and a pharmacist to enter a therapy management contract that specifies treatment protocols that may be used to provide care to a patient. **Chapter 399 of 2023** authorized a therapy management contract to be entered into orally or in writing (including in electronic form) and stipulates that, if entered into orally, the contract must be reduced to writing by the parties within 30 days. **Chapters 53 and 54 of 2026** authorized a pharmacist to enter into an agreement with an authorized prescriber to treat an opioid use disorder using controlled dangerous substances drug therapy if the pharmacist meets registration and training requirements and follows a specified protocol.

Vaccinations

The practice of pharmacy includes administering vaccinations under certain circumstances. **Chapters 231 and 232 of 2024** repealed language that temporarily authorized a licensed pharmacist to administer certain vaccinations, under specified circumstances, to an individual age 3 to 17. Instead, the Acts permanently authorized a licensed pharmacist, under the same specified circumstances, to (1) administer specified vaccinations to an individual as young as seven years old and (2) order and administer a vaccination for influenza, COVID-19, or in response to a public health emergency to an individual who is at least three years old. The Acts also clarified the circumstances under which a licensed pharmacist may administer certain vaccinations to adults. **Chapters 269 and 270 of 2026** authorized a pharmacist to order a vaccine for an individual who is at least three years old without the pharmacist administering the vaccine. If a vaccination is administered to an individual younger than 18 or ordered for administration by an adult caregiver to an individual younger than 18, the pharmacist must inform the patient and adult caregiver of the importance of visits with a pediatric primary care provider and refer the patient to a pediatric primary care provider when appropriate.

Physical Therapy

Chapters 352 and 353 of 2025 altered the definition of “physical therapist assistant” by clarifying that the term applies to an individual licensed by the State Board of Physical Therapy

Examiners who practices limited physical therapy and has passed a specified exam. The Acts also (1) added a second licensed physical therapist assistant member to the board; (2) required the board to send a license renewal notice via electronic means and provide such notice by first class mail only when requested by the licensee; and (3) changed the contents of the renewal notice.

Physicians and Allied Health Practitioners

Chapters 675 and 676 of 2025 altered, clarified, and made consistent provisions of law regarding physicians, Physician Assistants (PAs), and the allied health professionals regulated by the Maryland Board of Physicians (MBP). Among other actions, the measures altered disciplinary grounds and the disciplinary process, licensure requirements, board duties, specified notification requirements, and provisions governing the allied health professional advisory committees. The Acts increased existing civil penalties and established new administrative penalties for specified violations.

Chapters 58 and 59 of 2023 authorized MBP to place a licensee on emeritus status under specified circumstances. The Acts exempted a licensee on emeritus or inactive status from the three-year limit on the term of a license and from continuing education requirements while holding a license under either status. A licensee on emeritus or inactive status may not (1) practice, attempt to practice, or offer to practice medicine in the State or (2) delegate medical acts.

Chapter 286 of 2024 authorized a “supervised medical graduate” (an individual who has a degree of doctor of medicine or doctor of osteopathy from an institution that meets specified standards and has passed parts one and two of the United States Medical Licensing Examination) to perform delegated duties in accordance with MBP regulations under direct supervision.

Performance of X-Ray Duties: Chapters 871 and 872 of 2024 authorized an individual to perform X-ray procedures limited to certain parts of the chest, spine, and extremities without a license if the individual is under supervision and meets certain educational, training, and examination requirements. **Chapters 213 and 214 of 2026** repealed the exemption and instead required an individual to be registered as a limited X-ray machine operator with MBP to perform X-ray machine operations that previously could be performed without a license under supervision of a licensed physician or radiographer. The Acts also placed conditions on the performance of X-ray duties by a PA, such that certain X-ray duties can no longer be delegated to a PA under a collaboration agreement. Instead, to perform X-ray duties, a PA must complete certain courses, be under direct supervision, and obtain board approval of the X-ray duty.

Athletic Trainers: Chapters 302 and 303 of 2023 authorized a licensed athletic trainer to perform dry needling as a specialized task if approved by MBP. The board must issue an approval to perform dry needling to a licensed athletic trainer who provides proof of completing at least 80 hours of instruction in a continuing education course that meets specified requirements.

Physician Assistants: Chapters 919 and 920 of 2024 required a PA to have a collaboration agreement (rather than a delegation agreement) and authorized a PA who has provided notice of an executed collaboration agreement to MBP to practice medical acts that are authorized under an

MBP-issued license and the collaboration agreement. A PA may perform other duties within the scope of practice, as specified, and may perform certain advanced duties with MBP authorization. **Chapters 222 and 223 of 2026** authorized a PA to perform several additional duties that other health care practitioners can currently perform, including (1) ordering a pregnant incarcerated individual to be admitted to an infirmary; (2) with a physician, signing a certificate of competency for a petition for guardianship of a disabled person; (3) being the second health care provider to certify that an individual is incapable of making an informed decision regarding treatment; (4) being one of two health care practitioners to certify that an individual is in a terminal condition or has an end-stage condition; (5) in conjunction with a physician, certifying a disabled person for voluntary admission for treatment of a mental disorder; (6) petitioning for emergency evaluation; (7) prescribing and dispensing emergency use epinephrine to a certificate holder under the Emergency and Allergy Treatment Program; (8) certifying an eligible individual as being at risk of placement in a nursing facility or similar institution for the purpose of eligibility for the Attendant Care Program; and (9) signing a certificate of illness or disability for a State employee who uses five or more consecutive days of sick leave.

Professional Counselors and Therapists

In recent years, legislation has focused on patient continuity of care when moving to Maryland from another state. **Chapter 649 of 2025** authorized the State Board of Professional Counselors and Therapists (BOPCT) to issue a temporary telehealth license to an out-of-state licensed professional counselor who meets certain qualifications, allowing the counselor to provide clinical professional counseling services through telehealth to an out-of-state student enrolled at and residing at or near an institution of higher education in Maryland under certain circumstances. **Chapter 242 of 2026** repealed the board's authorization to issue a temporary telehealth license and instead exempted an individual licensed and in good standing in another state from licensing requirements if the individual is providing counseling through telehealth to a client in Maryland for the purpose of providing continuity of care for up to six months after the client (1) relocated to Maryland or (2) returned to Maryland after a continuous and nonincidental period of relocation outside the State. The individual must have an established client-counselor relationship while the client was outside the State and must no longer be able to provide in-person counseling to the client because the client is located in Maryland.

Clinical Alcohol and Drug Counselors: **Chapters 264 and 265 of 2023** altered the qualifications to become licensed to practice as a clinical alcohol and drug counselor and to qualify to practice as a licensed graduate alcohol and drug counselor under supervision by specifying that the required master's or doctoral degree must be in a professional (rather than a health and human services) counseling field from an accredited (rather than a regionally accredited) educational institution as approved by BOPCT.

Clinical Marriage and Family Therapists: **Chapters 45 and 46 of 2024** required BOPCT to waive the education, experience, and examination requirements for licensure as a clinical marriage and family therapist for an applicant that is licensed or certified to practice clinical marriage and family therapy in another state, territory, or jurisdiction if specified requirements are

met. The board may not require the applicant to pass a national certification exam but may require that the applicant pass an examination of specified State law requirements.

Behavior Analysts: Chapter 755 of 2025 required BOPCT to issue a license within 30 days after receiving a completed application from a qualified applicant for a behavior analyst license. If an applicant submits an incomplete application but is determined to meet licensure requirements based on additional information submitted, the board must issue a license within 50 days of receiving the additional information. The board must notify an applicant for a behavior analyst license by email several times throughout the application review process.

Psychologists

Chapters 41 and 42 of 2023 required the State Board of Examiners of Psychologists to issue electronic (as opposed to paper) licenses or registrations to any applicant who meets existing statutory requirements.

Chapter 55 of 2023 established a second pathway for licensure as a psychologist. To qualify, an individual must have (1) a doctoral degree in psychology from a school or university that, at the time the degree was awarded, had a certain regional accreditation; (2) received a postdoctoral respecialization certificate from a department of psychology that, at the time the certificate was issued, had an accredited degree program and included a minimum of 1,750 hours in a supervised internship; and (3) completed at least 1,500 hours of training, as specified.

Social Workers

Chapters 930 and 931 of 2024 altered the membership of the State Board of Social Work Examiners (BSWE) by authorizing the board to include at least one member who is either a licensed certified social worker or a licensed master social worker approved for independent practice.

Chapter 228 of 2023 required BSWE, within 15 business days after initial receipt of a license application, to notify the applicant whether the application is complete. The Act also established a Workgroup on Social Worker Requirements for Licensure, which was required to determine (1) whether the State should continue to use the examinations developed by the Association of Social Work Boards as a requirement for a bachelor social worker or master social worker license; (2) whether the State should establish a temporary license for applicants who complete all of the licensure requirements except for passing the examination; and (3) how to provide supervision at no cost to bachelor social worker and master social worker licensees.

Chapter 317 of 2023 authorized BSWE to issue a conditional license to practice bachelor social work or master social work to an applicant who, except for passing the required examination, has met the appropriate education and experience requirements for licensure. A conditional license may be issued if an administrative delay or an unforeseen circumstance, act, or occurrence prevents a required examination from being available to an applicant for at least 15 business days. A conditional license is valid until 180 days after the examination becomes available to the applicant.

Chapters 226 and 227 of 2026 required BSWE, beginning November 1, 2026, to issue a provisional license to an applicant who has met the education and experience requirements to practice bachelor social work or master social work, except for passing a required examination. A provisional license requires the holder to practice under the supervision of a board-approved supervisor. A provisional license expires on a date set by the board that is at least 12 months, but less than 24 months, after the date of issuance and may not be renewed.

Health Care Facilities and Regulation

Health Services Cost Review Commission

The Health Services Cost Review Commission (HSCRC) is an independent commission charged with establishing hospital rates to promote, among other things, access to care, equity, and hospital accountability. HSCRC is funded by user fees assessed on hospitals and related institutions. **Chapters 25 and 26 of 2025** repealed the June 30, 2025 termination date on the formula used to determine the maximum amount of user fees that HSCRC may assess. The user fee cap is based on 0.1% of budgeted hospital revenue or the largest cap amount determined during the immediately preceding five fiscal years.

Between 2026 and 2034, HSCRC will implement the federal Achieving Healthcare Efficiency through Accountable Design (AHEAD) Model to continue statewide efforts to improve health care quality and control costs. **Chapter 615 of 2025** established the Population Health Improvement Fund to support statewide population health targets under the AHEAD Model and any successor models. Each year until December 31, 2027, HSCRC may assess a uniform, broad-based, and reasonable amount in hospital rates to be credited to the fund.

Hospitals

In General

Physician Credentialing: Each hospital in the State must establish a credentialing process for physicians. **Chapters 358 and 359 of 2023** altered the minimum standards for this process and required that the formal written reappointment process for physicians be conducted in accordance with standards of the body that accredits a hospital, rather than requiring the reappointment process at least every two years.

Nonprofit Hospitals and Community-Based Organizations: Each nonprofit hospital in the State must conduct an annual community health needs assessment and submit an annual report to HSCRC detailing the community benefits provided by the hospital during the preceding year. **Chapter 752 of 2025** authorized a community health worker (CHW) workforce program between a nonprofit hospital and a community-based organization to be considered a community benefit. The purpose of a CHW workforce program must be to provide services to patients that are intended to improve health outcomes and address social determinants of health.

University of Maryland Capital Region Medical Center: Chapter 13 of 2016 provided operating and capital funding to the University of Maryland Medical System (UMMS) to assist in the transition of a new Prince George's County Regional Medical Center (renamed the University of Maryland Capital Region Medical Center) from Dimensions Health Care System to UMMS. Chapter 19 of 2017, among other things, altered the amount of operating grants the State was required to provide and required the Governor to include an annual appropriation for additional operating grants from fiscal 2022 through 2028. **Chapter 797 of 2026** required the Governor to continue including \$10 million in the annual budget bill for the University of Maryland Capital Region Medical Center beyond fiscal 2028.

Financial Assistance and Medical Debt Collection

Financial Assistance: Each hospital in the State must develop a financial assistance policy for providing free and reduced-cost care to patients who lack health care coverage, or whose health care coverage does not pay the full cost of the hospital bill.

Chapter 683 of 2022 required HSCRC to develop a process that identified patients who, during calendar 2017 through 2021, paid for hospital services but may have qualified for free care. **Chapters 310 and 311 of 2023** modified the requirements relating to the refund process. Among other things, the Acts (1) altered the agencies with which HSCRC was required to coordinate; (2) required the Health Education and Advocacy Unit of the Office of the Attorney General to assist patients in obtaining reimbursement; (3) required hospitals to reimburse State agencies for costs incurred to implement the refund process; and (4) made failure to comply by a hospital an unfair, abusive, or deceptive trade practice under the Maryland Consumer Protection Act.

Chapter 959 of 2024 modified the required components of financial assistance policies by removing the requirement that the provision of reduced-cost care or payment plans be in accordance with the mission and service area of the hospital. In addition, hospitals may only consider monetary assets in excess of \$100,000 when determining eligibility for free and reduced-cost care but are prohibited from considering specified retirement assets.

Chapters 693 and 694 of 2025 required a hospital to reduce a patient's out-of-pocket expenses for medically necessary care by a specified percentage based on the patient's family income and alter notice requirements for hospital financial assistance policies.

Medical Debt Collection: Each hospital must also develop a debt collection policy, which generally prohibits the hospital from selling patient debt. However, **Chapter 750 of 2025** authorized a hospital to sell debt owed by specified patients for specified hospital services to a governmental unit, an entity under contract with the unit, or a tax-exempt nonprofit organization for the sole purpose of canceling the debt. The patient is not responsible for any amount of the debt that is sold, or any interest, fees, or costs associated with the debt or the sale.

A hospital's debt collection policy must prohibit the hospital from reporting adverse information about a patient to a consumer reporting agency for nonpayment for a specified amount of time after issuing the initial patient bill. **Chapter 121 of 2025** prohibited a consumer reporting

agency from including certain information related to medical debt in a consumer report. Additionally, a person may not use medical debt information included in a consumer report to make a determination regarding creditworthiness. A person whose primary business is providing medical services, products, or devices may not disclose any portion of a medical debt to a consumer reporting agency. **Chapters 497 and 498 of 2025** prohibited the creation of a lien on owner-occupied residential property by contract or as a result of a breach of contract for the payment of medical debt. The Acts also required that a complaint seeking a money judgment indicate whether the judgment sought is for medical debt.

In addition to the financial assistance provisions discussed above, **Chapters 693 and 694 of 2025** altered the components of debt collection policies by, among other things, (1) prohibiting a hospital from filing a civil action to collect debt against a patient under specified circumstances; (2) increasing the number of days before interest payments on medical debt may be assessed or a hospital is authorized to take civil action to collect debt; (3) altering the monthly payment amount for an income-based payment plan; and (4) prohibiting a hospital from charging interest on the debt owed for specified patients before a court judgement is obtained. The Acts excluded from the statute of limitations on civil actions a contract that is related to an obligation of a consumer to pay consumer debt that arises from hospital services and between a consumer and a hospital.

Hospital Protocols

Chapters 235 and 236 of 2026 required each hospital that is not a State hospital to comply with the staffing standards of the accreditation body that accredits the hospital and the federal Centers for Medicare and Medicaid Services (CMS) Conditions of Participation. Additionally, each hospital must establish and maintain a specified clinical staffing committee. The chief nurse executive of each hospital must produce a draft clinical staffing plan to submit to the clinical staffing committee and, using the draft plan, each clinical staffing committee must finalize a clinical staffing plan that meets patient needs and considers standards required by CMS and the appropriate accreditation body. By July 1, 2028, and annually thereafter, each hospital must implement the finalized clinical staffing plan and assign personnel to each patient care unit in accordance with the plan.

Following an increase in federal immigration enforcement action throughout the country, **Chapter 162 of 2026** required hospitals to adopt a policy describing the protocol of the hospital when there is an immigration enforcement action at the hospital, consistent with specified guidance from the Attorney General. A hospital must make the policy available to all hospital staff members and provide annual training on the policy to all hospital staff members.

Patient Care Protocols

Opioid overdose and use continue to be an epidemic in the United States and in Maryland. **Chapters 324 and 325 of 2023** required a hospital with chemical analyzer equipment to include testing for fentanyl in a urine drug screening if such a screening is conducted to assist in diagnosing an individual's condition. The hospital must report the deidentified test results of screenings that detect fentanyl to MDH. **Chapters 885 and 886 of 2024** required each hospital to establish and

maintain protocols and capacity to (1) provide appropriate, evidence-based interventions that reduce the risk of subsequent harm and fatality before discharging a patient after an opioid-related overdose or a visit for an opioid-related emergency medical condition; (2) possess specified medications used for the treatment of an opioid use disorder; and (3) treat a patient who presents in a hospital emergency department (ED) for an opioid-related overdose or emergency medical condition with appropriate medications.

Chapters 922 and 923 of 2024 required each hospital and urgent care center in the State to implement an evidence-based protocol for the early recognition and treatment of a patient with sepsis, severe sepsis, or septic shock based on generally acceptable standards of care and required periodic training in the implementation of the protocol. The sepsis protocol must comply with U.S. Centers for Disease Control and Prevention sepsis guidelines. A specialty psychiatric hospital must also establish a process for the screening, early recognition, and transfer to the appropriate setting of a patient with sepsis. Hospitals that submit sepsis data to the CMS Hospital Inpatient Quality Reporting Program are presumed to meet the Acts' requirements.

The federal Emergency Medical Treatment and Labor Act (EMTALA) was enacted in 1986 to ensure public access to emergency services regardless of the ability to pay. **Chapters 788 and 789 of 2026** generally codified EMTALA in State law as it relates to an emergency pregnancy-related medical condition. If a hospital determines that a patient has an emergency pregnancy-related medical condition, the hospital must provide further examination and the treatment required to stabilize the condition, including the termination of a pregnancy when medically necessary to stabilize the patient, or transfer the patient to another medical facility. A hospital must allow the termination of a pregnancy at the hospital if the patient's treating health care practitioner determines termination is medically necessary to stabilize a patient. If, after offering further examination and treatment or transfer and informing the patient of the risks and benefits of further examination and treatment or transfer, a patient or the patient's representative refuses to consent to further examination or treatment or to a transfer to another medical facility, a hospital must take reasonable steps to secure written informed consent to the refusal of an examination or treatment or transfer from the patient or the patient's representative. A hospital is prohibited from taking specified adverse actions against a provider for not transferring a patient who is not stabilized or against a hospital employee who reports a violation. A hospital that negligently violates these requirements is subject to specified civil penalties.

Maternal and Infant Health

Chapters 879 and 880 of 2024 required a hospital, as soon as practicable before discharging an infant after birth, to provide oral and written educational resources to the infant's parent or legal guardian on how to provide a safe sleep environment and the risks of suffocation and sudden infant death in unsafe sleep environments. MDH, in consultation with local health officers, must develop a list of resources available by county for parents and guardians to obtain the items necessary to provide a safe sleep environment for an infant.

Chapters 798 and 799 of 2024 codified an existing requirement that a provider who receives reimbursement from Medicaid for obstetric services complete a prenatal risk assessment form for a patient and submit the form to the appropriate local health department (LHD). Additionally, a birthing facility where an infant is born must complete a postpartum infant and maternal referral form, submit the form to LHD, and provide the birthing parent with resources, information, and follow-up. The Secretary of Health must develop a Maryland Report Card for Birthing Facility Maternity Care for each birthing facility in the State, and each birthing facility must participate in the Severe Maternal Morbidity Surveillance and Review Program.

A certified doula is a nonmedical professional who provides continuous physical, emotional, and informational support to the birthing parent throughout the prenatal, labor, and postpartum periods. **Chapter 751 of 2025** required a hospital that provides obstetric care to adopt a doula policy, an informed consent policy for significant medical intervention for the birthing parent, and a transfer acceptance policy. Each hospital must provide their policy to MDH, which must make the policies available to the public on request. If requested by MDH, an insurer that issues or delivers medical professional liability insurance in the State must provide information regarding the insurer's policy related to coverage of obstetric services, including coverage for a vaginal birth after cesarean.

Chapters 708 and 709 of 2025 required MDH, in coordination with the Maryland Institute for Emergency Medical Services Systems, to adopt regulations establishing minimum perinatal care standards that meet or exceed the Maryland Perinatal System Standards for each hospital that provides obstetrical services and for freestanding birthing centers. Each hospital that provides obstetrical services and freestanding birthing centers is required to meet the standards as a condition of licensure.

Emergency Department Wait Times

In response to extended wait times in EDs across the State, HSCRC completed several studies regarding ED wait times and initiated efforts to encourage and support advancements in ED throughput. **Chapter 844 of 2024** established the Maryland Emergency Department Wait Time Reduction Commission to address factors throughout the health care system that contribute to increased ED wait times. In November 2025, the commission submitted its interim report. By November 1, 2026, the commission must submit a final report.

Pediatric Hospital Overstay Patients

“Pediatric hospital overstay patient” means a patient younger than age 22 who remains in an inpatient unit or ED of a hospital for more than 48 hours after being medically cleared for discharge or transfer. MDH and DHS must each have a pediatric hospital overstay coordinator to act in the best interest of such patients. **Chapter 160 of 2026** prohibited DHS’ out-of-home placement program from using an unlicensed setting for a child. Effective January 1, 2027, the definition of “unlicensed setting” is expanded to include an inpatient unit or ED of a hospital in which the child is a pediatric hospital overstay patient. A hospital must immediately notify the

pediatric hospital overstay coordinators, through a system designated by MDH, about a pediatric hospital overstay patient.

Health Care Facilities

Forensic Review Board

After an individual receives a verdict of not criminally responsible (NCR), a court ordinarily must order the defendant committed to a facility designated by MDH for appropriate care or treatment. *Chapters 115 and 116 of 2025* required MDH to establish a forensic review board consisting of health care providers at each facility that has persons committed as NCR to annually review and determine whether to recommend to the court that a committed person is eligible for discharge or conditional release. Each forensic review board must maintain a written record containing its recommendations and findings. The treatment team must implement any recommendations from the board and make arrangements for necessary treatment to rehabilitate the committed person.

Surgical Smoke Evacuation

Chapter 794 of 2026 required each health care facility that performs surgical procedures to adopt and implement policies, by January 1, 2028, that require the use of a smoke evacuation system during a surgical procedure that may generate surgical smoke.

Intermediate Care Facilities

The MHCC operates the certificate of need (CON) program, which requires review and approval of certain types of proposed health care facility and service projects. American Society of Addiction Medicine (ASAM) Level 3.7 programs are residential-intensive programs that provide medically monitored, intensive treatment in an intermediate residential care facility. *Chapters 68 and 69 of 2026* specified that a CON is not required to establish, operate, or change the bed capacity at an intermediate care facility that offers ASAM Level 3.7 programs if (1) written notice of the intent to establish or operate the facility or change bed capacity is filed with MHCC at least 45 days in advance and (2) MHCC finds that the proposed facility or change in bed capacity is not inconsistent with the State Health Plan, will result in the delivery of more efficient and effective health care services, and is in the public interest.

Long-term Care Facilities

Chapter 684 of 2026 established a Health Care Quality Improvement Initiative to be carried out by a task force staffed by MDH. The initiative must identify strategies to improve the quality of care and the affordability and accessibility of services in nursing homes and assisted living programs and determine how the State can best use and share available data and expertise for the analysis, monitoring, public transparency, and oversight of nursing homes and assisted living programs.

Chapters 24 and 25 of 2026 specified that a resident of a nursing facility may not be involuntarily transferred or discharged to a location other than the location identified in a specified notice before the facility to which the resident is to be transferred has confirmed that the resident may be transferred and the facility is prepared to accept the resident. The Acts also altered specified requirements for (1) the notice provided to a resident regarding any proposed discharge or transfer; (2) a new notice of any proposed discharge or transfer, including applicable timing requirements for discharge or transfer under a new notice; and (3) a post discharge plan of care.

Assisted Living Investigations: Chapters 7 and 8 of 2023 required MDH to investigate credible allegations of assisted living residents having been subjected to neglect, exploitation, or abuse when a person is found to be knowingly and willfully operating, maintaining, or owning an unlicensed assisted living program. On receipt of a credible allegation, if neglect, exploitation, or abuse is found, or if the person fails or refuses to cooperate fully in an investigation, the person operating the unlicensed program must be subject to immediate prosecution. If MDH finds no reason to believe that residents have been subject to exploitation, neglect, or abuse, MDH must provide written notice to the unlicensed program requiring compliance with licensure requirements within 30 days. A person operating an unlicensed program may not be subject to prosecution if they have promptly and in good faith submitted a complete application for licensure. MDH, the Attorney General, a State’s Attorney, or a local health officer may petition a circuit court for injunctive relief against the operation of an unlicensed assisted living program.

Resident Rights: Chapter 141 of 2024 authorized the Attorney General to seek injunctive relief on behalf of the State on the basis of an imminent or ongoing violation of a specified basic right of residents of a nursing home or assisted living program. The Attorney General may not duplicate corrective action imposed by MDH for the same violation. The Act also altered the definition of “resident bill of rights” for residents of assisted living program facilities to ensure, among other things, the right to be treated with respect, receive adequate treatment, and to be free from abuse.

Assisted Living Referrers: An “assisted living referrer” is an individual or agency that makes referrals to assisted living programs without cost to the person receiving the referral and is usually compensated by an assisted living program or third party. **Chapter 839 of 2024** established additional requirements for assisted living referrers. Referrers must maintain general liability insurance and obtain criminal history records checks on employees. The client or the client’s representative must be provided with a description of the provided services and any existing financial agreements. An assisted living referrer may not request payment of a referral fee from an assisted living program more than two years after providing a referral. An assisted living referrer must keep a client or potential client’s medical record confidential and may disclose the record only for the purpose of making a referral and only after obtaining informed consent. A referrer may not sell personal data without informed consent and must comply with all applicable data privacy laws.

Continuing Care Retirement Communities

A continuing care retirement community provides shelter and either medical and nursing or other health related services or makes the services readily accessible through a provider to a subscriber. **Chapters 257 and 258 of 2024** required continuing care retirement community providers to (1) post the most recent disclosure statement on their website; (2) hold a meeting open to all subscribers at least quarterly; (3) provide a summary of internal grievances at the last quarterly meeting of the year; and (4) provide information to a subscriber or the subscriber's beneficiary regarding entrance fee refunds if the refund is conditioned on the reoccupancy of the subscriber's unit. The Maryland Department of Aging must collect information from providers regarding internal grievances and report on the data to the General Assembly.

Nursing Homes

Acquisitions or Transfers of Ownership: **Chapters 288 and 289 of 2023** required MHCC, when evaluating a notice of acquisition or transfer of interest of a nursing home, to provide specified written findings and recommendations to the Office of Health Care Quality (OHCQ). The Secretary of Health must consider MHCC's findings and recommendations before taking action to approve, deny, approve with conditions, or revoke a nursing home license.

Chapters 816 and 817 of 2024 further altered the process for MHCC review of a nursing home acquisition. The Acts required a person, at least 60 days before the closing date of the acquisition, to submit a request for acquisition to MHCC and provide notice to residents, resident representatives, and employees. The executive director of MHCC must review a completed request for acquisition within 45 days and, in consultation with the Secretary of Health, may approve, approve with conditions, or deny the acquisition, or refer the request for acquisition to MHCC for a final decision.

State-owned Nursing Homes: Several incidents of abuse and neglect were reported at nursing homes during the COVID-19 pandemic, including under the management of a long-time contractor for Charlotte Hall Veterans Home. **Chapter 106 of 2023** required a contractor operating a State-owned nursing home to promptly provide notice of a deficiency or enforcement action by a monitoring agency to specified entities. Within 30 days after receiving a citation or fine from a monitoring agency, the contractor must also provide a statement of the deficiencies found, a plan of correction, and all communications from the monitoring agency regarding survey activities conducted at the nursing home. MDH must report annually to the Governor and the General Assembly on all federal and State survey activities conducted and enforcement actions imposed at each State-owned nursing home operated by a contractor.

Chapters 860 and 861 of 2024 required the State department charged with oversight of a State-owned nursing home operated by a contractor to provide notice of a deficiency or enforcement action by a monitoring agency. Notice must be provided to the Governor, specified members of the General Assembly, and the local governing body of the county in which the nursing home is located within 15 days after the final survey finding. Within 30 days after the contractor's final acceptance of a plan of correction or completion of an informal dispute resolution,

the relevant department must provide the Governor and specified members of the General Assembly with a statement of the deficiencies, the plan of correction or results of the informal dispute resolution, and all communications from the monitoring agency.

Investigations and Compliance: ***Chapter 680 of 2025*** required OHCQ, beginning July 1, 2025, and every six months thereafter, to report to the local area agency on aging for each county the name of each nursing home in the county that was surveyed in the immediately preceding six months and the date each survey was conducted. MDH must also report every three months to the General Assembly on the number of surveys conducted in each county.

In addition to the provisions noted above establishing a Health Care Quality Improvement Initiative, ***Chapter 684 of 2026*** required MDH, when investigating a nursing home complaint alleging actual harm or immediate jeopardy to a resident, to notify the LHD for the county in which the nursing home is located within 24 hours after initiating the investigation. To the extent practicable and as permitted by federal law, MDH must consult and coordinate with the LHD on the complaint investigation and response.

Electronic Medical Records: ***Chapter 333 of 2023*** authorized a nursing home that contracts with or uses an electronic health network or electronic medical record vendor, to direct the vendor to release patient medical records or electronic health care transactions to a business associate of the nursing home. The vendor releasing patient medical records or electronic health care transactions must release the records or transactions in an electronic format that conforms to certain specifications, make the records or transactions available on a regular basis, and release the information in a timely manner. The vendor may not restrict or limit the release of the records or transactions.

Professional Liability Insurance: ***Chapters 32 and 33 of 2026*** required each nursing home and assisted living program to notify each resident and prospective resident in writing or by written electronic communication if professional liability insurance coverage is not maintained or such coverage has lapsed or not been renewed. The notification must be signed by a prospective resident at the time of application for admission or by a resident at the time of notification of the lapse in coverage. Each nursing home or facility-based assisted living program operating in the State that does not maintain professional liability insurance coverage must post in a conspicuous place visible to residents and guests that the nursing home or facility-based assisted living program does not maintain such coverage.

Behavioral and Mental Health Facilities

On admission to a State facility that provides treatment for individuals who have mental health disorders, the facility must make and periodically update an individual treatment plan for the patient. ***Chapters 262 and 263 of 2023*** codified existing regulatory requirements, including time periods for, and who must participate in, the development, review, and reassessment of a patient's plan of treatment. The Acts also established new requirements relating to a patient's plan of treatment, including an opportunity to involve family members or other individuals and a process to request that a health care facility review and reassess the plan.

Chapters 343 and 344 of 2023 required MDH to adopt regulations that establish food service facility standards that are appropriate to licensed residential behavioral health programs that have fewer than 17 residents, differentiated based on services provided, the number of hours of services provided per week, and required staff.

Residential Service Agencies

A residential service agency (RSA) is a business that employs, or contracts with, individuals to provide home health care services. **Chapters 881 and 882 of 2024** specified that, beginning January 1, 2026, MDH may reimburse an RSA for personal assistance services only if the services are provided by an individual classified as an employee.

Chapter 217 of 2026 required MDH to adopt regulations that authorize an RSA that provides private duty nursing (PDN) services to employ a licensed nurse who does not meet clinical experience requirements, if the RSA provides specified training and a competency evaluation approved by MDH. An RSA must (1) establish and implement a training program to ensure safe and competent care based on patient needs; (2) ensure the nurse receives clinical supervision by a registered nurse qualified in PDN; (3) assign the nurse to a qualified preceptor or clinical supervision until competency is demonstrated; (4) document satisfactory completion of required competency standards; and (5) conduct competency evaluations of the nurse at least annually.

Health Insurance

Access to Affordable Health Insurance

State-Based Young Adult Health Insurance Subsidies Pilot Program

Chapters 777 and 778 of 2021 required the Maryland Health Benefit Exchange (MHBE) to establish and implement a State-Based Young Adult Health Insurance Subsidies Pilot Program. Under the program, uninsured young adults ages 18 to 34 with incomes between 133% and 400% of the federal poverty level are eligible for State premium assistance subsidies. **Chapters 256 and 257 of 2023** extended the termination date of the program through June 30, 2026, while **Chapters 721 and 722 of 2025** renamed the pilot program to be the State-Based Young Adult Health Insurance Subsidies Program and made the program permanent.

State-Based Health Insurance Subsidies Program

The federal Patient Protection and Affordable Care Act (ACA) established advanced premium tax credits (APTC) to help eligible households lower their payments toward premiums for qualified health plans offered through exchanges. The federal American Rescue Plan Act expanded eligibility for and the amount of APTCs for calendar 2021 and 2022, which resulted in larger subsidies; however, the enhanced APTCs terminated December 31, 2025.

Chapter 468 of 2025 required MHBE to establish and implement a State-Based Health Insurance Subsidies Program to mitigate the impact of the loss of enhanced APTCs. The program (known as the Maryland Premium Assistance Program) began providing subsidies in calendar 2026 and is funded through the 1% State assessment on health insurance premiums.

Maryland Health Insurance Coverage Protection Commission

Chapter 17 of 2017 established the Maryland Health Insurance Coverage Protection Commission, which met throughout the 2017 through 2022 interims and terminated June 30, 2023.

Chapter 696 of 2025 reestablished the commission to (1) monitor potential and actual federal changes to the ACA, the federal Mental Health Parity and Addiction Equity Act, Medicaid, the Maryland Children's Health Program (MCHP), Medicare, and the Maryland All-Payer Model; (2) assess the impact of such changes; and (3) provide recommendations for State and local action to protect access to affordable health coverage.

Utilization Review and Management

Chapters 847 and 848 of 2024 altered and established requirements and prohibitions relating to health insurance utilization review and prior authorization, the process used by carriers to determine whether a health care service is medically necessary. Among other things, carriers must (1) establish and maintain an online process for prior authorizations; (2) provide real-time patient specific benefit information; and (3) honor a prior authorization granted from a previous entity for at least the lesser of 90 days or the length of the course of treatment. A carrier may not issue an adverse decision on a reauthorization for the same prescription drug or request additional documentation from the prescriber for the reauthorization request under specified circumstances.

Step Therapy or Fail-First Protocols

Step therapy or fail-first protocol is a protocol established by a carrier that requires a prescription drug or sequence of prescription drugs to be used before a prescription drug ordered by a prescriber is covered.

Chapters 364 and 365 of 2023 required carriers, including those that provide prescription coverage through a pharmacy benefits manager (PBM), to establish a process for requesting an exception to a step therapy or fail-first protocol that is clearly described, easily accessible to the prescriber, and posted on the carrier's or PBM's website. A step therapy exception request must be granted under specified circumstances, and an insured or enrollee may appeal the denial of a step therapy exception request.

Chapters 688 and 689 of 2025 prohibited carriers from imposing a step therapy or fail-first protocol for insulin or an insulin analog that is approved by the U.S. Food and Drug Administration (FDA) and used to treat Type 1, Type 2, or gestational diabetes.

A carrier is generally prohibited from imposing a step therapy or fail-first protocol on an insured or enrollee for an FDA-approved prescription drug used to treat stage four advanced metastatic cancer. *Chapters 706 and 707 of 2025* expanded this prohibition to include drugs prescribed by a treating physician to treat a symptom or side effect of stage four advanced metastatic cancer.

Provider Panels

Chapters 706 and 707 of 2026 altered the process through which health care providers apply to participate on a carrier's provider panel. The Acts repealed authorization for a carrier to charge an application fee, altered requirements relating to updating information in a provider directory, and altered requirements associated with designating a provider credentialing application for an online credentialing system as the uniform credentialing form and a multi-carrier common online provider directory information system for use by providers.

Access to Nonparticipating Providers

Under Maryland law, each carrier must establish and implement a procedure by which a member may request a referral to a specialist that is not part of the carrier's provider panel if the member requires specialized care.

Chapters 660 and 661 of 2025 expanded these provisions by requiring that referrals also be made if the member is seeking mental health or substance use disorder (SUD) care and the carrier cannot provide reasonable access to a specialist within reasonable appointment waiting time and travel distance standards. The Acts also made permanent a provision of law requiring a carrier to ensure that mental health and SUD services are provided by a nonparticipating specialist at no greater cost to the individual than if a participating provider provided the services. If a member cannot access mental health or SUD services through the referral procedure, a carrier must provide additional assistance in identifying and arranging such coverage.

Credentialing for Behavioral Health Care Professionals

A provider seeking to participate on a carrier's provider panel must submit an application to the carrier. *Chapter 746 of 2025* specified that, within 60 days after receipt of a completed application submitted by certain behavioral health providers, a carrier must accept or reject the application for participation on the carrier's provider panel and send written notice of the acceptance or rejection at the address listed in the application.

Termination of Providers

Chapters 650 and 651 of 2026 expanded the requirements on carriers regarding notification to enrollees about the termination of providers from provider panels. The Acts altered when and how carriers must notify the Insurance Commissioner about a material change to their provider network, including requirements relating to updating a carrier access plan. The Commissioner may impose a specified fine on carriers that fail to timely file the required update.

The Acts required carriers and health systems to provide notice of intent to terminate a contract and required carriers and health systems to adhere to the terms of the contract, including reimbursement terms and patient balance billing protections, for at least 90 days. The Acts also required carriers in the individual market to provide a special enrollment period (SEP) for an individual or dependent whose provider is terminated from the health plan's provider panel.

Consumer Protections

Adverse Decisions and Utilization Review

Chapter 37 of 2023 altered the means by which a carrier must inform a member, the member's representative, or the health care provider acting on behalf of a member of the carrier's adverse decision for nonemergency cases. A carrier must inform a member, the member's representative, or the health care provider either orally by telephone or – with the recipient's consent – by text, facsimile, electronic mail, online portal, or other expedited means.

Chapters 669 and 670 of 2025 expanded the required contents of (1) the written notice a carrier must provide to a member, a member's representative, and a health care provider acting on behalf of the member when the carrier renders a nonemergency adverse decision or grievance decision and (2) the quarterly appeals and grievances report each carrier must submit to the Commissioner. A private review agent must have a direct telephone number and monitored email address dedicated to utilization review, respond to voicemails or emails within a certain period of time, and post utilization review criteria and standards in a specified manner.

Chapter 747 of 2025 required carriers, PBMs, or private review agents that use artificial intelligence (AI), algorithms, or other software tools for utilization review to ensure that such tools are used in a specified manner. The Act also altered the information that carriers must submit in their quarterly appeals and grievance reports to include whether an AI, algorithm, or other software tool was used in making an adverse decision.

Enforcement Authority

Chapter 745 of 2025 updated consumer protection provisions by requiring the Insurance Commissioner to enforce the requirement that each carrier provide coverage for specified preventive services without cost-sharing requirements, including copayments, coinsurance, or deductibles.

Chapter 469 of 2025, among other things, specified that the Commissioner and the Maryland Commission on Civil Rights have concurrent jurisdiction to enforce consumer protection provisions related to discrimination in health insurance.

Chapters 141 and 142 of 2026 authorized the Commissioner to impose a civil penalty of up to \$10,000 for each violation of the Insurance Article by a third-party administrator (TPA), instead of only for a violation of the provisions of law that directly govern TPAs. The Commissioner may deny a TPA registration to an applicant or refuse to renew, suspend, or revoke

a TPA registration if the applicant or registrant has violated any State law related to insurance or knowingly fails to comply with a regulation or order of the Commissioner.

Chapter 165 of 2026 authorized the Commissioner to conduct an examination of a carrier that has issued a pattern of adverse decisions or grievance decisions for a claim or authorization request for services in (or related to services in) an emergency department. In the annual summary report of carrier appeals and grievance reports, the Commissioner must include data on adverse decisions and grievances related to post-acute services, including adverse decisions and grievances relating to admissions to skilled nursing facilities and inpatient rehabilitation facilities.

Reporting Requirements

Chapter 891 of 2024 expanded the required contents for the quarterly report that each carrier must submit to the Commissioner regarding appeals and grievances to include (1) the number of members entitled to health care benefits under a policy, plan, or certificate issued or delivered in the State by the carrier and (2) the number of clean claims for reimbursement processed by the carrier.

Chapters 233 and 234 of 2024 expanded and altered reporting requirements for carriers to demonstrate compliance with the federal Mental Health Parity and Addiction Equity Act. Each carrier must, among other things, (1) identify certain nonquantitative treatment limitations (NQTL) for each Parity Act classification; (2) perform and document certain comparative analyses in accordance with the Parity Act; and (3) provide the comparative analysis for NQTLs required by the Commissioner within a certain time period. Each carrier must submit a biennial compliance report for each product offered by the carrier.

Mandated Coverage, Reimbursement, and Cost-sharing

Anesthesia

Chapter 683 of 2025 established requirements for certain carriers (as well as Medicaid) regarding coverage for anesthesia. If anesthesia is covered for a procedure for which a licensed provider issues an order, a carrier or Medicaid must cover the delivery of anesthesia for the entire duration of the procedure and medical care related to the delivery of anesthesia for the procedure that is provided immediately before and after the procedure. A carrier or Medicaid may not establish, implement, or enforce a policy, practice, or procedure that places time limitations on the delivery of anesthesia.

Biomarker Testing

Chapters 322 and 323 of 2023 required certain carriers to provide coverage for biomarker testing for the diagnosis, treatment, appropriate management, or ongoing monitoring of a disease or condition that is supported by medical and scientific evidence. Coverage may be subject to cost-sharing requirements imposed by a carrier for similar coverage under the same health insurance policy or contract but may not be greater than those imposed for similar coverage.

Calcium Score Testing

Calcium score testing shows any calcium deposits in the coronary arteries of the heart and may help determine risk for cardiovascular disease. **Chapters 684 and 685 of 2025** required certain carriers (and Medicaid) to cover calcium score testing in accordance with the most recent guidelines issued by the American College of Cardiology.

Cancer Screenings

Diagnostic and supplemental breast examinations include the use of diagnostic mammography, breast magnetic resonance imaging, or breast ultrasound. **Chapters 298 and 299 of 2023** prohibited carriers that provide coverage for a diagnostic breast examination or supplemental breast examination from imposing a copayment, coinsurance, or deductible requirement for such examinations. **Chapter 868 of 2024** expanded the prohibition on cost-sharing for coverage of supplemental breast examinations to include image-guided breast biopsies.

Chapters 353 and 354 of 2023 required certain carriers to provide coverage for recommended follow-up diagnostic imaging to assist in the diagnosis of lung cancer. Carriers may not impose a copayment, coinsurance, or deductible requirement on such coverage that is greater than those for breast cancer screening and diagnosis. **Chapter 868 of 2024** also clarified that follow-up diagnostic imaging to assist in the diagnosis of lung cancer includes lung cancer screening. Additionally, **Chapter 868** prohibited carriers from subjecting coverage for lung cancer screening or follow-up diagnostic imaging to a prior authorization requirement.

Collaborative Care Model

The Collaborative Care Model is an established evidence-based, patient-centered care model used to improve behavioral health in primary care settings. **Chapters 614 and 615 of 2026**, among other actions, required certain carriers to provide coverage for services in accordance with the model.

Hearing Aids

Historically, carriers were required to provide coverage for all medically appropriate and necessary hearing aids for a minor child if the hearing aids were prescribed, fitted, and dispensed by a licensed audiologist. **Chapters 951 and 952 of 2024** extended the hearing aid coverage requirement to adults. Carriers may limit the benefit to \$1,400 per hearing aid for each hearing-impaired ear every 36 months. An insured or enrollee may choose a hearing aid that is priced higher than the benefit limit and pay the difference in cost. **Chapters 742 and 743 of 2025** further expanded the hearing aid coverage mandate to include hearing aids ordered, fitted, and dispensed by a licensed hearing aid dispenser.

Immunizations

Chapter 738 of 2025 required specified insurance policies and nonprofit health service plans to include in their minimum package of child wellness services all visits for and costs of childhood and adolescent immunizations recommended by the Centers for Disease Control and Prevention’s Advisory Committee on Immunization Practices (ACIP) as of December 31, 2024.

Chapters 7 and 8 of 2026, among other things, repealed the language in *Chapter 738* regarding ACIP, and instead required coverage for certain immunizations, screenings, and preventive services in accordance with specified recommendations made by the Secretary of Health.

Menopause and Menopause-associated Symptoms

Chapters 605 and 606 of 2026 required certain carriers to provide coverage for the evaluation and management of menopause and menopause-associated symptoms as determined by the treating health care provider.

Orthoses and Prostheses

Chapters 822 and 823 of 2024 altered the definition of “prostheses” to require coverage of custom-designed, -fabricated, -fitted, or -modified devices to treat partial or total limb loss for purposes of restoring physiological function and expands the mandated benefit to replacements of prostheses and prosthesis components if certain conditions are met.

Chapters 628 and 629 of 2026 altered the mandated benefit for coverage of orthopedic braces to be coverage for orthoses and replacement of orthoses and clarified mandated coverage for prostheses.

Pediatric Dental Benefits

Chapters 115 and 116 of 2024 required all qualified health plans sold through MHBE to include pediatric dental benefits.

Perinatal Behavioral Health Conditions

Chapters 636 and 637 of 2026 required certain carriers to provide coverage for screenings for perinatal behavioral health conditions. Carriers must also provide a standing referral to a behavioral health provider for the behavioral health services recommended by the U.S. Preventive Services Task Force as preventive benefits during the duration of an enrollee’s pregnancy and one year following the end of the pregnancy.

Scalp Cooling Systems

Chapters 51 and 52 of 2026 required certain carriers that provide coverage for chemotherapy to treat cancer to provide coverage for scalp cooling systems used for the preservation of hair in connection with the chemotherapy treatment.

Special Enrollment Periods

Medicare Supplement Policies

Chapters 139 and 140 of 2026 required a carrier that issues Medicare supplement policies to issue such policies to individuals that meet specified criteria by establishing two 63-day special enrollment periods (SEP). Following the end of the COVID-19 public health emergency, a temporary provision allowed for an SEP following loss of Medicaid coverage. As that provision has expired, the Acts established a new SEP to ensure that individuals losing Medicaid have a viable option outside of Medicare Advantage plans. Changes to federal law also closed new enrollment in certain Medicare supplement plans for beneficiaries who became eligible for Medicare on or after January 1, 2020. The Acts provided the same right to choose certain supplement plans to individuals who became eligible for Medicare before January 1, 2020.

Pregnancy

Chapter 787 of 2026 authorized an individual who enrolls for coverage, or enrolls a dependent for coverage, during an SEP period for pregnancy to choose when the coverage becomes effective (either the first day of the month the individual receives confirmation of pregnancy or the first day of the month following the date of plan selection).

Pharmacy Benefits and Services

Reimbursement for Services by a Licensed Pharmacist

Chapters 300 and 301 of 2023 required carriers (as well as Medicaid and MCHP) to provide coverage for services rendered by a licensed pharmacist acting within the pharmacist's scope of practice to the same extent as services rendered by any other licensed health care provider.

Audits of Pharmacies and Pharmacists

Chapter 355 of 2023 established requirements and restrictions on PBMs during the pharmacy audit process. Among other requirements and limitations, the Act (1) required a PBM to accept a completed cash register transaction as proof of delivery or pick up; (2) prohibited a PBM from recouping funds from or charging fees to a pharmacy or pharmacist with regard to an incorrect days of supply calculation; (3) prohibited a PBM from having or requesting access to a pharmacy's or pharmacist's bank, credit card, or depository statement as it relates to cost-sharing; (4) limited the number of prescriptions that may be audited during a desk or site audit; and

(5) required a PBM to provide a pharmacy or pharmacist being audited with a phone number and, if available, access to a secure portal to ask questions regarding the audit.

Specialty Drugs

Chapters 728 and 729 of 2025 prohibited certain carriers, including those that provide prescriptions through a PBM, from excluding coverage for a covered specialty drug administered or dispensed by a provider if (1) the provider is an in-network provider of covered oncology services and complies with specified regulations and (2) the drug is auto-injected, an oral targeted immune modulator, or an oral medication that requires complex dosing based on clinical presentation or is used concomitantly with other infusion or radiation therapies. If this prohibition applies, the reimbursement rate for a covered specialty drug must be agreed to by the carrier and the covered, in-network provider and billed at a nonhospital level of care or place of service.

Calculation of Cost-sharing Contributions

Chapter 692 of 2025 required a carrier, including a carrier that provides prescription drug coverage through a PBM, when calculating an enrollee's or beneficiary's contribution to an applicable cost-sharing requirement, to include any payments made by, or on behalf of, the enrollee or beneficiary, except as specified. An administrator, carrier, or a PBM may not directly or indirectly set, alter, implement, or condition the terms of coverage based on information about the availability or amount of financial or product assistance available for a prescription drug or biological product. A specified annual limitation on cost-sharing must apply to all health care services covered under a health benefit plan offered or issued by an administrator or a carrier in the State. Additionally, a third party that provides financial assistance on behalf of an enrollee toward an applicable cost-sharing (or out-of-pocket) expense for a covered prescription drug must comply with specified requirements.

Upper Payment Limits

The Prescription Drug Affordability Board (PDAB) was established in 2019. The board's enacting statute specified that, if PDAB finds that it is in the State's best interest to establish a process for setting upper payment limits (UPL) for prescription drug products that it determines have led or will lead to an affordability challenge, it must draft a plan of action.

Chapters 610 and 611 of 2025 required PDAB to determine whether it is in the State's best interest to set UPLs for all purchases and payor reimbursements of prescription drug products in the State that have led or will lead to an affordability challenge. If PDAB makes this determination, it must establish a specified process and set UPLs accordingly. For these provisions to take effect, PDAB must set UPLs on two prescription drugs in accordance with the approved action plan, and each UPL must be in effect for one year. The Acts also, among other things, authorized PDAB to reconsider a UPL for a drug that becomes in short supply in the State and modified the requirements and criteria for setting UPLs.

Miscellaneous

Federal 340B Drug Pricing Program

The federal 340B Drug Pricing Program was established to enable health care providers that serve low-income and uninsured patients to purchase drugs at lower costs. 340B manufacturers must sell outpatient drugs to covered entities at reduced prices to have their drugs covered under Medicaid. *Chapter 962 of 2024* prohibited a 340B manufacturer from directly or indirectly denying, restricting, prohibiting, discriminating against, or limiting the acquisition by, or delivery of a 340B drug to, a pharmacy on behalf of a covered entity unless the receipt of 340B drugs is prohibited by the U.S. Department of Health and Human Services or the limitation is required under federal law. A violation is an unfair, abusive, or deceptive trade practice under the Maryland Consumer Protection Act and is subject to specified enforcement actions and penalties.

Assignment of Benefits

Chapters 736 and 737 of 2026 expanded provisions of law governing the assignment of benefits under certain health insurance policies to apply to dentists (in addition to physicians under current law) and established parallel provisions governing assignment of benefits and nonpreferred provider dentists for dental plan organizations.

Electronic Notice of Cancellation or Nonrenewal of Coverage

When a carrier elects not to renew a product for all small employers in the State, the carrier must provide written notice to each affected small employer and enrolled employee, as well as the Insurance Commissioner. *Chapter 744 of 2025* required a carrier to also send such notice by electronic means and to include information on additional health benefit coverage options.

Medicare Supplement Policy Commission Rates

Chapter 740 of 2025 required a carrier to pay the same commission rates to an insurance producer for the sale of a Medicare supplement policy – without regard to whether the policy is sold during an open enrollment period, as an underwritten policy, or within 30 days following the individual's birthday.

Mental Health Parity

Chapters 11 and 12 of 2026 codified portions of the 2024 federal Mental Health Parity Rule to strengthen enforcement of parity requirements for the treatment of mental health and SUD. Provisions include (1) a prohibition on the use of discriminatory factors and evidentiary standards in the design of NQTLs; (2) requirements for carriers to collect, evaluate, and act on relevant outcomes data for NQTLs; and (3) a requirement that carriers offer meaningful benefits for mental health and SUD on par with benefits for medical/surgical services.

Prohibition on Discretionary Clauses

Discretionary clauses in insurance contracts generally give the insurance carrier full discretion to determine when insurance benefits are due. *Chapter 396 of 2025* prohibited carriers from selling, delivering, or issuing a health insurance policy, a life insurance policy, an annuity contract, or a health maintenance organization contract that contains a clause that purports to reserve sole discretion to the carrier to interpret the terms of the policy, or to provide standards of interpretation or review that are inconsistent with the laws of the State.

Reimbursement of Graduate-level Providers

Chapters 43 and 44 of 2026 required certain health insurance policies that provide reimbursement for a service within the lawful scope of practice of a licensed graduate professional counselor, licensed master social worker, or licensed psychologist to reimburse for the service provided by a graduate-level counseling clinical intern, graduate-level social work clinical intern, or graduate-level psychology clinical intern under specified circumstances.

Social Services

Public Assistance

Electronic Benefits Theft

DHS operates an Electronic Benefits Transfer (EBT) system under agreement with the federal government. The Maryland EBT Card (the Independence Card) is used by DHS programs, including the Supplemental Nutrition Assistance Program (SNAP) and Temporary Cash Assistance (TCA), to provide monthly benefits to eligible recipients. During calendar 2022, theft of benefits through EBT card skimming and other fraudulent methods increased across the country. The federal Consolidated Appropriations Act of 2023 required states to issue replacement SNAP benefits lost due to theft between October 1, 2022, and September 30, 2024. *Chapters 171 and 172 of 2023* required DHS to restore any EBT card benefits lost due to theft between January 1, 2021, and October 1, 2022.

Family Investment Program and Child Support

The amount of TCA provided is computed by counting no more than four weeks of earned income in any month and disregarding 20% of that earned income. The first \$100 of child support collected in a month for one child and the first \$200 of child support collected in a month for two or more children must pass through to the family and be disregarded in computing the amount of assistance. The remaining amount of child support collected on behalf of families receiving TCA is retained by the State, with a portion used to reimburse the federal government for its share of the collections. The portion retained by the State is primarily used to offset the costs of TCA and child support-related contracts.

Chapter 373 of 2025 established that, beginning in fiscal 2028, the amount of child support collected in a month that passes through to a family seeking assistance must gradually increase each fiscal year so that, beginning in fiscal 2031, 100% of child support collected in a month passes through to the family and is disregarded in computing the amount of assistance. Consequently, to account for the loss of the State share of child support collections and for necessary reimbursements to the federal government, general fund expenditures are expected to increase significantly beginning in fiscal 2028.

Assistance under DHS' Family Investment Program (FIP) may not be reduced or terminated for noncompliance with work activity requirements if an individual has good cause under specified criteria. **Chapter 763 of 2026** further prohibited FIP from denying an application or reducing or terminating assistance if an individual has good cause for noncooperation with child support, as specified under criteria established by the Secretary of Human Services. FIP is responsible for granting good cause and must determine if circumstances exist in which cooperation with child support may be against the best interest of the child. The established criteria must provide for a good cause exception under certain circumstances, including if the individual states that cooperation risks physical or emotional harm to or retaliation against the child or the relative with whom the child resides.

Nutrition Assistance Programs

SNAP is a federal benefit that helps low-income households purchase food; the State has also established specific programs to provide additional support to seniors and children. During the four-year term, several legislative measures related to nutrition assistance were enacted.

State Supplemental Benefit for Seniors: Chapter 696 of 2016 established a State supplemental benefit for households with a member who is at least 62 years old to ensure that the household receives at least \$30 per month. Chapter 324 of 2022 increased the benefit to \$40 per month. **Chapters 374 and 375 of 2024** expanded eligibility for the benefit by lowering the qualifying age, from 62 to 60, and increased the supplemental benefit to ensure that qualifying households receive a total benefit of \$50 per month.

Summer Supplemental Nutrition Assistance Program for Children: Chapters 635 and 636 of 2019 established Summer SNAP for Children to address food insecurity during months when children are not in school. Under the program, DHS provided matching funds to participating counties to supplement the benefits received for children under SNAP in certain months (\$30 per month in June, July, and August and \$10 in December). However, due to the lack of available funding, not all eligible children in participating counties received the benefit.

The federal Consolidated Appropriations Act of 2023 authorized a new nationwide Summer EBT program (SUN Bucks). Beginning in summer 2024, children eligible for free and reduced-price meals in the prior school year were provided with a \$40 per month federal benefit (that increases in subsequent years with inflation). Among other provisions, **Chapter 426 of 2024** made technical and clarifying changes to State statute to reflect administrative requirements under the new federal benefit.

Work Requirements: General work requirements apply to SNAP recipients ages 16 to 59. Recipients known as “Able-bodied Adults without Dependents” (ABAWD) must work or participate in an education/training program for an average of at least 20 hours per week, with specified exceptions. Receipt of SNAP is limited to three months in a three-year period if an ABAWD recipient cannot document required work activities. The federal One Big Beautiful Bill Act (OBBBA) of 2025 made substantial changes to SNAP work requirements by increasing the age range for ABAWD work requirements to 64 (instead of age 54) and limiting or removing specified exceptions. OBBBA also established new Medicaid work requirements. **Chapter 166 of 2026** required MDH to coordinate with specified entities to develop and maintain an employment training and opportunity database to provide individuals in the State with assistance in finding employment training and other opportunities that may enable them to become eligible and maintain eligibility for Medicaid and SNAP. MDH must (1) make the database available to the public on a dedicated page on the department’s website; (2) assist individuals in enrolling in vocational, workforce training, and job placement programs listed in the database; and (3) update the database every 30 days.

Office of Home Energy Programs

The Office of Home Energy Programs (OHEP) within DHS administers a variety of energy assistance programs, including the Electric Universal Service Program (EUSP) and the Maryland Energy Assistance Program. **Chapter 207 of 2023** required OHEP to auto-enroll in any fuel and utility assistance program any household with an individual who meets the financial eligibility requirements established by DHS for benefits under certain other programs. The Act also increased the annual income eligibility level for EUSP from 175% to 200% of federal poverty guidelines.

Chapters 665 and 666 of 2022 required OHEP to develop a uniform determination process to assist eligible energy customers who are at least age 65 in enrolling in energy assistance programs. The redetermination process must require local administering agencies to have an accessible location to receive customers’ applications and establish a policy reflecting reasonable accommodations for applicants (e.g., arranging a home visit or allowing an individual to apply on behalf of an eligible energy customer). **Chapter 95 of 2026** reduced the age, from 65 to 60 years old, for which OHEP must develop a uniform redetermination process.

Children

Children in Unlicensed Settings and Pediatric Hospital Overstay Patients

DHS must establish a program of out-of-home placements for minor children; placements may include family foster care, group and residential care, kinship care, and treatment foster care. Legislation related to children in out-of-home placements remaining in hospitals after being medically cleared has been considered in multiple years. Children in out-of-home placements have also sometimes been housed in unlicensed settings, such as hotels and office buildings, when placements have not been available. Several legislative measures were enacted during the

four-year term to ensure greater accountability for the safety and care of children in out-of-home placements.

Chapters 479 and 480 of 2025 required MDH or DHS, as appropriate, to ensure that a pediatric hospital overstay patient (a patient younger than age 22 who remains in a hospital for more than 48 hours after being medically cleared for discharge or transfer) is transferred to and treated in the least restrictive setting when clinically indicated and when possible. Pediatric hospital overstay coordinators in MDH and DHS must act in the best interest of such patients by coordinating between hospitals, relevant State agencies and programs, and health care providers.

Chapter 160 of 2026 prohibited the out-of-home placement program from using an unlicensed setting for a child. The Act amended the Family Law Article to define an “unlicensed setting” as a setting for an out-of-home placement that is not licensed by a State licensing entity for custody, placement, welfare, and housing of children. The definition explicitly included specified locations, such as a hotel, as well as certain exceptions, such as the placement of a child with a kinship caregiver. Effective January 1, 2027, the definition of “unlicensed setting” is expanded to include an inpatient unit or emergency department of a hospital where pediatric hospital overstay patients remain. The Act also amended the Human Services Article to define “child in an unlicensed setting” as an individual younger than age 22 (1) in an out-of-home placement who is residing in a hotel, an office building for more than 12 consecutive hours, a shelter, or any other unlicensed setting or (2) who is a pediatric overstay patient.

The Act included a number of provisions to facilitate additional oversight and cooperation among relevant entities. For example, **Chapter 160** established a Child and Youth Placement Review Panel in the Governor’s Office for Children (GOC) and a Senior Advisor for Children and Families within GOC. The review panel must analyze any instance involving a child in a pediatric hospital overstay or an unlicensed setting and propose systemic improvements. The Act also altered the duties of pediatric hospital overstay coordinators to require the coordinators, within 48 hours of being notified of a pediatric hospital overstay patient, to convene a Rapid Response Placement Team to develop a plan for the appropriate placement of a pediatric hospital overstay patient and arrange for a temporary placement in a licensed setting when a placement has been identified, but a bed is not immediately available. In addition, **Chapter 160** established the Advisory Council on Maryland’s System of Care for Children, Youth, and Families, staffed by GOC, to, among other things, review existing laws and regulations and make recommendations regarding the provision of adequate medical and behavioral health care in the State. The advisory council must form a subgroup to, among other things, complete an assessment of the current number of licensed beds, staffed beds, and physical beds intended to serve the needs of children and youth by agency and develop an electronic process for tracking the real-time location, length of stay, and discharge plans for pediatric hospital overstay patients.

Governor’s Office for Children

GOC provides a coordinated, comprehensive, interagency approach to (1) promoting the well-being of children and families through a network of supports, programs, and services that are

family- and child-oriented and (2) reducing the number of children living in poverty. **Chapter 242 of 2025** required, for fiscal 2027 through 2030, the Governor to include an appropriation of \$250,000 in the annual budget bill for GOC to provide grants to fund operating expenses of the Boys and Girls Clubs of Maryland.

GOC staffs the Children's Cabinet, provides technical assistance to local management boards (LMBs), and administers the Children's Cabinet Interagency Fund (CCIF). Expenditures from CCIF must be made to reflect the priorities, policies, and procedures adopted by the Children's Cabinet. **Chapters 764 and 765 of 2026** required the Governor to include in the annual budget bill an appropriation to CCIF as follows: (1) for fiscal 2028 through 2030, an appropriation at least equal to the appropriation to CCIF in fiscal 2027; and (2) for fiscal 2031, \$500,000 above the appropriation to the fund in fiscal 2030. The mandated funds must be used for grants to eligible LMBs and are supplemental to funding that otherwise would be expended for such grants.

Maryland Safe Haven Program

The Maryland Safe Haven Program, administered by DHS, offers the mother of a newborn a safe abandonment of the newborn with a responsible adult. Under the program, a person who leaves an unharmed newborn with a responsible adult within a specified time after birth and does not expressly intend to return for the newborn is immune from civil liability or criminal prosecution. **Chapter 366 of 2024** expanded the program by allowing a person to leave an unharmed newborn at a designated facility including a hospital, the office of a licensed medical provider, police department, volunteer fire company, or other facility designated by DHS. The Act extended the time period, from 10 to 60 days after the birth of a newborn, for a person to leave an unharmed newborn with a responsible adult or designated facility without being subject to civil liability or criminal prosecution.

Youth Transportation Companies

Programs operating as part of the troubled teen industry often face allegations of neglect, abuse, and the infliction of psychological trauma. Some of the more high-profile allegations involve the methods by which companies transport youth to the facilities. **Chapters 343 and 344 of 2025** prohibited a youth transportation company, when the final intended destination is a residential child care program, from using specified visual impairment or physical or mechanical restraints, except under specified circumstances. In addition, the Acts prohibited physical restraints from being used as punishment, for convenience, or as a substitute for staff supervision. If restraints are necessary due to a substantial likelihood of imminent serious physical harm to a child or others, and there are no less restrictive alternatives that will alleviate this circumstance, the restraints may be used only as long as the imminent risk persists and only by staff who have been adequately trained. When the final intended destination is a residential child care program, the Acts also prohibited a youth transportation company from picking up a child for transport between specified hours, unless the youth transportation company is under contract with DHS. The Attorney General may bring an action against a youth transportation company that violates these prohibitions. The Acts also created a private right of action.

Individuals with Disabilities

Disability Employment Advancement

The Maryland Department of Disabilities (MDOD) is the principal unit of State government responsible for developing, maintaining, revising, and enforcing statewide disability policies and standards. **Chapter 1 of 2025** established the Office of Disability Employment Advancement and Policy (ODEAP) in MDOD. The purpose of ODEAP includes (1) the development and implementation of strategies in the State Disabilities Plan; (2) performing specified duties necessary to support statewide policies and standards; (3) collecting information and data from units of State government; and (4) implementing the Maryland as a Model Employer Initiative. The purpose of the initiative is, among other things, to (1) conduct and coordinate outreach to job seekers with disabilities and State government to encourage participation in the initiative; (2) promote access to and acquisition of assistive technology for new State employees with disabilities; and (3) evaluate State employment practices and policies and make recommendations regarding ways to reduce barriers for job seekers and employees with disabilities.

Assistive Technology

The Maryland Technology Assistance Program was established by MDOD in 1989 to implement federal grant funds authorized under the federal Technology-Related Assistance for Individuals with Disabilities Act. **Chapters 419 and 420 of 2025** codified the federally funded program as the Maryland Assistive Technology Program (MDTAP) to provide access to or conduct “assistive technology services” – any service that assists an individual with a disability in the selection, acquisition, or use of an assistive technology device. The purpose of the program is to (1) increase access to assistive technology devices and services; (2) support the State’s efforts to improve the provision of assistive technology; (3) ensure statewide access to assistive technology lending libraries; and (4) implement activities required by federal grants. **Chapters 419 and 420** also established the Assistive Technology Services Fund to receive revenue from assistive technology services provided by MDTAP.

Through the Maryland Assistive Technology Reuse Center, MDTAP solicits assistive technology donations (including, on occasion, adapted vehicles) and connects donors directly to recipients in need. MDTAP also operates the Assistive Technology Guaranteed Loan Program to provide eligible individuals with disabilities and their families low-interest loans to buy assistive technology equipment (including vehicles and vehicle modifications) to help the individual live, work, and learn more independently. **Chapter 393 of 2025** established the Adapted Vehicle Access Pilot Program to provide adapted vehicles to an individual who requires a mobility aid, is a licensed driver, and is qualified to drive an adapted vehicle but does not qualify for other programs offered by MDOD that provide access to adapted vehicles. MDOD must (1) prioritize individuals who reside in areas with limited access to public transportation and (2) request, apply for, and facilitate donations of vehicles, vehicle modification and adaptive services, and funds from individuals or public or private corporations to implement the program. MDOD may apply for, receive, and spend

federal funds and grants for the program. Authorization for the program terminates September 30, 2030.

Affiliated Foundations

Chapters 89 and 90 of 2026 authorized MDOD to establish one or more affiliated foundations to work with certain programs and initiatives within the department. The purpose of an affiliated foundation is to (1) solicit and accept funds and partnerships to support innovative projects designed to maintain, expand, and enhance specified programs and units of MDOD and (2) promote specified activities, including those that create opportunities for integrated, affordable, and accessible housing for individuals with disabilities. The Acts also required MDOD to oversee and administer affordable and accessible housing programs.

Maryland Disability Service Animal Program

Chapters 6 and 13 of the 2025 Special Session, enacted when the General Assembly overrode the Governor's vetoes of *Senate Bill 157 and House Bill 384 of 2025*, established the Maryland Disability Service Animal Program within MDOD. The purposes of the program are to select at least one nonprofit training entity to pair residents of the State with a disability with an appropriate service animal and provide additional funding mechanisms to assist such individuals in the program. A selected nonprofit training entity must, among other responsibilities, develop and implement a training protocol that will teach each program participant methodologies, strategies, and techniques for partnering with service animals and facilitate training using the entity's protocol. The Maryland Disability Service Animal Program Fund, as established in the Acts, must pay a nonprofit training entity and cover the costs of administering the program.

Attendant Care Program

An individual between 18 and 65 years of age with a severe chronic or permanent disability that significantly impairs independent performance of essential activities of daily living is eligible for financial assistance from the Attendant Care Program (ACP) in MDOD. ACP pays for attendant care services, certified as necessary by an attending physician or by a registered nurse, including dressing, preparing food, and assisting with eating, bathing, assisting with routine bodily functions, laundering, and performing other services of daily care. *Chapters 34 and 35 of 2024* expanded the purpose of ACP to include providing financial assistance for "ongoing additional supports" defined as a continual support that (1) increases an eligible individual's independent performance of an essential activity of daily living, self-care, or mobility and (2) is requested by an eligible individual and approved by MDOD.

Elderly

Maryland Department of Aging Funding and Programs

The Maryland Department of Aging (MDOA) coordinates, evaluates, and plans the delivery of services for, and advocates on behalf of, older adults at all levels of government. The

department also administers programs and activities under the provisions of the federal Older Americans Act.

Long-Term Care and Dementia Care Navigation Programs: In Maryland, each of the 23 counties and Baltimore City designate an area agency on aging (AAA) to provide a variety of adult services. ***Chapters 667 and 668 of 2023*** required each AAA, subject to the limitations of the funding provided, to develop a long-term care and dementia care navigation program. The duties of the program include providing information and referrals to long-term care and chronic disease services, cognitive screening, programs that engage individuals who demonstrate symptoms of dementia that interfere with activities of daily living, and support for caregivers. In addition to publishing an annual report, MDOA must oversee and train navigation program staff and disseminate best practices and collect interaction data to ensure statewide program integrity.

Aging Program Restructuring: ***Chapters 33 and 34 of 2025*** made the statutory changes necessary to combine the Senior Care, Senior Assisted Living Subsidy, and Congregate Housing Services Provider programs under the Senior Care statute, effectively combining the services under a single statutory, programmatic, and budgetary framework. To implement these changes, MDOA was required to engage with key stakeholders to conduct program transition planning and co-design the new consolidated program, as well as develop transition plans for specified individuals. The Acts were intended to address the stagnant growth and inefficient use of funds for certain MDOA programs that were previously separately authorized under outdated statutes and regulations that provided different eligibility criteria.

The Senior Call-Check Service and Notification program within MDOA was generally designed to facilitate having a telephone call made or received each day at a regularly scheduled time to the residence of an eligible participant (a resident of the State who is at least age 65) to verify that the participant is able to receive notifications and answer the telephone or place a call from the telephone. ***Chapters 35 and 36 of 2025*** renamed the program to be the Senior Call-Check and Social Connections Program and broadened the program to provide regular, direct communication to an eligible participant to promote wellness and purposeful social engagement. MDOA must integrate services with the Telecommunications Access of Maryland (TAM) Program within MDOD by promoting awareness of the availability of accessible telecommunications equipment and using educational outreach materials produced by TAM.

Aging Resilience Fund: According to MDOA, the department has had limited authority to accept and spend philanthropic or private funds, even as it worked with philanthropies to generate new investments to align with MDOA grantmaking, initiatives, services, or other efforts. ***Chapters 15 and 16 of 2026*** therefore established the Aging Resilience Fund as a special, nonlapsing fund to support implementation of MDOA's mission. The fund may be used for expenses that align with the department's mission, including partnership development, and any programs, services, or activities within MDOA.

Long-Term Care Ombudsman Program: Long-term care ombudsmen are advocates for residents of nursing homes, board and care homes, assisted living facilities, and similar adult care

facilities. **Chapters 761 and 762 of 2026** required the Governor, beginning in fiscal 2027, to include in the annual budget bill at least \$2 million for the Office of the Long-Term Care Ombudsman in MDOA from specified money remitted by Medicaid managed care organizations (MCOs). If the amount remitted by MCOs totals less than \$2 million, the Governor must include a general fund appropriation equal to the difference between the amount remitted and \$2 million.

Community Spaces

Chapters 340 and 341 of 2024 established the Miriam Keltz Aging and Senior Social Connection Hub and Spoke Pilot Program in MDOA to support villages to take advantage of operational proficiencies and existing systems, knowledge, skills, and resources to expand services to more residents in the geographic region. “Village” means a local, volunteer-led organization that supports aging community members by fostering social connections through activities and events and coordinating volunteer help at home using the neighbor-helping-neighbor-model.

“Multigenerational third places” are community spaces other than personal homes or workplaces that support social connection, events, or gathering among individuals of different ages. **Chapters 759 and 760 of 2026** authorized MDOA to make grants to nonprofit organizations and AAAs to support social connection for individuals in aging-in-place programs through events or gatherings at multigenerational third places. The Acts codified an existing authorization for any nonprofit organization or AAA to apply to MDOA for a State grant to be applied toward operational costs, including administrative costs or short-term or long-term leases or rental costs, for a senior village to provide access to multigenerational third places.

Longevity Ready Maryland Plan

In January 2024, Governor Wes Moore issued an Executive Order to direct MDOA to develop and implement the Longevity-Ready Maryland Initiative, a multisector plan to evaluate existing services, support, and care options for older adults and recommend a plan of action to address demographic trends. In June 2025, MDOA released the Longevity Ready Maryland (LRM) Plan summarizing the findings and recommendations of the initiative. **Chapters 93 and 94 of 2026** codified the LRM Plan and required the Secretary of Aging to lead implementation of the plan. By July 1, 2029, and every four years thereafter, the Secretary must provide the Governor and the General Assembly with an updated LRM Plan. The Acts also altered the membership of the Commission on Aging and required the commission to, among other additional responsibilities, advise the Secretary of Aging on the legislative, policy, and other systems changes that could assist with implementation of the LRM Plan.

Other Social and Human Services

Local Departments of Social Services

The Office of the Inspector General (OIG) in DHS was previously required to conduct or contract for a financial and compliance audit of each local department of social services (LDSS) at least once every three years. In order to allow OIG to prioritize limited audit resources for LDSS

classified as higher-risk, **Chapters 417 and 418 of 2025** altered the standard frequency of financial and compliance audits of LDSS to once every four years. However, OIG may determine, on a case-by-case basis, that an audit occur every three years. In determining the audit interval for a LDSS, OIG must take into consideration the materiality and risk profile of the LDSS' programs and fiscal activities, the nature and extent of prior audit findings, and any other factor related to risk.

Caregiver Programs

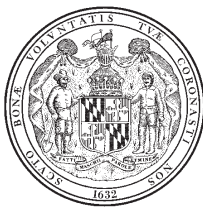
Chapter 161 of 2024 established a Caregiver Expense Grant Program within MDOA to award grants for qualified expenses paid or incurred by an individual who provides care to a qualified adult family member and whose federal adjusted gross income does not exceed a specified amount. A qualified family member is an adult who requires assistance with one or more daily living activities, as certified by a medical professional. In addition, the qualified family member must (1) be at least age 60 and cared for by an adult relative or informal caregiver who is at least age 18; (2) have Alzheimer's disease or a related disorder and be cared for by an adult relative or informal caregiver who is at least age 18; or (3) be a child or an adult with developmental or functional disabilities and cared for by a relative who is at least age 55. Among other things, qualified expenses may include improvement or alteration of the caregiver's primary residence or employing a home care aide. An eligible caregiver may apply for a grant equal to 30% of the amount of qualified expenses that exceeds \$2,000, up to a maximum grant of \$2,500.

Vulnerable Adults

Chapters 499 and 500 of 2025 authorized LDSS to request assistance from federal law enforcement officers in an investigation relating to an alleged vulnerable adult and made necessary changes in statutory provisions to allow for the disclosure of relevant information. **Chapters 37 and 38 of 2025** similarly specified an exception to the general prohibition against the disclosure of any information concerning an applicant or recipient of certain services. Under the Acts, in relation to adult protective services, disclosure of information is not prohibited to an officer or employee of any state or local government or the United States if the officer or employee is responsible for conducting an investigation in an official capacity and the disclosure is relevant to the investigation. Among other provisions, **Chapters 37 and 38** also authorized mandatory reporters of alleged vulnerable adult maltreatment to make the required report using the statewide reporting hotline and required mandatory reporting by individuals holding certain licenses issued by the Emergency Medical Services Board.

A federal 2024 rule created minimum standards for states' adult protective services programs. Accordingly, **Chapters 652 and 653 of 2026** made numerous changes to statutory provisions related to the reporting and investigation of abuse, neglect, self-neglect, and exploitation of vulnerable adults to ensure that statute aligns with federal requirements. These changes included (1) expanding reporting methods to include an online reporting portal; (2) requiring LDSS to include as part of an investigation a determination of whether the vulnerable adult is at risk of harm; (3) requiring LDSS to make a finding that abuse was indicated, not

indicated, or undetermined; (4) repealing a provision that an investigation must be completed within 10 days if the report indicates that an emergency exists; and (5) altering and establishing numerous definitions.



Part K

Natural Resources, Environment, and Agriculture

Natural Resources

Forest Conservation and Education

Forest Conservation Act

The Forest Conservation Act (FCA) (Chapter 255 of 1991) was enacted in 1991 with the purpose of integrating forest protection into the earliest stages of land planning and development. The FCA applies to projects that are 40,000 square feet or more in area and (1) are part of a subdivision plan or (2) for which a grading or sediment control permit is required. A forest stand delineation and a forest conservation plan must be submitted for approval for these projects before they may proceed unless they meet specific exemption criteria determined by the Department of Natural Resources (DNR) or local authority (a unit of local government administering a local forest conservation program). *Chapters 541 and 542 of 2023* made numerous modifications to the FCA as discussed below.

Policy: *Chapters 541 and 542* altered the State’s forest management policy to increase, as measured every four years, the acreage of (1) forest land in the State and (2) for land located inside an urban area and outside an urban area, land in the State that is covered by tree canopy.

Definitions: *Chapters 541 and 542* made permanent a definitional change enacted under Chapter 645 of 2021 that modified the definition of “forest mitigation banking” to include “qualified conservation.” Chapter 645 defined “qualified conservation” as the conservation of all or a part of an existing forest that, in relevant part, was approved on or before December 31, 2020, by the appropriate State or local forest conservation program for the purpose of establishing a forest mitigation bank. *Chapters 541 and 542* removed the December 31, 2020, time limitation from the definition of “qualified conservation.”

Exemptions: *Chapters 541 and 542* repealed an exemption under the FCA for the cutting or clearing of land for specified electric generating stations and established date-specific exemptions for specified solar voltaic facilities and forest conservation plans. The Acts also

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established exemptions for (1) forest management; (2) transit-oriented development under specified circumstances; (3) the construction of a new federal government facility projected to house the employment of at least 2,500 persons; and (4) the construction of multifamily housing, consisting of a single structure containing at least 25 dwelling units, under specified circumstances.

Afforestation, Reforestation, and Preservation: Chapters 541 and 542 also modified afforestation, reforestation, and preservation requirements as follows:

- replaced conservation thresholds and reforestation requirements with a requirement that, for all existing forest cover cleared, the area of forest removed be reforested at a ratio of one acre planted for every one acre removed; however, for all existing forest cover cleared that was located in a priority funding area and not identified as a priority for retention, the area of forest removed must be reforested at a ratio of one-half acre planted for every one acre removed;
- required that, upon meeting the reforestation and afforestation requirements, all unforested riparian buffers on site be afforested and reforested unless the applicant demonstrates to DNR or the local authority that afforestation in the riparian buffer meets specified criteria;
- clarified and added available methods that may be used for meeting afforestation and reforestation requirements in specified municipalities, existing population centers, and other areas;
- authorized a local jurisdiction, with the approval of DNR, to establish alternative afforestation, reforestation, and preservation requirements from those established under the FCA if the requirements are expected to result in the local forest conservation program at a minimum maintaining its existing level of forest cover over a four-year period;
- made permanent provisions enacted under Chapter 645 of 2021 that allow for qualified conservation to be used to meet afforestation or reforestation requirements through afforestation or reforestation credits for up to 50% of the forest area encumbered in perpetuity;
- authorized a local jurisdiction to use qualified conservation completed in a forest mitigation bank to meet up to 60% of an afforestation or reforestation requirement on approval by DNR and after public comment, subject to certain conditions; and
- increased, from two years or three growing seasons to five years or six growing seasons, the amount of time within which DNR must accomplish reforestation or afforestation for which money is deposited in the State Forest Conservation Fund, after which time any portion that was not used must be returned to the person who provided the money to be used for documented tree planting in the same county or watershed beyond that required by the FCA or other applicable statutes.

Priority Retention Areas: Chapters 541 and 542 clarified and added specified areas and vegetation that are considered priorities for retention and protection and, pursuant to the FCA, must be left undisturbed unless an applicant has demonstrated that reasonable efforts have been made to protect them and the applicant's forest conservation plan cannot reasonably be altered. Any clearing of a priority retention area must be preceded by written findings and justification by DNR or a local authority. The Acts also required DNR or the local authority to, at least 20 days before approval of a forest conservation plan:

- provide notice, consistent with local authority notice requirements, of any proposed clearing of a priority retention area to all property owners abutting and adjacent to the boundary of the subject property; and
- (1) for a net tract area of at least five acres, provide an opportunity for written and verbal comment before plan approval if at least 75% of the priority retention area is proposed to be cleared or (2) for any other project where a priority retention area is proposed for clearing, provide an opportunity for public written comment before plan approval.

Local Forest Conservation Programs: Chapters 541 and 542 required local governments to afford consideration to existing State policy goals when developing a local forest conservation program and altered specified local forest conservation program authorizations to include a modification of the FCA requirements for previously developed areas covered by impervious surface and located in priority funding areas at the time of the application for a subdivision plan, grading, or sediment control permit approval.

Approval of Alternative Requirements: Chapters 541 and 542 required DNR to, by December 31, 2023, (1) issue a description of the procedures that it will use to determine whether a local program is expected to maintain or expand the existing level of forest cover in the jurisdiction and (2) approve or reject alternative afforestation, reforestation, and preservation requirements adopted by a local jurisdiction before September 1, 2023.

Effective Date, Model Ordinance, and Regulations: Chapter 457 of 2024 altered the effective date of certain provisions of Chapters 541 and 542 of 2023 and made a number of other technical changes, allowing certain provisions of Chapters 541 and 542 to take effect July 1, 2024, and delaying other provisions until July 1, 2026. **Chapter 457** also required DNR to (1) update the model local government ordinance under the FCA, for consistency with Chapters 541 and 542, by July 1, 2025, and (2) adopt regulations to carry out Chapters 541 and 542 by July 1, 2026.

Forest Education

Maryland Forestry Education Fund: The Maryland Forestry Foundation is a private non-profit organization that, among other things (1) advocates for the responsible management, conservation, and sustainable utilization of forest resources in the State and the protection and expansion of forest cover across the State and (2) provides education to the general public, private forest landowners, and State and local leaders. **Chapters 479 and 480 of 2023** established the Maryland Forestry Education Fund, to be administered by the foundation, to expand and enhance

(1) the foundation's capacity to provide education and resources that support forest landowners in the State; (2) the ability of district forestry boards and the knowledge of local governments to achieve environmental, economic, and social sustainability of forest health and the sustainable management of forest resources; and (3) the ability of businesses to test innovative best management practices in forestry.

Pamela J. Kelly Tree-Mendous Maryland Program: Chapter 129 of 2012 established the Pamela J. Kelly Tree-Mendous Maryland Program for the purpose of planting native trees and shrubs on public lands, community open spaces, school grounds, and rights-of-way. ***Chapters 112 and 113 of 2026*** altered the stated purpose of the program to promoting community participation in tree planting and stewardship and the planting and maintaining of native trees and shrubs through community forestry activities on public lands, community open spaces, school grounds, and rights-of-way.

Tree Expert Licenses

State law governs specified tree care work done for compensation on private or public property and protects consumers by licensing qualified and insured tree care companies and individual tree experts. ***Chapters 510 and 511 of 2024*** allowed DNR to set fees for licensed tree experts that, instead of being limited to the costs of processing an application, may be up to \$45 for an examination, \$55 for initial licensure, and \$100 for license renewal. The Acts also authorized DNR to permanently revoke or temporarily suspend a tree expert license if the license holder fails to maintain liability, property, or workers' compensation insurance as required by law. Finally, the Acts authorized DNR to adopt regulations to implement the statutory provisions related to tree experts.

State Parks, Wildlands, and Greenspace

State Parks

Reduced Fees and Fee Exemptions: The General Assembly took the following actions during the 2023-2026 term to reduce State park fees or exempt specified individuals from State park fees:

- ***Chapter 333 of 2026*** (1) established that a person age 62 or older who possesses a Maryland Golden Age Pass issued by the Maryland Park Service (MPS) is entitled to free day-use entry to any State park that charges service fees and may launch a boat at any State park without paying a boat launch fee; (2) applied the day-use entry fee to everyone in the vehicle with the holder of a Maryland Golden Age Pass if a per-vehicle fee is in effect at a State park; and (3) expanded the days on which the holder of a Maryland Golden Age Pass may camp overnight in any State park at 50% of the established fee;
- ***Chapters 265 and 266 of 2025***, among other things, established that an active service member, any member of the Maryland National Guard, or a veteran may enter a State park without paying a day-use entry fee, and a vehicle of which an active service member, any

member of the Maryland National Guard, or a veteran is an occupant may enter a State park without paying a per-vehicle fee if the individual presents a specified form of identification;

- **Chapter 337 of 2026** (1) expanded the exemption from State park entry and per-vehicle fees applicable to veterans that was established under **Chapters 265 and 266** to also apply to former Maryland National Guard members discharged or released under conditions other than dishonorable and (2) clarified the acceptable forms of identification that may be presented by the individual to gain entry to State parks without paying the fees; and
- **Chapter 511 of 2023** required DNR to provide a discount of at least \$40 on annual State park passes, which allows the holder unlimited day-use entry to all State parks and State park facilities for one year, for all first responders and law enforcement officers who are Maryland residents.

Gwynns Falls State Park: Chapter 965 of 2024 required DNR and Baltimore City to (1) convene focus group meetings on the establishment of the Gwynns Falls State Park with community members and stakeholders that reside or operate in the vicinity of the proposed State park; (2) develop a list of priority needs and associated cost assessments for park operations and improvements, as specified; and (3) establish a specified stakeholder advisory committee to advise DNR and Baltimore City on the scope and management of the park.

State Historical Parks: Chapter 602 of 2023 made several changes to State law related to the establishment of Port of Deposit State Historical Park. Specifically, **Chapter 602** (1) altered, from June 1, 2023, to June 1, 2025, the date by which the Bainbridge Development Corporation must transfer specified property to DNR for the park; (2) required specified preservation of any property that is transferred but not included in the park; (3) authorized funding for an archaeological survey and soil study for the property; (4) modified the membership of a stakeholder advisory committee that advises DNR on the scope and management of the park; and (5) altered, from January 1, 2023, to September 1, 2024, the date by which DNR was required to submit a specified report to the General Assembly.

Chapter 39 of 2022 (Great Maryland Outdoors Act) used the term “State historical park” in the context of (1) a requirement that DNR decisions related to the establishment of State historical parks or certain other units be made in coordination with the Parks and Recreation Commission and with input from certain groups and (2) a requirement that a Comprehensive Long-Range Strategic Plan for State parks that DNR must develop, publish, and periodically update include new State historical parks or other specified units. The Great Maryland Outdoors Act also required DNR to establish Freedman’s State Historical Park and the Port of Deposit State Historical Park as partnership parks. **Chapters 271 and 272 of 2026** changed these references from “State historical parks” to simply refer to “State parks.” Further, the Acts changed references from “Freedman’s State Historical Park” and “Port of Deposit State Historical Park” to refer instead to “Freedman’s State Park” and “Port Deposit State Park,” respectively. Despite the Acts’ removal of the word “historical” from these references, the historical nature and purpose of the parks expressed in statutes was not changed.

Funds and Comprehensive Long-range Strategic Plans: Chapter 402 of 2024 granted additional flexibility to DNR in spending funds allocated to the department under the Great Maryland Outdoors Act by (1) extending the deadline by which DNR must spend certain funds in the Park System Critical Maintenance Fund; (2) authorizing DNR to expend up to \$400,000 for specified projects without prior approval of the Department of General Services; and (3) expanding the purposes and authorized uses of the Park System Capital Improvements and Acquisition Fund and the Great Maryland Outdoors Fund. ***Chapter 402*** also clarified the intent of the use of money expended from the Park System Capital Improvements and Acquisition Fund and required DNR to report on expenditures from the fund. Finally, ***Chapter 402*** extended the deadline for DNR to develop and publish a Comprehensive Long-Range Strategic Plan for the State park system by one year, from December 1, 2023, to December 1, 2024.

Recreation Communication Boards Pilot Program: Chapter 568 of 2024 established a Maryland Recreation Communication Boards Pilot Program, administered by DNR, to provide funding for the purchase and installation of communication boards in play areas in State and local parks, prioritizing newly constructed play areas. ***Chapter 568*** defined “communication board” as a device that displays photos, symbols, or illustrations with words and braille to supplement or replace spoke language as a means of expression and communication, and authorized DNR to use up to \$100,000 from the Park System Capital Improvements and Acquisition Fund to fund the program.

Wildlands

Belt Woods Wildland: Chapter 112 of 2024 authorized DNR to authorize within the Belt Woods Wildland (1) archeological inventories, studies, and research that involve surface examination or limited subsurface sampling; (2) salvage and excavation of archeological sites; and (3) stabilization and restoration of historic structures existing as of December 1, 1985. Any such authorization may only take place with prior approval of the Maryland Historical Trust and after an internal departmental review. In addition, prior to undertaking any activities on the Seton Belt Barn, DNR must consult with the Maryland-National Capital Park and Planning Commission.

Patuxent River Wildland: Chapter 586 of 2025 allowed DNR to use mechanical or motorized equipment to retain, maintain, remove, or replace existing trails within the Patuxent River Wildland and remove, replace, or dispose of nonnative species within the Patuxent River Wildland if the use of such equipment is done to preserve, maintain, study, research, and educate the public about the area’s ecological features and rare habitats.

Big Savage Mountain, Bear Pen, and Dan’s Mountain Wildlands: Chapter 572 of 2025 exempted any NextEra Energy Transmission MidAtlantic, Inc. transmission line from being designated as part of the Big Savage Mountain Wildland, Bear Pen Wildland, or Dan’s Mountain Wildland if certain conditions are met, including that a certificate of public convenience and necessity is obtained for the transmission line.

Greenspace

Chapter 487 of 2023 established the Greenspace Equity Program within and administered by DNR as well as a Greenspace Equity Advisory Board staffed by DNR. The purpose of the program is to enhance the public health and livability of overburdened communities and underserved communities by implementing projects to preserve, create, and enhance community greenspace.

Chapter 487 required a portion of Program Open Space (POS) funding to be transferred by an appropriation in the State budget to the Greenspace Equity Program in certain fiscal years. Beginning in fiscal 2025, DNR must make grants under the program to eligible applicants for community greenspace projects located (1) in an overburdened community; (2) in an underserved community; or (3) on a property that is owned by an eligible applicant, or for which the applicant holds a conservation easement, and is located in a census tract adjacent to an overburdened community or an underserved community. In addition to land acquisition, grants may be used for (1) appraisals, environmental assessments, site clearance or development, and other due diligence expenses related to implementing a project; (2) specified administrative and compliance costs; and (3) specified stewardship projects.

Finally, **Chapter 487** prohibited land acquired by a grant awarded under the program from being converted from outdoor public recreation or open space to any other use without prior written approval of the Secretary of Natural Resources, the Secretary of Budget and Management, and the Secretary of Planning. In addition, the grant recipient must replace the land being converted with specified equivalent outdoor public recreation or open space land. Land developed or improved by a grant awarded under the program must be operated and maintained for public use by the grant recipient for at least 15 years from the project completion date.

Water and the Chesapeake and Atlantic Coastal Bays

Water Quality and Infrastructure

In General: Chapter 430 of 2025 made the following changes to provisions of State law regarding, among other things, water quality:

- established a Water Quality Monitoring Program within DNR to (1) provide for a consistent statewide approach for improving water quality monitoring data; (2) conduct long-term and targeted short-term monitoring and assessments; (3) integrate monitoring data into planning processes; and (4) provide the general public with readily available monitoring data to guide recreational and other passive uses;
- modified the Whole Watershed Restoration Partnership by (1) requiring the State management team and project sponsors to meet to develop a plan for permitting a project as soon as possible after the project is approved and to invite and coordinate with certain entities to expedite the permitting process and (2) altering provisions regarding a specified permit tracking dashboard;

- required the Maryland Department of the Environment (MDE), by December 31, 2025, to (1) authorize oyster restoration projects funded in whole or in part by federal, State, or local governments to be eligible to generate water quality trading credits and (2) develop a process for certifying water quality trading credits generated by oyster restoration projects; and
- established that requirements relating to stream and floodplain restoration projects do not apply to permit or license applications submitted to MDE before July 1, 2025.

Erosion Prevention and Control: *Chapter 168 of 2025* established that (1) an existing requirement that construction of an erosion prevention or control project be requested by a petition signed by at least 75% of real property owners in the district does not apply to construction of a project and related activities in a district in Anne Arundel County and (2) requirements of notice and a hearing prior to a decision to proceed with a project do not apply to Anne Arundel County. In addition, *Chapter 168* established that (1) the entity administering a shore erosion control district may use tax funds for the maintenance, repair, or restoration of an existing project after conducting a public hearing and without a petition, regardless of the initial source of funding for the project, and (2) any interest earnings on money deposited for a special taxing district established to finance erosion prevention or control projects must be credited to the district.

Coast Smart Council: Chapter 415 of 2014 established the Coast Smart Council in DNR for the purpose of, among other things, adopting specific Coast Smart siting and design criteria to address impacts associated with sea level rise and coastal flooding on future capital projects. *Chapter 111 of 2024* expanded the duties of the Coast Smart Council to include developing eligibility criteria, standards, and procedures for categorical exemptions from Coast Smart requirements for specified proposed capital projects. The projects must have been designed to include adaptation and resiliency features to prevent or mitigate damage to the maximum extent practicable. *Chapter 111* also authorized the Coast Smart Council to recommend regulations for adoption by the Secretary of Natural Resources.

Submerged Aquatic Vegetation

Submerged aquatic vegetation (SAV) provides water quality and habitat benefits in the tidal waters of the State and the modification or removal of SAV is regulated by DNR. *Chapters 83 and 84 of 2024* applied existing submission and approval requirements for the removal or eradication of SAV and a prohibition on the use of chemicals on SAV to the trimming of SAV. The exemptions for property and marina access were altered under the Acts to encompass the tidal waters of the State (incorporating the Atlantic Coastal Bays) and were restricted to only the trimming or cutting of SAV. The maximum allowable width of access strips was reduced from 60 feet to 20 feet. Lastly, certain provisions regarding best harvesting methods were made requirements, and a person is required to provide DNR with specified information before taking certain action involving SAV.

Chapter 512 of 2024 altered the definition of “aerial survey” for purposes of surveying SAV to include any other survey that (1) encompasses the distribution of SAV in the Chesapeake Bay, the Atlantic Coastal Bays, or both; (2) uses a methodology approved by the U.S. Environmental Protection Agency’s Chesapeake Bay Program; and (3) is approved by DNR. Additionally, **Chapter 512** (1) renamed “aerial survey” to instead be “SAV survey”; (2) updated provisions related to a SAV survey compiled by the Virginia Institute of Marine Sciences; (3) made conforming changes; and (4) required DNR to study and report on the implications and feasibility of using alternative methods other than an aerial survey to delineate SAV protection zones.

Chesapeake and Atlantic Coastal Bays Critical Area Protection Program

Chapter 794 of 1984 established the Chesapeake Bay Critical Area Protection Program (later expanded and renamed to be the Chesapeake and Atlantic Coastal Bays Critical Area Protection Program) to minimize damage to water quality and wildlife habitat by fostering more sensitive development activity in the Critical Area (land within 1,000 feet of tidal waters and wetlands). During the 2023-2026 term, the General Assembly made several procedural and administrative changes to the program.

Variances: Under **Chapter 79 of 2026**, when a variance is requested for a new accessory structure or use in the Critical Area, other than a new additional or accessory dwelling unit, there is a rebuttable presumption that an existing accessory structure or use on the parcel or lot demonstrates reasonable and significant use. A local jurisdiction may not accept an application for a variance to (1) authorize a use that is not allowed by the Critical Area land classification of the lot or parcel; (2) adjust the amount or type of mitigation required by Critical Area regulations or a local critical area program; or (3) provide relief that could be obtained through an available administrative process that is approved as part of a local jurisdiction’s critical area program. Furthermore, the Act established additional conditions for granting a variance to a local jurisdiction’s critical area program by establishing that a variance may not be granted unless the applicant demonstrates (1) a substantial need for the variance that is not based on convenience, personal preference, or financial advantage and (2) that the development cannot be located outside a habitat protection area. The Act also clarified an existing condition for granting a variance and required that a local board of appeals must (1) hear on the record an appeal of an administrative officer’s decision on a Critical Area variance application and (2) grant deference to the administrative officer’s finding of fact.

Program Modifications: Among other things, **Chapter 424 of 2024** modified the program to incorporate climate resilience, environmental justice, and equity measures. **Chapter 424** required each jurisdiction to review its entire local program and propose any necessary amendments at least every 10 years, rather than every 6 years as was required, and established deadline extensions and notice requirements. Additionally, **Chapter 424** modified density calculations for development in the Critical Area and altered the circumstances under which changes to Critical Area designations and zoning map amendments may be granted. Finally, **Chapter 424** established the process for updating the statewide base map project specified under

Chapter 119 of 2008 and specified that provisions related to Critical Area maps take effect on notification of completion of the statewide base map project required by Chapter 119.

Clarifications and Corrections: Chapter 274 of 2026 (1) clarified that the Critical Area Commission's adoption and amendment of regulations must be accomplished by affirmative vote of the commission; (2) defined the term "adjacent"; and (3) made changes to provisions governing the timing of the commission's approval of local critical area program refinements and program amendments.

Damages: Chapter 274 of 2026 also required that damages assessed by a circuit court for illegal cutting or clearing of trees in the Critical Area be paid to the applicable local jurisdiction rather than DNR.

Enforcement: Chapter 80 of 2024 altered the enforcement and after-the-fact application approval procedures required as minimum elements of a local jurisdiction's program to apply to all Critical Area violations. **Chapter 80** also (1) repealed a 30-day waiting period before the chair of the Critical Area Commission may refer certain enforcement matters to the Attorney General and (2) expanded the authority of the Attorney General to take certain equitable actions to include Critical Area violations of an order, a permit, a plan, a local program, the Critical Area law, or regulations adopted, approved, or issued under the Critical Area law.

Liens in Prince George's County: Chapter 595 of 2025 – under provisions that apply only in Prince George's County and to real property of less than five acres that is not zoned for commercial use – (1) required the Prince George's County Department of Permitting, Inspections, and Enforcement to record a specified lien within 90 days after issuing a notice of violation for unauthorized cutting or clearing of trees in the Critical Area and (2) established that a lien recorded in such a manner is required in order to hold a current property owner liable for a violation by a previous owner. **Chapter 595** applied retroactively with respect to a specified violation occurring on or before November 7, 2018, where the current property owner purchased the property in good faith after the previous owner's violation and required (1) any administrative enforcement actions for the violation to be vacated and (2) Prince George's County to reimburse the current property owner for all costs and fees associated with such enforcement actions.

Chesapeake and Atlantic Coastal Bays Watershed

Chapters 558 and 559 of 2024 established the Whole Watershed Restoration Partnership to accelerate restoration of the Chesapeake and Atlantic Coastal Bays and their watersheds and provide grants and technical assistance to eligible projects over a period of five years. **Chapters 558 and 559** required the Secretary of Natural Resources to establish a State Management team to administer the partnership. The Whole Watershed Fund was established in DNR to provide funding for approved projects and was generally authorized to receive funding from specified State agricultural and environmental special funds, although there were annual mandated distributions from the Chesapeake and Atlantic Coastal Bays 2010 Trust Fund for fiscal 2026 through 2030.

State Boat Act

Fees

Chapter 433 of 2025 made several changes to the State Boat Act. Among other things, *Chapter 433* increased and established fees as follows:

- increased the cap on a manufacturer and dealer license fee from a maximum of \$25 to a maximum of \$50;
- increased the fee to issue a certificate of title, transfer of title, or a duplicate or corrected certificate of title for a vessel from \$2 to \$20;
- increased the application fee for a two-year certificate of number (including for manufacturers and dealers) from \$24 to \$70 and the fee for a replacement or corrected certificate from \$2 to \$20;
- increased the fee for a Maryland use sticker from \$10 to \$70 and established a \$20 fee for a replacement sticker; and
- established an optional \$12 nonmotorized vessel decal for individuals who opt to register their nonmotorized vessel with the State.

As a result of these fee increases and newly established fees, special fund revenues for the State Boat Act Fund in DNR were expected to increase by approximately \$4.0 million annually beginning in fiscal 2026.

Vessel Operations and Accidents

Chapter 418 of 2024 authorized a court to prohibit a person from operating a vessel on the waters of the State for up to two years if the person is convicted of operating or attempting to operate a vessel while under the influence of alcohol and up to five years if the person's violation resulted in the death of another. *Chapter 418* also prohibited a person from operating or attempting to operate a vessel on the waters of the State while prohibited from doing so by the court, subject to specified criminal penalties. When a court prohibits a person from operating a vessel on the waters of the State pursuant to a conviction for operating or attempting to operate a vessel while under the influence of alcohol, the court must electronically notify DNR of the prohibition. DNR, in coordination with the Natural Resources Police, must establish and maintain a database of persons prohibited by a court from operating a vessel on the waters of the State.

State law requires the operator of a vessel who is involved in a collision, accident, or other casualty to render, to the extent that it is safe to do so, all practical and necessary assistance to affected persons and provide the other party with certain identifying information. *Chapter 275 of 2025* required the operator, where such an incident results in bodily injury to or the death of another person, to stop the vessel as close as possible to the scene of the incident so the operator could

comply with the statutory requirements to render assistance and provide requisite information. *Chapter 275* also established associated criminal penalties.

If any vessel that is subject to the State Boat Act is involved in an accident while on the waters of or outside of the State and the accident results in the death, disappearance, or injury of any person or in property damage of \$2,000 or more, or for in-state incidents there is complete loss of the vessel, the operator must file a report with DNR. *Chapter 534 of 2025* specified that, for purposes of these reports, “property damage” includes damage to navigational aid markers, lights, or identifiers.

Vessel Ownership

Chapter 560 of 2024, among other things, modified requirements and processes for DNR to contact vessel owners during emergencies and when seizing, removing, or taking into custody abandoned or sunken vessels. *Chapter 560* also authorized DNR to establish and administer a voluntary vessel turn-in program that allows State residents to turn in their vessels to the department to be destroyed, subject to specified requirements.

Chapters 72 and 73 of 2026 authorized an individual who is the sole owner of a vessel, or multiple individuals who are specified co-owners of a vessel, to apply to DNR to designate a beneficiary to take ownership of the vessel on the death of the sole owner, or the last surviving co-owner, outside of estate administration.

Vessel Equipment

Chapters 450 and 451 of 2025 prohibited a person from operating a specified gasoline-powered vessel manufactured after July 31, 2007, on the waters of the State unless the vessel has carbon monoxide warning labels affixed in conspicuous locations in the vicinity of both the transom (rear) and the helm (steering area) of the vessel. However, DNR may not impose a penalty on a person that violates this prohibition.

Licensed Auctioneers

Chapters 555 and 556 of 2025 excluded a licensed auctioneer from the definition of “dealer” under the State Boat Act if (1) the auctioneer is acting on behalf of a seller, secured party, or owner; (2) title does not pass to the auctioneer; and (3) the auction is not for the purpose of avoiding the provisions of Title 10 of the Natural Resources Article (which includes the State Boat Act).

Waterway Improvement Fund and Maritime Heritage

Among other things, *Chapter 433 of 2025* altered the authorized uses of the Waterway Improvement Fund and the fund expenditure amount under which DNR does not need legislative approval.

Chapter 560 of 2024, among other things, required DNR to distribute, beginning in fiscal 2026, at least \$250,000 annually from the Waterway Improvement Fund to a qualifying statewide Maryland-based historic preservation nonprofit organization to establish, operate, and administer a maritime heritage competitive grant program to provide grants to certain entities engaged in maritime heritage preservation, interpretation, or conservation, as specified.

Wildlife

Endangered Species

Under the Endangered Species of Fish Conservation Act (ESFCA) and the Nongame and Endangered Species Conservation Act (NESCA), the Secretary of Natural Resources, upon the petition of an interested person, must conduct a review of any listed or unlisted species proposed to be removed from or added to the lists of endangered species and threatened species (with the exception of species determined to be endangered or threatened pursuant to the federal Endangered Species Act) if the Secretary publishes notice that the person has presented substantial evidence that warrants a review. **Chapters 620 and 621 of 2024** modified the ESFCA and the NESCA to (1) require that a petition proposing to remove a species from, or add a species to, the lists of endangered species and threatened species include specified information; (2) require the Secretary to periodically review and, if warranted, update the lists of endangered species and threatened species; and (3) modify the definitions of “fish” and “wildlife” under the Acts.

Chapters 211 and 212 of 2026 made additional changes to the ESFCA and the NESCA, including:

- defined the terms “foreseeable future” (used in the definition of “threatened species”) and “harm”;
- required that a determination made by the Secretary of Natural Resources whether a species of fish, wildlife, or plant normally occurring within the State is an endangered or threatened species must be made without reference to possible economic or other impacts of the determination;
- established that the Secretary must delist a species if the Secretary determines, based on consideration of factors and standards in existing statute, that the best scientific and commercial data available substantiate a certain status of the species;
- required that a petition submitted to delist a species include evidence of the status of the species;
- authorized the Secretary to designate areas as essential habitats for endangered and threatened species and adopt management protocols for designated essential habitats;

- required the Secretary to review and, if warranted, update regulations carrying out the Irreplaceable Natural Areas Program by July 1, 2033, and at least every 10 years thereafter; and
- established that if the U.S. Fish and Wildlife Service (USFWS) removes the black vulture from the list of protected species under the federal Migratory Bird Treaty Act, or if the federal Migratory Bird Treaty Act is repealed, DNR must promulgate regulations under a specified provision of law authorizing the taking of black vultures in a similar manner and with the same authorizations as a depredation permit issued by USFWS.

The State's ESFCA and NESCA, and DNR regulations implementing the Acts, generally prohibit the taking, possession, transportation, or trade of threatened and endangered species of fish, wildlife, or plants, subject to specified exceptions. The Indiana bat, the eastern small-footed bat, the northern long-eared bat, and the tricolored bat are listed as endangered under the State's NESCA. *Chapter 550 and 551 of 2025* authorized the Secretary to issue an incidental taking permit for each of these species if an applicant submits a conservation plan and the Secretary makes certain findings. An "incidental taking" occurs when a species is unintentionally harassed, harmed, wounded, killed, or trapped during the undertaking of an otherwise lawful activity.

Other Wildlife Protections

Chapters 81 and 82 of 2024 established an exception to the existing prohibition against selling, offering for sale, bartering, or exchanging any game bird or mammal taken from the wild. Under the Acts, the prohibition does not apply to a legally acquired mounted specimen of a game bird, excluding a migratory game bird, or game mammal, if the original owner is deceased and the specimen is part of the personal property of an owner whose estate is being liquidated or distributed.

Chapters 596 and 597 of 2024 prohibited, with specified exceptions, a person from allowing for the performance of a "covered animal" in a "traveling animal act." A person who violates this prohibition is subject to a civil penalty of up to \$2,000 per violation. *Chapters 596 and 597* may be enforced by (1) a State or local law enforcement officer or (2) the local animal control authority for the jurisdiction where the violation occurs.

Chapter 549 of 2025 established the Maryland Connectivity Coalition to, generally, improve wildlife habitat connectivity and reduce wildlife and motor vehicle collisions in the State. While the coalition must develop criteria for prioritizing and evaluating wildlife connectivity projects, the State Highway Administration (SHA) has final say regarding any decision relating to the placement, funding, or design of wildlife crossings. Local jurisdictions must consider wildlife movement and habitat connectivity when enacting, adopting, amending, or executing their comprehensive plans. The Maryland Department of Planning (MDP) must coordinate with DNR and SHA to provide related and specified information to local governments.

Department of Natural Resources Operations

Public and Private Lands

Public Lands: *Chapter 443 of 2025* authorized DNR to establish one or more affiliated foundations to work with MPS, the Maryland Forest Service, the Wildlife and Heritage Service, the Office of Outdoor Recreation, and the Natural Resources Police to (1) solicit and accept funds to expand and enhance the equitable use of and access to certain lands; (2) promote activities that enhance public programming and offerings, restore or maintain public access to natural resources, or support operation, maintenance, and law enforcement activities within DNR-managed lands; and (3) partner with individuals, corporations, and other entities to support innovative projects that enhance visitors' experiences at lands managed by DNR. The Act also:

- required DNR to develop policies for operating each affiliated foundation, subject to Attorney General and State Ethics Commission review;
- authorized the Governor to reallocate funding from the POS State land acquisition balance subject to certain requirements and if (1) the balance is more than \$80.0 million at the end of a given fiscal year and (2) DNR's existing special fund sources are insufficient to cover existing salaries for permanent, classified positions responsible for operating and maintaining land administered and managed by the department;
- authorized DNR to use any of the POS funds transferred as a one-time fiscal year expenditure for (1) operation and maintenance of lands administered and managed by the department; (2) administrative expenses related to land acquired by the department under POS; or (3) law enforcement activities, services, salaries, and related expenses of the Natural Resources Police;
- authorized DNR to transfer to the Forest or Park Reserve Fund any amount of the POS funds transferred;
- modified existing provisions regarding (1) the use of acquisition funds for initial or periodic updating of local and preservation and recreation plans; (2) the extent to which certain counties that have met specified land acquisition goals can use POS local funding for development projects; and (3) the percentage of certain project costs that the State must provide; and
- made changes to the provisions governing DNR's acquisition of real property easements, including requiring DNR to request funds to create new permanent, classified positions after acquiring a fee simple real property interest and establishing a Land and Property Management Program within DNR to process real property transactions that involve property owned by DNR.

Exchange of Real Property: *Chapter 453 of 2023* authorized DNR to dispose of real property owned by the State for the use and benefit of the department, in exchange for privately

owned real property, without complying with procedures in current law governing excess real property and the sale, transfer, grant, or exchange of State-owned real property, if (1) the privately owned real property subject to the exchange is adjacent to the real property owned by the State for the use and benefit of DNR; (2) the real property owned by the State for the use and benefit of DNR and subject to the exchange is adjacent to the privately owned real property; (3) the real property owned by the State does not exceed five acres in size; and (4) the owner of the privately owned real property requesting the exchange pays all costs associated with the exchange. Prior to a property exchange under **Chapter 453**, DNR must notify specified property owners, members of the General Assembly, and the governing body of the county in which the real property exchange is located and refer the proposed exchange to the Board of Public Works for final disposition.

Land Conservation: Chapter 284 of 2021 established a State goal of preserving a total of 1,030,000 acres of productive agricultural land by 2030 through local land preservation programs and several State programs. **Chapter 546 of 2023** added additional conservation goals, specifically that, by 2030, 30% of lands in the State be conserved, with this figure rising to 40% by 2040. **Chapter 546** also required the Maryland Environmental Trust to administer a 40 x 40 Land Conservation Implementation Grant Program to support the implementation of these goals. Additionally, **Chapter 546**:

- established the Local Land Trust Revolving Loan Program to support the efforts of local land trusts that work with State and local governmental entities and provide revolving loans to land trusts on a rolling basis to assist the land trusts with purchasing fee simple or easement interests in real property for conservation purposes;
- established the Local Land Trust Revolving Loan Fund to fund the Local Land Trust Revolving Loan Program;
- established the Land Preservation Rapid Response Advisory Committee to review and prioritize specified loan applications and make recommendations to the Board of Trustees of the Maryland Environmental Trust; and
- authorized the Governor, beginning in fiscal 2025, to include an annual appropriation of \$235,000 in the budget bill for land stewardship capacity-building grants, land stewardship improvement grants, grants to land trusts, and citizenship stewardship grants.

Statewide Operations

Supporting Inclusive Community Adaptation Act: Chapter 76 of 2026 required DNR to facilitate community participation in the planning and development of DNR projects. The Act also established the Resilience Through Restoration Capital Grant Fund within DNR to provide grant funding for the planting, design, construction, and adaptive management of nature-based restoration projects that reduce the State's climate change vulnerabilities and enhance the resilience of the State's communities and public lands. Additionally, the Act required DNR to develop a specified website, guidance, and trainings for local jurisdictions to use in their climate change resilience efforts. DNR must also identify, evaluate, and prioritize climate

vulnerabilities and risks on department lands and meet a deadline of doing so for two coastal and two inland department properties by December 31, 2035. Finally, the Act made modifications to the Shore Erosion Control Construction Loan Fund by (1) requiring interest earnings of the fund to be credited to the fund rather than the General Fund; (2) removing certain funding limitations; and (3) authorizing partial loan forgiveness.

Maryland Heritage Areas Authority Financing Fund: The Maryland Heritage Areas Authority (MHAA) is an independent unit within MDP. MHAA, along with the Maryland Historical Trust, implements the Maryland Heritage Areas Program (MHAP). MHAA uses the MHAA Financing Fund to support MHAP and award grants and loans to local jurisdictions or other appropriate entities for the planning, design, acquisition, development, preservation, restoration, interpretation, marketing, and programming of certified heritage areas and grants to local jurisdictions or other appropriate entities to develop management plans for proposed certified heritage areas. ***Chapters 276 and 277 of 2026*** modified the amount and use of funding transferred from POS to the MHAA Financing Fund by increasing the overall amount authorized to be transferred, from up to \$6.0 million to up to \$12.0 million, and modifying the limit on the amount of that funding that may be used for operating expenses to allow for up to 7% or \$600,000 to be used, whichever amount is greater (in place of up to 10% under the previous law). Finally, the Acts modified requirements and authority relating to MHAA's awarding of grants and loans under MHAP.

Maryland Geological Survey Fund: The Maryland Geological Survey (MGS) is a scientific-investigative organization charged with investigating the geologic and water resources of the State through the application of the various disciplines within earth science. ***Chapters 85 and 86 of 2024*** established the MGS Fund in DNR to finance the direct and indirect costs of administering MGS, including long-term budgeting and planning for survey projects, procurements, and equipment purchases.

Off-Highway Recreational Vehicle Oversight Board: State law requires the Secretary of Natural Resources to (1) adopt regulations that govern the operation of off-road vehicles on department-owned or -controlled property and (2) designate areas of department-controlled property for use by the general public for the operation of off-road vehicles, where it is compatible with the character and existing uses of the property. Chapter 700 of 2018 established the Off-Highway Recreational Vehicle (OHRV) Trail Fund to maintain and construct trails for OHRVs. ***Chapter 180 of 2026*** established and provided for the membership of the OHRV Recreation Oversight Board to advise the Secretary of Natural Resources on the operation, acquisition, regulation, and general oversight of OHRV trails and recreation in the State.

Digital and Electronic Documents: Chapter 286 of 2021 required DNR to make available and, on request, issue any license or stamp authorized under specified provisions (that require or authorize angler's licenses, trout stamps, Chesapeake Bay and coastal sport fishing licenses, special charter boat licenses, special commercial fishing pier licenses, and hunting licenses and stamps) in a digital or electronic format. ***Chapter 558 of 2023*** expanded the requirement to apply to all licenses, stamps, permits, registrations, and certificates issued by DNR, with specified exceptions, and expanded the authorization for an individual to satisfy any requirement to possess

or display those documents by possessing or displaying the documents in a digital or electronic format. Requirements under State law or regulations to attach, affix, or display numbers, stickers, or decals associated with a license, stamp, permit, registration, or certificate on a vehicle, vessel, dock, or gear still apply under the Act.

Local Operations

Chapter 444 of 2025 repealed provisions establishing and governing the Somers Cove Marina Commission and the Somers Cove Marina Improvement Fund and instead transferred management of the marina from the Somers Cove Marina Commission to DNR. **Chapter 444** established and delegated authority over the marina to the Somers Cove Marina Advisory Commission within DNR and made the Secretary responsible for certain activities relating to the marina. Lastly, **Chapter 444** transferred the remaining balance from the Somers Cove Marina Improvement Fund to the Natural Resources Property Maintenance Fund in DNR, which also receives ongoing revenue from the marina and may be used by DNR for managing, operating, maintaining, and developing the marina.

Northeast Maryland Waste Disposal Authority

The Northeast Maryland Waste Disposal Authority (NMWDA) was established for the purpose of improving health and living conditions in the State through the efficient collection and disposal of waste on a regional basis and the generation of energy and recovery of usable resources from such waste to the extent practicable. Among other things, NMWDA was granted the authority to borrow money and issue bonds for specified purposes and to enter into and make contracts or agreements as it determines necessary or incidental to the performance of NMWDA's duties and to the execution of the purpose of and powers granted by statute. **Chapter 68 of 2023** terminated NMWDA's bond authority beginning June 1, 2023. The Act also required (1) the Department of Legislative Services to conduct a specified evaluation of NMWDA and (2) the Maryland Environmental Service to conduct a specified review and analysis of NMWDA. NMWDA was required to provide information and to cooperate with these entities and, by December 1, 2024, the respective agencies were required to submit their reports to the General Assembly.

Hunting and Fishing

Hunting

Licenses, Permits, and Stamps

In General: Chapters 543 and 544 of 2023, among other things, increased fees for hunting licenses, stamps, and permits and established resident and nonresident sika deer stamps. **Chapters 543 and 544** also established that a nonresident is authorized to purchase a resident hunting license if the person provides the Department of Natural Resources (DNR) with proof of enrollment at a college or university in the State. Under **Chapters 543 and 544**, special fund revenues were expected to increase by an estimated \$2.3 million annually beginning in fiscal 2024.

Special fund expenditures were expected to increase correspondingly for staff and programmatic purposes in fiscal 2024 and for programmatic purposes in the out-years. Federal fund revenues were subsequently expected to increase by an estimated \$6.8 million annually beginning in fiscal 2025 from federal matching grant funding.

Apprentice Licenses: A person who has never been licensed as a hunter in the State may obtain, after successfully completing a DNR-approved online or electronic hunter safety course, an apprentice hunting license that authorizes the person to hunt all legal game birds and mammals in a single season, subject to specified requirements. ***Chapters 554 and 555 of 2023*** authorized DNR to issue a second or subsequent apprentice hunting license to an individual younger than age 17 who retakes and successfully completes a DNR-approved online or electronic hunter safety course.

Complimentary Licenses: Chapters 489 and 490 of 2024, among other things, authorized DNR to issue a lifetime complimentary hunting license to a Maryland resident who is an American veteran determined by the U.S. Department of Veterans Affairs to be unemployable. ***Chapters 489 and 490*** also authorized DNR to issue a lifetime complimentary hunting license to an eligible nonresident whose state of residence provides similar privileges to eligible Maryland residents.

Service Members and Veterans: Chapters 265 and 266 of 2025 clarified, expanded, and harmonized the availability of recreational benefits and privileges for service members and veterans. In particular, among other things, ***Chapters 265 and 266*** clarified and expanded eligibility for (1) hunting, aquatic, and other recreational activities under the Healing Hunting and Fishing Fund and other State programs and (2) hunting license exemptions and complimentary hunting licenses.

Trapping: An individual may use DNR's online licensing and registration system to create a personal DNR licensing account which, once created, triggers the issuance of a DNR identification card that contains a unique identification number to use for future licensing purchases. ***Chapters 539 and 540 of 2023*** required individuals using snares, traps, or other similar wildlife capture devices to stamp the individual's DNR identification number on the device or an affixed metal tag. ***Chapters 539 and 540*** also (1) required individuals who use a snare, trap, or other similar wildlife capture device but are exempt from license or permit requirements to obtain and use a free identification number through DNR's electronic licensing system; (2) authorized waivers for certain devices used exclusively on specified private property; and (3) authorized reporting of noncompliant devices to DNR or the Natural Resources Police.

Programs, Plans, and Funds

Funds in General: The purpose of the Heritage Conservation Fund is to acquire conservation easements for a fee simple or other interest in a number of specified types of land, while the Wildlife Management and Protection Fund is funded, in part, by revenue from migratory game bird stamps that must be used for specified purposes regarding migratory game birds. ***Chapters 543 and 544 of 2023,*** among other things, (1) authorized the use of the Heritage Conservation Fund to acquire conservation easements or a fee simple or other interests in land that

can be used by the general public for hunting and (2) altered the authorized uses of funds derived from the sale of migratory game bird stamps to include projects that conserve migratory game bird breeding habitats in Canada and established a reporting requirement on the effectiveness of these projects.

Black Bear Damage Prevention and Reimbursement Fund: Chapter 565 of 2023 renamed the Black Bear Damage Reimbursement Fund as the Black Bear Damage Prevention and Reimbursement Fund and expanded authorized uses of the fund to include nonlethal projects intended to prevent black bear damage and reduce human-bear conflicts. ***Chapter 565*** also (1) authorized grants to specified public and private entities for conflict reduction projects; (2) established a minimum annual funding goal and a reserve requirement for reimbursement purposes; and (3) increased the maximum annual reimbursement amount for black bear-related damage from \$3,000 to \$5,000.

Wildlife Conservation, Education, and Outreach Program: Chapters 543 and 544 of 2023 established the Wildlife Conservation, Education, and Outreach Program in DNR to provide outreach and foster interest in outdoor recreation and stewardship and foster interest in hunting and wildlife conservation. ***Chapters 543 and 544*** required DNR, in consultation with the program, to develop a plan to increase the engagement of communities that historically have not had access to hunting and conservation programs, and the engagement of veterans, in outdoor recreation and stewardship, hunting, and wildlife conservation.

Deer Management

Plans and Programs: Chapters 543 and 544 required DNR, in consultation with the Maryland Department of Agriculture, by December 1, 2023, to develop a plan to address deer overpopulation in the State. Among other things, the plan was required to include (1) the feasibility of implementing a rotational closure hunting strategy on State land; (2) any legislative, budgetary, or regulatory changes needed to implement a rotational closure hunting strategy on State-owned land; and (3) suitable uses for any increased federal funding available to the State Wildlife Management and Protection Fund. ***Chapters 543 and 544*** also required DNR to consult with local governments regarding the feasibility of implementing a rotational closure hunting strategy on locally owned land.

To continue addressing deer overpopulation and to address crop damage caused by deer, ***Chapters 541 and 542 of 2024*** established an exception to the prohibition against selling, offering for sale, bartering, or exchanging game birds or mammals taken from the wild by authorizing the issuance of raffle tickets for each antlerless deer lawfully harvested by a raffle program participant. ***Chapters 541 and 542*** applied to a raffle program held in January that (1) has as its objective the hunting of antlerless deer and (2) was previously conducted at least once between January 1, 2020, and January 30, 2024, inclusive.

Population Reduction: Chapter 421 of 2026 authorized DNR to allow deer population reduction on single, contiguous properties of at least 10 acres where documented deer damage exists, including ecological damage or agricultural loss. The method of reducing the deer population (1) is at DNR's discretion and (2) except in Baltimore City and Baltimore, Howard,

and Prince George’s counties, may include the issuance of a permit to a property owner, or the property owner’s employee, lessee, or agent, to shoot deer on the property on Sundays subject to specified restrictions.

Pursuing Wounded Deer: A person may not hunt any game bird or mammal, except raccoon and opossum, at nighttime. ***Chapter 553 of 2025*** allowed a person who is authorized by DNR to hunt deer and who wounds a deer during legal hunting hours to pursue and kill the deer after legal hours in an authorized manner. ***Chapter 553*** also authorized the use of artificial light, including spotlights and headlights, while pursuing a wounded deer.

Management of Other Wildlife

Archery Hunting Safety Zones: Generally, a person, other than the owner or occupant, may not shoot or discharge any firearm or other deadly weapon within 150 yards, known as the “safety zone,” of a dwelling house, residence, church, or other building or camp occupied by human beings without the specific advance permission of the owner or occupant. A person also may not shoot at any animal while it is within the safety zone without the specific advance permission of the owner or occupant. ***Chapter 536 of 2023*** and ***Chapter 611 of 2023*** reduced the hunting safety zone for archery hunters in Worcester and Wicomico counties, respectively, from 150 yards to 50 yards. Likewise, ***Chapter 324 of 2026*** reduced the archery hunting safety zone in Baltimore City from 150 yards to 50 yards.

Chapter 603 of 2023 reduced the archery hunting safety zone in Howard County from 150 yards to 50 yards for hunters operating under a deer management permit or participating in a county-administered hunting program; however, the hunter must be in an elevated position that allows for shooting in a downward trajectory when hunting within 50 to 150 yards of the these structures.

Canada Geese Bag Limits: Canada goose hunting limits are generally set by DNR in accordance with regulations adopted by the U.S. Fish and Wildlife Service (USFWS). ***Chapter 554 of 2025*** required that during the migratory Canada goose (Atlantic population) hunting season, the bag limit for all Canada geese in the State, including geese found in the Atlantic Flyway Resident Population Hunt Zone and the Atlantic Population Hunt Zone, must conform to the bag limit for the Atlantic population adopted annually by USFWS. ***Chapter 554***, however, did not apply in Allegany, Frederick, Garrett, and Washington counties and the portion of Carroll County geographically west of Maryland Route 31 and Maryland Route 97.

Fishing

Licenses and Stamps

License and Stamp Fees: ***Chapters 593 and 594 of 2024*** increased the annual license fee for the Chesapeake Bay and coastal sport fishing license for nonresidents from \$50 to \$100. Subsequently, ***Chapters 45 and 46 of 2025***, among other things, increased recreational fishing license and trout stamp fees. Generally, the revenues from these fees are deposited into the Fisheries Management and Protection Fund within DNR, and ***Chapters 45 and 46*** were expected

to increase revenue for the fund by \$565,800 in fiscal 2025 and by \$3.0 million annually in future years.

Exemptions and Complimentary Licenses: During the 2023-2026 term, the General Assembly took several actions to alter exemptions to fishing license and stamp requirements and to broaden eligibility for complimentary licenses.

- ***Chapter 497 of 2023*** expanded the circumstances under which DNR may issue annual recreational fishing license exemptions to governmental entities and nonprofit organizations to include providing fishing clinics and instructional opportunities to (1) individuals serving or having served in the U.S. Armed Forces; (2) participants in wellness or special needs outdoor events; (3) individuals acting under scientific collection permits; and (4) State residents underserved with respect to fishing opportunities. The exemptions also authorized eligible participants to engage in specified fishing activities in tidal and nontidal waters without obtaining the otherwise required fishing licenses or stamps.
- ***Chapters 537 and 538 of 2023*** authorized individuals younger than age 16 to catch or attempt to catch crabs in the Chesapeake Bay and its tidal tributaries without obtaining a recreational crabbing license when using a collapsible trap, net ring, handline, or dip net.
- ***Chapters 489 and 490 of 2024***, among other things, authorized DNR to issue a lifetime complimentary angler's license or Chesapeake Bay and coastal sport fishing license to an American veteran determined by the U.S. Department of Veterans Affairs to be unemployables and extended eligibility to nonresidents whose state of residence provides similar privileges to eligible Maryland residents. ***Chapters 489 and 490*** also exempted holders of a complimentary angler's license from the requirement to obtain a trout stamp.
- ***Chapters 265 and 266 of 2025*** clarified, expanded, and harmonized the availability of recreational benefits and privileges for service members and veterans. In particular, among other things, ***Chapters 265 and 266*** clarified and expanded eligibility for (1) fishing, aquatic, and other recreational activities under the Healing Hunting and Fishing Fund and other State programs; (2) fishing license exemptions and complimentary fishing licenses; and (3) pausing the lapse of a commercial fishing license.
- ***Chapters 45 and 46 of 2025***, among other things, repealed the exemption that allowed resident consolidated senior sport fishing license holders to fish for trout in designated areas without a trout stamp.

Commercial Blue and Flathead Catfish Finfish Trotline License: Chapter 80 of 2019 established the commercial blue and flathead catfish finfish trotline license, authorizing the license holder to use a finfish trotline to catch, for sale, blue and flathead catfish in the tidal waters of the State without holding a tidal fish license; Chapter 80 terminated on June 30, 2022. ***Chapters 104 and 105 of 2023*** reestablished this license and set the annual license fee at \$15.

Chesapeake Channa (Commercial Northern Snakehead) License: Chapters 109 and 110 of 2024 repealed a prohibition on commercial northern snakehead license holders using a bow and arrow within 100 yards of specified persons, vessels, areas, and structures, and instead required license holders to comply with DNR regulations governing gear use. **Chapters 571 and 572 of 2024** established “Chesapeake Channa” as the common name for the northern snakehead.

Programs, Funds, and Plans

Certified Local Farm and Fish Program: Chapters 575 and 576 of 2023 authorized State agencies to count blue catfish and other certified Chesapeake invasive species supplied by Chesapeake Bay watermen toward the statutory goal of purchasing at least 20% of food from certified local farms under the Certified Local Farm and Fish Program.

Invasive Blue Catfish Pilot Program: Chapters 171 and 172 of 2025 required DNR to establish and implement an Invasive Blue Catfish Pilot Program, including (1) a For-Hire/Commercial Blue Catfish Program to allow concurrent for-hire and commercial trips and allow operational adjustments to increase commercial harvest and (2) a Mid- and Lower-Bay Blue Catfish Trotline Program to allow the expanded use of finfish trotlines south of the Chesapeake Bay Bridge to the maximum extent feasible, subject to constraints related to bycatch, user conflicts, and other issues. Subsequently, **Chapters 41 and 42 of 2026** extended the termination date of the pilot program from June 30, 2026, to June 30, 2030, and added a Blue Catfish Gill Net Program to allow the use of gill nets in targeted waters for harvest of invasive blue catfish.

Chesapeake Bay Enhancement Program: Chapters 552 and 553 of 2026 codified the Chesapeake Bay Enhancement Program, under which funding from the Transportation Trust Fund is used by DNR to support oyster propagation and replenishment projects as mitigation for damage to the State’s oyster population from transportation projects.

Maryland Seafood Industry Financial Assistance Fund: Chapters 552 and 553 also established the Maryland Seafood Industry Financial Assistance Fund within the Maryland Agricultural and Resource-Based Industry Development Corporation to provide short-term financial assistance, including loans, to commercial watermen and small seafood businesses. In addition, **Chapters 552 and 553** authorized specified transfers from existing loan programs into the fund and required notification to DNR of borrower delinquency, with restrictions on approval of tidal fish license or authorization transfers until repayment compliance is achieved.

Black Bass Conservation Fund: Chapters 556 and 557 of 2023 established the Black Bass Conservation Fund within DNR to support black bass management and conservation efforts. **Chapters 556 and 557** provided that the fund consists of voluntary donations made through the State’s electronic licensing system, State budget appropriations, interest earnings, and other accepted contributions, and authorized expenditures for black bass stocking, black bass aquatic habitat enhancement, supporting responsible black bass tournaments, and scientific research related to black bass conservation.

Fishery Management Plans: Chapter 430 of 2025 reduced the number of specifically identified species for which DNR is required to prepare fishery management plans and authorized

DNR to follow interstate or regional fishery management plans with Maryland-specific supplements as needed. **Chapter 430** also required consideration of environmental and climate factors in fishery management plans and prohibited the plans from unfairly discriminating among commercial and recreational license holders, fishing guides, and charter boats.

Shellfish

Oyster Inspection and Severance Taxes: **Chapters 780 and 781 of 2023** increased the severance tax on oysters harvested from natural oyster bars in the State (excluding the Potomac River) from \$1 to \$2 per bushel and increased the inspection tax on marketable oysters shipped out of State from 30 cents to \$1 per bushel. **Chapters 780 and 781** required that \$1 of each \$2 collected from the severance tax be allocated to county oyster committees in specified counties for the replenishment of natural oyster bars within county waters.

Recreational Catching of Oysters and Clams: **Chapter 518 of 2024** repealed the authorization for recreational oyster harvesting without a license and established a recreational oyster license authorizing a State resident to harvest oysters in tidal waters. **Chapter 518** also repealed authorizations and restrictions for recreational clam harvesting and instead allowed residents and nonresidents to harvest clams in accordance with DNR regulations.

Administrative Penalties for Oyster Authorizations: **Chapter 552 of 2025** altered provisions that allowed DNR to revoke a person's authorization to catch oysters so that the provisions instead allowed DNR to suspend the person's oyster authorization for up to five years for a first offense and to revoke the authorization for a subsequent offense. **Chapter 552** also (1) clarified that certain gear violations apply only when a person is more than 200 feet inside a prohibited area and (2) required reinstatement of the person's entitlement to engage or work in the oyster fishery and authorized reissuance of the person's oyster authorization if it was revoked before July 1, 2025, with eligibility for reinstatement or reissuance beginning five years after the revocation date.

Aquaculture

Aquaculture Pilot Program: **Chapter 372 of 2023** required DNR to establish and implement a Restorative Aquaculture Pilot Program to provide financial incentives to aquaculture leaseholders to maintain leases, or portions of leases, under specified restorative conditions for at least four years. **Chapter 372** required DNR to develop criteria and metrics for restorative aquaculture based on oyster density, oyster biomass, habitat complexity, and other measures developed or identified in coordination with relevant stakeholders and required that the criteria and metrics be at least as stringent as those used in large-scale oyster restoration projects under the Chesapeake Bay Program. **Chapter 372** also authorized participating leaseholders to satisfy active use requirements through shellfish seed planting alone.

Bay Scallops: To facilitate the establishment of aquaculture for bay scallops in the Atlantic coastal bays, **Chapter 114 of 2024** expanded the definition of "shellfish" as it applied to importing and possessing shellfish for aquaculture purposes to include "live bivalves and bivalve shells."

Leases: Chapter 430 of 2025 (1) clarified the timing for requesting public informational meetings and submitting protests on aquaculture lease applications; (2) authorized DNR to require mediation before referral of a protest to the Office of Administrative Hearings; and (3) authorized DNR, in consultation with the Aquaculture Coordinating Council, to charge reasonable advertising and survey fees to lease applicants.

Harvest Hours: To allow DNR to better address sanitary issues in the warmer summer months, **Chapters 550 and 551 of 2024** altered the hours during which an aquaculture leaseholder may harvest shellfish, from between sunrise and sunset to the hours established by DNR in regulation.

Submerged Aquatic Vegetation: Submerged aquatic vegetation (SAV) provides water quality and habitat benefits in the tidal waters of the State but may encroach on aquaculture leases due to improved water conditions associated with leased areas. Chapter 238 of 2019 authorized a holder of an aquaculture lease to place shellfish, bags, nets, or structures on SAV within the leased area with prior written approval from DNR, subject to an initial termination date of June 30, 2024. **Chapter 113 of 2024** extended the termination date for the authorization to June 30, 2027. **Chapter 255 of 2026** further extended the termination date for the authorization to June 30, 2030.

Penalties: Chapters 304 and 305 of 2026 authorized DNR to suspend or revoke a shellfish aquaculture harvester permit or registration card for knowingly committing any of the following offenses: (1) harvesting oysters from certain closed or prohibited areas; (2) late delivery to seafood dealers under State health requirements; (3) unauthorized harvesting from leases, natural oyster bars, or public fishery areas; and (4) unlawful commercial harvesting of oysters from public shellfish fishery areas or natural oyster bars and subsequently planting those oysters on an aquaculture lease. **Chapters 304 and 305** also (1) established a hearing and judicial review process; (2) prohibited a person whose permit or registration card is suspended or revoked from engaging in aquaculture activities during suspension or revocation; and (3) created a transition process for removal of personal property and transfer of leases for sole leaseholders subject to suspension or revocation.

Reporting Requirement

A person who is commercially licensed to catch fish or is engaged in the business of packing or dealing in any fish resource within DNR's jurisdiction is required to submit any report required by DNR on forms provided by DNR. To facilitate possible electronic reporting, **Chapters 519 and 520 of 2024** required these persons, as well as holders of recreational angler's licenses or Chesapeake Bay and coastal sport fishing licenses, to submit required reports in accordance with regulations adopted by DNR.

Environment and Energy

Climate Change and Greenhouse Gas Emissions Reductions

The Maryland Department of the Environment's (MDE) Climate Change Program leads the State's efforts to reduce greenhouse gas (GHG) emissions as well as the State's participation in other initiatives, including the Regional Greenhouse Gas Initiative and the U.S. Climate Alliance. The program also ensures State compliance with climate-related State and federal laws, such as the Climate Solutions Now Act (CSNA) (Chapter 38 of 2022). CSNA made broad changes to targets originally established under the Greenhouse Gas Emissions Reduction Act, requiring the State to develop plans, adopt regulations, and implement programs to reduce GHG emissions by 60% from 2006 levels by 2031 and achieve net-zero statewide GHG emissions by 2045. To achieve these reductions, the Act, among other things, augmented energy efficiency and conservation program requirements, required the purchase of zero-emission vehicles (ZEV) in the State fleet, and established energy conservation requirements for buildings. The CSNA also established several planning and reporting requirements to monitor progress and inform decision making going forward. Legislation enacted during the 2023-2026 term continued to address climate change, including establishing and altering policies relating to GHG emissions reductions and energy efficiency and conservation.

Climate Planning and Mitigation

During the 2025 session, the General Assembly passed *Senate Bill 149 and House Bill 128*. The Governor vetoed the bills, but the General Assembly overrode the vetoes, and the bills were enacted as *Chapters 2 and 12 of the 2025 special session*. The Acts required the Comptroller, in coordination with the Department of Commerce and MDE, to conduct a study to assess the total cost of GHG emissions in the State and report the findings to specified committees of the General Assembly by December 1, 2026. The report must include (1) a summary of the various cost-driving effects of covered GHG emissions on the State, as specified; (2) a categorized calculation of the costs that have been incurred and costs that are projected to be incurred by the State and its residents for each such cost-driving effect; (3) a categorized calculation of the costs that have been incurred and costs that are projected to be incurred by the State and its residents for related adaptation efforts, as specified; and (4) an economic analysis to determine if there would be a cost passed on to taxpayers if each fossil fuel company that has a sufficient nexus to the State and that emitted more than 1.0 billion tons of GHG emissions globally between 1995 and 2024 were required to compensate the State for climate change.

Energy Efficiency/EmPOWER Maryland

In 2008, the General Assembly passed the EmPOWER Maryland Energy Efficiency Act, which set target reductions of 15% in per capita electricity consumption and peak demand, respectively, by 2015 from a 2007 baseline. CSNA enhanced the EmPOWER Maryland Program by focusing on GHG reductions instead of electricity consumption reductions. CSNA expanded EmPOWER Maryland by establishing goals of 2.25% target reductions in 2025 and 2026 and of 2.5% thereafter.

During the 2026 session, the General Assembly considered legislation to address energy affordability challenges and the State’s clean energy and climate goals. In addition to measures aimed at providing ratepayer relief for Maryland electric and gas customers, **Chapter 353 of 2026** included several provisions relating to statewide GHG emissions and energy efficiency and conservation. For example, the Act required MDE to prepare and submit an annual report on GHG emissions reductions achieved as a result of electric vehicle (EV) adoption. The Act also modified the EmPOWER Maryland Program by, among other things, (1) temporarily reducing the annual GHG emissions reduction targets for each electric company plan from 2.5% each year to 1.75% each year for the 2027-2029 program cycle, 2.0% each year for the 2030-2032 program cycle, and 2.25% each year for the 2033-2035 program cycle (the annual target returns to 2.5% beginning in 2036); (2) removing gas companies from the program beginning in 2027 and establishing a wind-down period for gas EmPOWER programs; and (3) allowing, for the 2027-2029 program cycle only, emissions reductions from community solar energy generation and residential solar energy generation to count up to 20% toward the targets. For further discussion of Chapter 353 and other energy legislation, see the subpart “Public Service Companies” within Part H – Business and Economic Issues of this *Major Issues Review*.

Clean Transportation

Medium-duty and Heavy-duty Vehicles: Chapters 96 and 97 of 2023, the Clean Trucks Act, required MDE, by December 1, 2023, to adopt regulations establishing requirements for the sale of new medium-duty and heavy-duty ZEVs in the State. The regulations were required to incorporate by reference the California Air Resources Board’s Advanced Clean Trucks regulations, as revised and updated. Pursuant to the Acts, MDE was also required to prepare a related needs assessment and deployment plan in consultation with specified State agencies and submit the plan to the General Assembly (completed in October 2025). While the Acts generally required implementing regulations to take effect starting with model year 2027, the Acts authorized MDE to delay implementation by one or more model years if MDE determines – based on the criteria identified in the needs assessment and deployment plan – that implementation is not yet feasible. MDE subsequently paused enforcement of the State’s Advanced Clean Trucks requirements in response to federal actions and Executive Order 01.01.2025.10 issued by Governor Wes Moore.

Chapters 96 and 97 also increased funding for the Medium-Duty and Heavy-Duty Zero-Emission Vehicle Grant Program administered by the Maryland Energy Administration (MEA) and made other changes to the program. The Acts replaced previous funding requirements from the Strategic Energy Investment Fund (SEIF) with a single requirement that the Governor, in each of fiscal 2024 through 2027, include in the annual budget bill an appropriation from the SEIF of at least \$10.0 million for grants under the program for qualified newly manufactured medium-duty or heavy-duty ZEVs or zero-emission heavy equipment property. Additionally, the Acts (1) modified a limit on the amount of individual grants awarded under the program for qualified medium-duty or heavy-duty ZEVs and zero-emission heavy equipment property and eliminated the availability of grants for qualified medium- or heavy-duty ZEV supply equipment under the program; (2) changed the definition of “qualified-medium duty or heavy-duty ZEV”; (3) established that the program applies only to vehicles and equipment intended for commercial

or industrial use; and (4) established preferences that MEA must take into account when issuing grants under the program. Identical provisions appeared in *Chapter 98 of 2023*, as discussed below.

In addition to altering the financial incentives available under the Medium-Duty and Heavy-Duty Zero-Emission Vehicle Grant Program, *Chapter 98* modified the authorized uses of certain alternative compliance payments deposited into the SEIF, increased the dollar amount cap on the amount of certain SEIF revenues that may be allocated toward the administrative expenses of MEA, and made changes to the Electric Vehicle Recharging Equipment Rebate Program. More specifically, the Act extended the Electric Vehicle Recharging Equipment Rebate Program through fiscal 2026 and raised the annual cap for the total amount of rebates that MEA may issue under the program from \$1.8 million to \$2.5 million. The Act also modified the limits on the amount of individual rebates that MEA may issue and authorized MEA to alter the program, and adopt regulations, to offer additional benefits for the installation of qualified EV recharging equipment in multifamily housing, planned urban developments, and condominiums under certain circumstances.

Electric Vehicle Charging Infrastructure: Chapter 569 of 2023 codified and made a number of changes related to the Public Service Commission's (PSC) Electric Vehicle Pilot Program, which generally allowed investor-owned utilities to (1) offer charger rebates and other related incentives to residential and nonresidential customers and (2) install, own, and operate public chargers within their territories. While the Act required PSC to expand the EV Pilot Program to allow participating electric companies to install EV charging stations in multifamily dwellings in underserved communities, this expansion terminated on December 31, 2025. Electric companies that installed or maintained EV charging stations for public use or that participated in the EV Pilot Program must maintain uptime standards for each EV charging station in accordance with specified standards and requirements. In addition, a participating electric company must maintain an adequate number of staff to monitor, assess, and when necessary, repair the EV charging stations operated by the electric company.

Chapter 582 of 2023 required the construction of new housing units that include a separate garage, carport, or driveway for each residential unit to include (1) one dedicated parking space with EV supply equipment that is fully installed ("EVSE-installed parking space") or (2) one EV-ready parking space.

Building Energy Performance Standards

The CSNA required MDE to administer building energy performance standards (BEPS) to address energy use and emissions targets in certain buildings over 35,000 square feet. Under *Chapter 844 of 2025*, among other things, MDE regulations implementing BEPS must (1) include additional special provisions, exceptions, and exemptions and (2) include an annual reporting fee of \$100 per covered building. *Chapter 844* also altered the definition of "covered building" to exclude hospitals and required MDE to certify a county BEPS program under specified conditions. MDE was also required to conduct an analysis of the potential costs and benefits of BEPS policy options that feature direct emissions reduction requirements, energy use intensity requirements,

and a combination of both requirements, as specified, and develop related recommendations, as specified.

To facilitate awareness of BEPS compliance requirements, *Chapter 412 of 2026* required, within 10 business days after a local government accepts a certain permit application for a new building that has a proposed gross floor area of 35,000 square feet or more (excluding the parking garage area), the local government to provide notice of the permit application to MDE.

Federal Environmental Policy

Chapter 322 of 2026 required MDE to report to the General Assembly, by July 1, 2026, and every six months thereafter, on any legally valid changes in federal environmental policy, including changes relating to GHG emissions or impacting MDE’s administration of federally delegated authority, and any steps that the State is taking to respond to such changes. The initial report must describe federal environmental policy changes that have occurred since January 1, 2024, and subsequent reports must describe federal environmental policy changes that have occurred during the immediately preceding six-month period.

Water Quality and Management

Stream, Floodplain, and Watershed Restoration Projects

Chapters 558 and 559 of 2024 established the Whole Watershed Restoration Partnership to accelerate restoration of the Chesapeake and Atlantic Coastal Bays and their watersheds across the State by equitably focusing assistance on actions and areas that are cost-effective and likely to demonstrate a rapid systemic response to restoration activity, as specified. The partnership is administered by a State management team that approves up to five projects every five years. To fund projects approved under the partnership, the Acts established the Whole Watershed Fund in the Department of Natural Resources (DNR) to provide funding for approved projects. The fund is funded through several State agricultural and environmental special funds, including a mandated distribution from the Chesapeake and Atlantic Coastal Bays 2010 Trust Fund for fiscal 2026 through 2030.

Additionally, pursuant to *Chapters 558 and 559*, a project applicant seeking an authorization for a stream and floodplain restoration project is generally subject to additional requirements related to public notice and application review by MDE. MDE must evaluate each application for specified criteria and provide for five years of monitoring after project completion.

Bay Restoration Fund

Chapter 428 of 2004 established the Bay Restoration Fund (BRF). The primary purpose of the fund is to support upgrades to Maryland’s 67 major publicly owned wastewater treatment plants (WWTP) with enhanced nutrient removal (ENR) technology; funds are also used for septic system upgrade grants, among other things, and the Cover Crop Program within the Maryland Department of Agriculture. Legislation enacted during the 2023-2026 term expanded and altered the uses of BRF.

Clean Water Commerce Account: Chapters 694 and 695 of 2021 created the Clean Water Commerce Account within BRF. MDE is required to transfer \$20.0 million each fiscal year from BRF into the account to be used by MDE to purchase environmental outcomes to help the State achieve water quality goals. Environmental outcomes are nitrogen load reductions that can be directly measured or modeled using the Chesapeake Bay Program Models. **Chapters 501 and 502 of 2024** required MDE, on request, when entering into a contract for the purchase of environmental outcomes under the account for a project that includes construction, reconstruction, or rehabilitation, to allow nonuniform payment schedules that allow for a cost-per-pound of nitrogen reduced that varies with the achievement of performance milestones, as agreed upon by both parties to the contract. The Acts also authorized MDE to require a minimum final payment and certain financial protections under specified circumstances.

Septics Account: Chapter 413 of 2020 expanded the authorized uses of the BRF Septics Account to include specified costs associated with connecting a property using an onsite sewage disposal system (septic system) to an existing municipal wastewater facility that has signed a funding agreement with MDE and is under construction to achieve, ENR or biological nutrient removal level treatment. **Chapter 545 of 2024** repealed the June 30, 2024 termination date for Chapter 413, making the authorization permanent.

Chapters 460 and 461 of 2025 modified the prioritization and eligibility for projects that receive funding from the BRF Septics Account. Under the Acts, priority is given as follows: (1) first, for failing systems in the Chesapeake and Atlantic Coastal Bays Critical Area; (2) second, to failing systems that are located within a Maryland Chesapeake Bay 8-digit watershed that has a relative effectiveness for total nitrogen reduction of 9.24 or higher based on the Chesapeake Bay watershed model; (3) third, to failing systems that are located within the 500-year floodplain; and (4) fourth, to other failing systems that MDE determines are a threat to public health or water quality. Priority is then given to low- and moderate-income owners, rather than just low-income owners, for the costs of repairing or replacing a failing septic system with a best available technology septic system and other wastewater treatment systems.

Stormwater Management at Construction Sites

Any construction project that disturbs one or more acres of earth must apply for either a general or individual permit for stormwater discharge associated with construction activity and obtain coverage under the permit before beginning earth disturbance or any part of the project. A notice of intent (NOI) is one of the first steps in acquiring a construction general permit for stormwater discharge. However, prior to submitting an NOI, a final erosion and sediment control plan must be submitted to the appropriate approval authority (such as the Soil Conservation District).

Chapter 547 of 2023 required MDE to review and update the specifications for sediment control plans by December 1, 2025, and every five years thereafter. Each time MDE reviews and updates these specifications, MDE is required to (1) revise water quantity control standards using the most recent precipitation data available; (2) ensure that any updates and revisions are designed to protect the waters of the State from pollution; (3) ensure that any updates and revisions are not

applied retroactively to projects with approved sediment control plans if the sediment control plan has not yet expired, construction contracts have been awarded (if applicable), and construction activities have commenced; and (4) consult with specified groups and stakeholders. Before finalizing an update to the specifications, MDE must report to the General Assembly on the proposed update.

Additionally, pursuant to **Chapter 547**, MDE is prohibited from authorizing the discharge of stormwater associated with construction activity under a general discharge permit for a construction site with a total proposed disturbed area of five acres or more until specified enhanced public notice and comment requirements are met. These enhanced requirements must be followed if any portion of the area of disturbance is located in (1) a watershed or catchment that drains to a receiving water designated as high quality under MDE regulations; (2) the Critical Area Buffer; or (3) an area identified by the Federal Emergency Management Agency as having a 1% chance of annual flooding.

Drinking Water and Wastewater

Private Wells and Water Quality Testing: Chapters 586 and 587 of 2023 established additional requirements related to private wells. The Acts required MDE, by December 31, 2026, to adopt regulations to identify a list of additional standards for water quality testing that MDE deems necessary for each county or a specific area within a county. Additionally, subject to the availability of funding, and in consultation with the Department of Information Technology, MDE must utilize an online portal to receive specified water quality testing results, upload certificates of potability and other water quality testing results, and provide public access to that information. The Acts also established water quality testing requirements for contracts for the sale of real property that has a private or domestic water supply well. Finally, the Acts required MDE to conduct a study on long-term funding options for monitoring and analyzing groundwater resources, as specified, and assist in identifying a funding source for a private well grant fund.

Sustainable and Innovative Use of Reclaimed Water: Potable reuse is the use of reclaimed water as a municipal drinking water source. Surface water augmentation is an indirect potable reuse (IPR) method that involves discharging reclaimed water into a surface water environmental buffer, such as a reservoir, river, stream, lake, or similar water body above ground. The water is then directed to the water treatment plant, where it goes through additional processing before being distributed as drinking water. **Chapters 122 and 123 of 2023** established the IPR Pilot Program within MDE to authorize the regulated use of reclaimed water as a source for drinking water treatment facilities. The Acts authorized MDE to review, permit, and regulate a process to use reclaimed water as a source for a drinking water treatment facility through a potable reuse permit under certain circumstances. The Acts also established provisions governing permit applications, the issuance and terms of permits, grounds for permit denial and revocation, and the renewal of permits.

Building off the IPR Pilot Program, **Chapters 441 and 442 of 2025** established the Reservoir Augmentation Program in MDE and prohibited a person from performing “reservoir augmentation,” or the planned placement of reclaimed water into a surface water reservoir used as

source for a drinking water treatment facility, without a permit. The Acts established provisions governing permit applications and the issuance, modification, renewal, and terms of the permits. The Acts also extended the termination of the IPR Pilot Program established under ***Chapters 122 and 123 of 2023*** from June 30, 2028, to June 30, 2030.

Managed Aquifer Recharge (MAR) can be useful where an aquifer is facing a water shortage, being threatened with saltwater intrusion, or causing ground subsidence. ***Chapters 474 and 475 of 2025*** established the MAR Pilot Program in MDE to authorize, regulate, and evaluate the use of treated reclaimed water as a source for groundwater augmentation through MAR permits. A person may not perform groundwater augmentation unless authorized under the Acts. MDE must accept applications for MAR permits from January 2, 2026, through January 3, 2028, but is prohibited from issuing more than one MAR permit under the pilot program. A permit is effective for five years, and MDE is authorized to refuse, revoke, or renew a permit, as specified. The Acts established annual reporting requirements for MDE and the permittee.

Baltimore Regional Water Governance: Chapters 178 and 179 of 2023 established the Baltimore Regional Water Governance Task Force to review specified findings, assess alternative governance structures for the Baltimore region's water and wastewater utility, analyze the fiscal implications and efficiencies of each alternative governance structure, and make a recommendation regarding the governance model best suited for water and wastewater systems in the Baltimore region and the legislation and the funding necessary to establish the recommended model. ***Chapter 503 of 2024*** established the Baltimore Regional Water Governance Model Workgroup to continue the work from the Baltimore Regional Water Governance Task Force by reviewing and analyzing various topics related to regional governance models for water and wastewater in the Baltimore region. The workgroup must develop a report of its findings and, by June 30, 2027, submit the report to the Mayor of Baltimore City, the Baltimore County Executive, the Governor, and the General Assembly.

Waste Management and Recycling

The solid waste infrastructure in Maryland consists of both permitted and nonpermitted facilities, and solid waste is managed through a combination of recycling, composting, landfilling, energy recovery, and exporting for disposal or recycling. During the course of the 2023-2026 term, the General Assembly considered a number of bills to address the management and recycling of specific materials, including passing legislation to promote principles of product stewardship for packaging and paper products, architectural paint, and synthetic turf, as well as requiring a periodic statewide recycling needs assessment.

Product Stewardship and Extended Producer Responsibility

Product stewardship is a voluntary or mandatory action that minimizes the health, safety, environmental, and social impacts of products and packaging throughout all lifecycle stages of the products and packaging while maximizing the economic benefits. Generally, the producer of a product has the greatest ability to minimize adverse impacts, but other stakeholders, such as suppliers, retailers, and consumers, also play a role. Extended producer responsibility is a type of

mandatory product stewardship that requires producers to be responsible for ensuring that their products are responsibly collected and disposed of or recycled.

Packaging and Paper Products and Recycling Needs Assessment: Chapter 465 of 2023 laid the foundation for establishing an extended producer responsibility program for packaging materials. The Act established the Producer Responsibility Advisory Council to provide advice and make recommendations regarding establishing and implementing such a program. The Act also required MDE’s Office of Recycling to hire an independent consultant to conduct a statewide recycling needs assessment (completed in February 2025). The needs assessment concluded that an extended producer responsibility program covering both paper and packaging products could, among other benefits, increase recycling rates for paper and packaging products from 34% to 50% or more, decrease GHG emissions by more than 1 million metric tons of carbon dioxide equivalent, and create more than 2,000 jobs.

Building off the 2023 legislation, ***Chapter 431 of 2025*** (1) established a producer responsibility program in statute for packaging and paper products (collectively defined as “covered materials”); (2) retained the producer responsibility advisory council established under Chapter 465 to provide advice and recommendations to MDE, producer responsibility organizations (PRO), and producers on the implementation of the program; and (3) required that a statewide recycling needs assessment be conducted again in 2034 and at least once every 10 years thereafter to gather information related to recycling, organics recycling, and reuse in the State.

Among other things, ***Chapter 431*** required producers of covered materials to submit, individually or as part of a PRO selected by MDE, a producer responsibility plan to MDE by July 1, 2028, and every five years thereafter, for review and approval. MDE must approve or reject the plan within 120 days, and implementation of the plan must begin no later than six months after the plan is approved. Under regulations adopted pursuant to the Act, beginning October 29, 2028, or a later date identified by MDE, the sale of covered materials is prohibited unless the producer has an approved plan. Both the needs assessment and MDE’s administration of the producer responsibility program are funded by producers through the PRO. Similar to programs in other states, a single PRO (Circular Alliance) has been selected by MDE for the program.

Architectural Paint: Chapters 587 and 588 of 2024 required a producer of architectural paint sold at retail in the State, or a representative organization acting on behalf of a producer, to (1) submit, by July 1, 2025, a plan for the establishment of a paint stewardship program to MDE for approval; (2) pay a plan review fee to MDE; (3) implement the program within six months after plan approval; (4) submit annual reports for MDE review; and (5) pay annual report review fees to MDE. The Acts also (1) required a submitted plan to establish a uniform paint stewardship assessment for architectural paint sold in the State to cover program costs and (2) established a prohibition on the sale of architectural paint unless the producer or its representative organization is implementing an approved paint stewardship program. Similar to programs in other states, Maryland’s program is being carried out by a single representative organization (PaintCare). MDE published an approved producer responsibility plan on May 8, 2026.

Synthetic Turf: To address transparency and accountability in the disposal of synthetic turf and turf infill, **Chapter 567 of 2024**, as modified by **Chapter 326 of 2026**, required a producer or seller of synthetic turf to disclose to a customer before the sale of synthetic turf the maintenance that is typically performed throughout the lifespan of synthetic turf, as well as the typical costs for removing, replacing, and disposing of synthetic turf. Additionally, MDE, in consultation with several stakeholders, must conduct a study on synthetic turf, existing synthetic turf fields in the State, and the synthetic turf industry in the State and report its findings to specified committees of the General Assembly by January 15, 2027.

Enforcement of Environmental Laws

Chapters 689 and 690 of 2023 established the Environmental and Natural Resources Crimes Unit of the Office of the Attorney General to (1) investigate and prosecute cases against persons that violate State criminal environmental and natural resources laws and (2) investigate and prosecute any other criminal offense discovered in the course of an investigation. In conducting an investigation and prosecuting cases, the unit may act with the full powers, rights, privileges, and duties of a State's Attorney, including the use of a grand jury in any county. As modified by **Chapters 472 and 473 of 2026**, by October 1, the Attorney General must submit an annual report to the Governor and the General Assembly on the activities of the unit and any actions taken by MDE or DNR in response to findings and recommendations of the unit.

Chapters 535 and 536 of 2024 established standing, for a person that meets the threshold standing requirements under federal law, in civil claims arising under specified standards relating to (1) nontidal wetlands that do not have a continuous surface connection to surface water and (2) discharges of pollutants affecting ephemeral streams or intermittent streams. **Chapters 535 and 536** authorized a person that has standing pursuant to the Acts to bring a civil action against any person or political subdivision that is alleged to be in violation of those standards. The Acts also authorized a person that meets the threshold standing requirements under federal law to intervene in a civil action brought by the Secretary of the Environment relating to nontidal wetlands.

Title 5, Subtitle 5 of the Environment Article authorizes MDE to pursue civil and criminal enforcement of violations relating to the appropriation or use of waters, reservoirs, and dams. **Chapter 273 of 2026** expanded MDE's enforcement capacity by authorizing MDE to impose an administrative penalty of up to \$5,000 per day (not exceeding \$100,000 total) for any violation of Subtitle 5 or any regulation, order, or permit adopted or issued under the subtitle. According to MDE, in general, bringing administrative enforcement actions is less resource-intensive than pursuing civil actions and criminal cases. Pursuant to **Chapter 273**, MDE must take certain steps before taking any action to recover a civil or administrative penalty under penalty provisions relating to the appropriation or use of waters, reservoirs, and dams. The Act also expanded MDE's authorization to use orders for violations related to waterway construction and dam safety and standardized related administrative notice and hearing procedures.

Chapters 286 and 287 of 2026 required MDE to develop an action plan for the enforcement of standards for secondary maximum contaminant levels (SMCL) to address water discoloring, taste, and odor at community water systems and nontransient, noncommunity water systems. The

action plan must include specified components, including a draft approach for the enforcement of standards for SMCLs, and an evaluation of potential costs to be borne by affected water systems in order to comply with SMCL enforcement. MDE must consult with specified stakeholders and, by December 1, 2026, report its findings and recommendations to the General Assembly.

Harmful Chemicals and Materials

Perfluoroalkyl and Polyfluoroalkyl Substances

Perfluoroalkyl and polyfluoroalkyl substances (PFAS) are a group of synthetic chemicals that include perfluorooctanoic acid (PFOA), perfluorooctyl sulfonate (PFOS), GenX, and many other chemicals. PFAS have been manufactured and used in a variety of industries in the United States since the 1940s. PFAS are persistent in the environment and the human body, meaning that they do not break down easily and can accumulate over time, and there is evidence that exposure to PFAS can lead to a number of adverse human health effects. In addition to numerous consumer products, PFAS can be found in wastewater and sewage sludge (also known as biosolids), which is one of the final byproducts of the treatment of sewage at a WWTP.

Chapters 556 and 557 of 2024 required MDE, in collaboration with publicly owned treatment works and specified “significant industrial users” in the State, to (1) by October 1, 2024, identify the significant industrial users that currently and intentionally use PFAS chemicals; (2) by June 1, 2025, develop PFAS action levels for addressing PFAS contamination from industrial discharge for pretreatment permits; and (3) by September 1, 2025, develop specified mitigation plans for addressing PFAS contamination from industrial discharge for pretreatment permits. In addition, MDE was required to develop PFAS monitoring and testing protocols for significant industrial users and update its PFAS Action Plan, as specified. The Acts also established measurement, reporting, implementation, and PFAS storage and disposal requirements for specified significant industrial users.

MDE’s Land and Materials Administration issues sewage sludge utilization (SSU) permits, which are required prior to engaging in a number of SSU activities, including the application of Class B sewage sludge to agricultural or marginal land under certain conditions, marketing, and disposing of sewage sludge at a municipal landfill. To address concerns regarding contamination from PFAS on agricultural land, in February 2023, MDE issued a biosolids regulatory update and put a hold on the issuance of new sewage sludge land application permits. MDE followed this regulatory update with an addendum, issued in August 2024, that requires all WWTPs from which land applied sewage sludge originates to sample for PFOA and PFOS prior to land application. The addendum sets forth guidance regarding the land application of biosolids with respect to PFOA and PFOS levels.

Chapters 329 and 330 of 2026 expanded on MDE’s 2024 guidance by establishing prohibitions and restrictions, effective October 1, 2028, related to the land application of sewage sludge that has a total “concentration of regulated PFAS” equal to or greater than specified levels. “Concentration of regulated PFAS” means the total concentration, as measured in accordance with monitoring protocols established pursuant to the Acts, of PFOA, PFOS, or a mixture of

PFOA and PFOS. More specifically, the Acts prohibit the application of sewage sludge to agricultural or marginal land if the sewage sludge has a total concentration of regulated PFAS of 50 parts per billion (ppb) or more. If sewage sludge has a total concentration of regulated PFAS of at least 25 ppb but less than 50 ppb, the sewage sludge may be applied to agricultural or marginal land only in accordance with provisions that establish temporary alternative management measures and requirements for source tracking and mitigation. The Acts established parameters for the commingling of sewage sludge to reduce the total concentration of regulated PFAS in the final material to levels below 25 ppb for the purpose of land application. The Acts also established related requirements for MDE and sewage sludge generators. In addition, the Acts adopted provisions related to the establishment of pretreatment standards or appropriate controls for certain industrial users; related requirements were established for MDE and publicly owned treatment works. A local jurisdiction or a pretreatment authority may set appropriate rates and fees for certain industrial users, as specified.

Playground Surfacing Materials

Chapter 488 of 2024 expanded upon several existing restrictions governing lead and PFAS chemicals in certain products by prohibiting a person from installing, supplying, selling, soliciting, or offering for sale in the State playground surfacing materials that contain (1) more than 90 parts per million of lead or (2) a component product, material, or substance to which PFAS chemicals were previously intentionally added, as specified. An affected manufacturer of playground surfacing materials must establish a certificate of compliance.

Agriculture

Agricultural Production and Development

Organics Diversion and Recycling

According to the 2025 Maryland Statewide Recycling Needs Assessment, organic waste materials, such as food scraps and yard trimmings, make up more than a quarter of all municipal solid waste in the State. Similarly, the management of animal manure and agricultural waste produced by farm operations represents a significant challenge.

Chapters 520 and 521 of 2023 expanded opportunities for on-farm composting by requiring the Maryland Department of the Environment (MDE) to establish, by regulation, an exemption from the permitting requirements under MDE's composting regulations for operators of certain on-farm composting facilities that use 10,000 square feet of area or less for active food scrap composting. The exemption applies only to facilities that compost specified feedstocks, comply with certain record-keeping requirements, and meet other conditions established in regulations. *Chapters 520 and 521* also required new composting facilities to be constructed and operated in accordance with specified requirements, including requirements related to nutrient management plans, soil conservation and water quality plans, and agricultural waste management system plans, as appropriate.

Anaerobic digestion is a technology that transforms organic waste materials into energy. During anaerobic digestion, biogas is produced from naturally occurring microbes that break down biodegradable material inside a sealed, oxygen-free reactor called a digester. Anaerobic digestion can process a wide range of feedstocks, such as food scraps, manure, agricultural waste, or sewage sludge. To facilitate the development of anaerobic technology projects, **Chapter 445 of 2024** required the Maryland Department of Agriculture (MDA) to work with the Maryland Energy Administration (MEA), MDE, the Department of Commerce (Commerce), the University of Maryland College of Agriculture and Natural Resources, the University of Maryland Eastern Shore, electric companies, farmers, and industry to ensure anaerobic digestion technology projects are appropriately coordinated. In addition, MDA, in coordination with MEA, MDE, and Commerce, must establish guidance for farmers regarding the development and implementation of anaerobic digestion technology.

The Maryland Food System Resiliency Council is an advisory body that meets regularly to address food systems resilience issues across the State. In its 2024 report, the council recommended the creation of an on-farm organics diversion and recycling grant program to fund and support resilient community food systems and reduce negative environmental impacts from food waste. **Chapters 249 and 250 of 2026** implemented this recommendation by establishing an On-Farm Organics Diversion and Recycling Grant Program administered by MDA, in consultation with MDE, beginning July 1, 2028. The program will award grants for developing and implementing on-farm organics recycling and compost use, wasted food prevention, and food rescue.

Chapters 531 and 532 of 2024 established a new regulatory program in MDA governing the utilization of food processing residuals, defined as an organic material that is (1) generated by processing agricultural commodities for human or animal consumption and includes food residuals, food coproducts, food processing wastes, food processing sludges, or any other incidental material whose characteristics are derived from processing agricultural products for human consumption or animal consumption and (2) registered with the State Chemist as a soil conditioner. **Chapters 531 and 532** also required a person to obtain a permit from MDA before handling, storing, transporting, or applying food processing residuals for agricultural use.

Maryland Native Plants Program

Chapters 489 and 490 of 2023 established the Maryland Native Plants Program. Administered by MDA and the University of Maryland Extension (UME), the program was required to develop a Commercial Maryland Native Plant List and create a voluntary certification program for growers and retailers, a “Maryland Natives” marketing program, and a “Maryland Native Plants” webpage. “Native plant” is defined as a plant that occurs naturally in the State and surrounding region, ecosystem, and habitat, without direct or indirect human actions, and includes plants that were present before colonial settlement or are listed as native to the State on the Maryland Plant Atlas website.

Agricultural Conservation Practices

Chapter 540 of 2025, among other things, established the Maryland Leaders in Environmentally Engaged Farming (LEEF) Program to incentivize farmers' adoption of (1) environmental (including bay- and climate-related) conservation practices and (2) practices that demonstrate engagement with Maryland communities. The program is intended, in part, to encourage adoption of multiple practices across a farming operation or multiple farming operations and provides certification, according to tiers of recognition, for program participants. The program is administered by MDA, in coordination with other agencies, and is supported by a LEEF Program Fund. The LEEF Program Fund can only be used to support actions associated with fulfilling the program's purpose and to cover MDA's costs to administer the program; however, not more than 20% of the fund may be used for MDA's administrative costs each fiscal year.

Other Funding and Support Initiatives

Chapters 435 and 436 of 2023 established the State Specialist for Value-Added Agriculture as a position in MDA. The State Specialist must (1) serve as the primary point of contact for individuals engaging in, or interested in engaging in, value-added agriculture in the State; (2) provide information regarding State and federal regulations relating to value-added agriculture; (3) act as a liaison between State and federal partners involved in value-added agriculture; and (4) perform any other duty or function that supports value-added agriculture in the State.

The Maryland Agricultural Commission serves as an advisory body to the Secretary of Agriculture on matters pertaining to agriculture. *Chapters 43 and 44 of 2025* altered the appointed representation on the commission, removed duplicative representation, and created new members to represent agriculture in the twenty-first century. The new members included representatives of socially disadvantaged farmers, veteran farmers, urban and small farmers, and new and beginning farmers. The Acts also repealed the Young Farmers Advisory Board within MDA and instead established the Committee on Young Farmers with similar duties.

Chapter 519 of 2023 modified the Urban Agriculture Grant Program within MDA by (1) mandating a minimum amount of funding (\$100,000 annually) for the program from fiscal 2025 through 2029; (2) expanding eligibility for grants under the program; and (3) modifying provisions relating to the grant process and the use of the grants. The Act also expanded the definition of "urban agricultural producer" under both the Urban Agriculture Grant Program and the Urban Agriculture Water and Power Infrastructure Grant Program.

Plant Industries and Pest Management

MDA is responsible for managing pests that affect the health of crops, forests, and natural areas; regulating the application and disposal of pesticides within the State; controlling mosquito populations; ensuring the quality of certain commercial agricultural products (including seeds and turf); and controlling noxious weeds.

PFAS Chemicals in Pesticides

Per- and polyfluoroalkyl substances (PFAS) are a group of fluorinated organic chemicals that contain at least one fully fluorinated carbon atom. Because PFAS do not readily break down in the environment or the human body, they can persist and build up over time. Research has linked PFAS exposure to several potential health risks, including reduced infant birth weights, immune system impacts, cancer, and disruptions to thyroid function.

Chapters 485 and 486 of 2023 required MDA – in consultation with MDE, the Maryland Department of Health (MDH), and the U.S. Environmental Protection Agency (EPA) – to study the use of PFAS in pesticides in the State. The study included an analysis of the health and environmental impacts of PFAS in pesticides, the identification of testing methods capable of testing for PFAS in pesticides, and status updates on state and federal efforts to regulate or ban the use of pesticides containing PFAS. The Acts required MDA to report its findings and recommendations to the Governor and specified committees of the General Assembly by November 1, 2023.

Restricted Use Pesticides

In 2023, EPA revised its regulations regarding restricted use pesticides. The revised regulations required states to either (1) impose specified standards for noncertified pesticide applicators to apply restricted use pesticides (RUP) under the direct supervision of a certified applicator (including annual training) or (2) not permit the use of RUPs by noncertified applicators. In response, *Chapters 41 and 42 of 2025* required that each commercial application of a RUP be done by a certified pest control applicator or certified public agency applicator, eliminating the ability of noncertified individuals to do commercial applications of RUPs under the supervision of a certified pest control applicator or certified public agency applicator. The Acts also established additional requirements that must be met in order for a noncertified individual to do a private application of a RUP under the supervision of a certified private (agriculture) applicator: (1) the noncertified individual must be working under the direct supervision of a certified private applicator who is certified in the specific category of application being utilized by the individual; and (2) the certified private applicator must ensure that specified federal requirements are met.

Invasive and Nuisance Plants and Species

Chapters 589 and 590 of 2024 altered the regulatory approach for controlling invasive plant species in the State. The Acts repealed the former two-tiered regulatory approach and instead established a regulatory approach that generally involves (1) assessments of nonnative plant species by expert assessors to determine the invasiveness rank of each such species; (2) the review of such assessments and related data; and (3) the determination by the Secretary of Agriculture whether such species should be classified as prohibited invasive plants and included on a Consolidated List of Maryland Invasive Plant Species or placed on a watch list.

Chapter 517 of 2023 authorized a county or municipality to enact an ordinance to regulate invasive bamboo, as defined by the Act, including prohibiting a person from (1) selling invasive bamboo; (2) planting invasive bamboo; and (3) allowing invasive bamboo to grow on the property

of the person without proper upkeep and appropriate containment measures, including barriers or trenches. It also authorized the ordinance to require the mitigation of any damage caused by invasive bamboo and established a civil fine. *Chapters 209 and 210 of 2026* similarly authorized the governing body of a county or municipality to regulate trees of heaven and other invasive trees listed on the Maryland Prohibited Invasive Plant List. *Chapters 209 and 210* authorized a governing body to establish a bounty or native tree replacement program to incentivize the removal and eradication of trees of heaven and other listed invasive species.

Departmental Programs and Functions

Weights and Measures

MDA's Weights and Measures Program inspects and certifies the accuracy of weights and measures in the State to ensure the fairness and equity of all commercial transactions involving determination of quantity. Over the past four years, the Weights and Measures Program has been expanded to include the inspection and regulation of electric vehicle charging equipment.

The Budget Reconciliation and Financing Act (BRFA) of 2025 (*Ch. 604*), among other things, repealed the registration fee schedule for weights and measures used for commercial purposes in statute and instead authorized the Secretary of Agriculture to set reasonable fees by regulation. This change enabled MDA to adopt regulations establishing new registration fees for electric vehicle service equipment. The Act also required the Secretary to send registration renewal notices and forms at least one month before registration expiration and allow a 60-day grace period after expiration, when a registration can be renewed retroactively with payment of the renewal fee and a late fee.

Additionally, *Chapters 280 and 281 of 2026* required the owner or possessor of a weight and measure used for the retail sale of electricity as vehicle fuel to clearly and conspicuously display information detailing the name, address, and phone number of a local person responsible for the weight and measure. The Acts described how the information may be displayed and required that all electricity possessed, offered, or exposed for sale and sold at retail as vehicle fuel be measured and sold in units of kilowatt-hours. Customers may only be charged for the amount of electricity (in kilowatt-hours) dispensed during a charging session. In addition to the electricity charge, the owner or possessor may also charge a fee for services related to the retail sale of electricity as a vehicle fuel. This fee may be fixed or assessed based on a length of time, may be applied only at the conclusion of a charging session, and must be itemized on the customer's receipt.

Maryland Horse Industry Board

The Maryland Horse Industry Board (MHIB) regulates and promotes the State's horse industry. Among other duties, MHIB carries out licensing, inspection, and enforcement related to the equine industry. The BRFA of 2025 required MHIB to send horse establishment license renewal notices and forms at least one month before license expiration and allowed (1) a 60-day grace period after expiration, when a license can be renewed retroactively with payment of the renewal fee and any late fee and (2) after the grace period, license reinstatement, with payment of

the renewal fee and a reinstatement fee. *Chapter 75 of 2026* extended the termination date of MHIB by 10 years to July 1, 2036.

State Board of Veterinary Medical Examiners

The State Board of Veterinary Medical Examiners (SBVME) licenses and registers veterinarians, registered veterinary technicians, veterinary hospitals, and animal control facilities. *Chapters 588 and 589 of 2023* required SBVME to establish an expedited process to authorize out-of-state veterinary practitioners to become licensed to practice veterinary medicine in the State. It also expanded the scope of an existing license that SBVME is authorized to issue an animal control facility, under § 2-305 of the Agriculture Article, to administer drugs needed to sedate, euthanize, or sedate and euthanize animals.

Chapter 487 of 2024 set forth a number of tasks that may be performed by (1) a veterinary assistant under the direct supervision or immediate supervision of a veterinary practitioner or veterinary technician, as specified and (2) a veterinary technician under the direct supervision or indirect supervision of a veterinary practitioner, as specified.

Chapters 47 and 48 of 2026 prohibited SBVME from disciplining a veterinarian, by suspending or revoking a license to practice veterinary medicine, reprimanding or censuring a licensee, or placing a licensee on probation, solely for discussing or recommending the use of cannabis or a product that contains cannabidiol on an animal for potential therapeutic effect or health supplementation purposes.

Soil Conservation Districts

Chapter 691 of 2024 consolidated the two soil conservation districts in Frederick County (the Catoctin Soil Conservation District and the Frederick Soil Conservation District) into one Frederick County Soil Conservation District with boundaries corresponding to the boundaries of Frederick County.

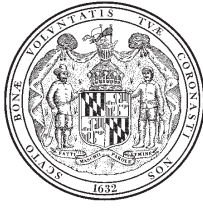
Chapters 523 and 524 of 2024 authorized a soil conservation district to recommend a fee system to a local governing body to cover the cost of the district's review of small pond plans and establishes procedures for the development and enactment of a fee system. Any fees collected under a fee system established pursuant to the Acts must be supplemental to county and State funds and may not (1) be used to reduce county or State funds or (2) exceed the cost of reviewing the plans.

Animal Testing

Chapters 447 and 448 of 2023 required specified entities that conduct research using nonhuman animals to make a payment to MDH each year based on the number of animals used in their research. The Secretary of Health was required to distribute the revenues to the Human-Relevant Research Fund (HRRF), a special fund established by the Acts and administered by the Maryland Technology Development Corporation (TEDCO). The stated purpose of the HRRF is to promote State-funded research intended to develop human-relevant alternatives to

using nonhuman animals in medical and product testing and research through grants and loans to public and private entities in the State. **Chapters 384 and 385 of 2026** required the payments to be made to MDA instead of MDH. Accordingly, the Secretary of Agriculture must distribute the monies collected to the HRRF, which is still administered by TEDCO.

Chapter 230 of 2026 established various requirements and limitations regarding the use of live vertebrate animals by research facilities and testing facilities in the State. Among other things, the Act prohibited a research or testing facility from using a dog or cat that has undergone a devocalization surgery for research or testing purposes and from performing a devocalization surgery on a dog or cat. Additionally, subject to certain exclusions (including for medical research), the Act prohibited a testing facility from using a traditional animal test method if the agency responsible for regulating the specific product or activity for which a test method is being used has (1) approved an appropriate alternative test method or (2) made available to or granted the testing facility a waiver from using a traditional animal test method.



Part L Education

Primary and Secondary Education

Blueprint for Maryland's Future

The Blueprint for Maryland's Future (Blueprint) is an ongoing set of education programs and policies that have made numerous changes to the State's education system through legislation, including Chapter 771 of 2019, Chapters 36 and 55 of 2021, Chapter 33 of 2022, and **Chapter 237 of 2025**. The policies are grouped into five areas: Pillar 1: early childhood education; Pillar 2: high quality and diverse teachers and leaders; Pillar 3: college and career readiness (CCR); Pillar 4: more resources for students to be successful; and Pillar 5: governance and accountability.

Early Childhood Education

Publicly Funded Full Day Prekindergarten and Prekindergarten Expansion Grant Program: Chapter 165 of 2024 made several changes to State funded full-day prekindergarten, a program established under the Blueprint, including slot availability, staff credentialing, capital funding assistance, technical assistance to private providers, and funding mandates. In part, **Chapter 165**:

- altered the proportion of prekindergarten slots to be provided by eligible private providers in each county, including allowing the exclusion of certain Tier I children from the calculation;
- altered existing and establishes new credential requirements for staff for specified prekindergarten providers to allow for more flexibility in the requirements;
- established a career ladder for teachers and assistant teachers of private prekindergarten providers; and

- extended consolidation of the Prekindergarten Expansion Grant from fiscal 2026 to 2030, requiring annual appropriations matching prior year funds through fiscal 2029, which may impact State and local funding formulas in fiscal 2029 and 2030.

High-quality and Diverse Teachers and Leaders

Career Ladder: The Blueprint requires each county board of education to establish a career ladder for teachers with an eight-year phase-in period, beginning on July 1, 2024. As a teacher progresses on the ladder, the minimum percentage of worktime that teachers must spend classroom teaching is reduced and the remaining time is scheduled as collaborative time. Collaborative time requires teachers to work with other teachers and with students in small groups to achieve better student and teacher outcomes.

Collaborative time funding: Although Blueprint funding formulas are not, for the most part, directly linked in an amount per student to a specific policy change, an exception is funding for collaborative time. It is funded through a portion of the per pupil foundation amount (PPFA) to provide county boards with the funds necessary to implement collaborative time and then by a collaborative time per pupil amount that must be distributed to schools and expended in accordance with the collaborative time implementation plan of each county board of education. **Chapter 237** delayed the date by which collaborative time must begin to be implemented, resulting in a reduction in the overall PPFA for fiscal year 2026 through 2028, while retaining a portion of funding, \$163 per pupil, originally designated for collaborative time. Formulas that are based on the PPFA, including funding for special education, for compensatory education, for English language learners, for the SEED School, the Maryland School for the Blind (MSB), and the Maryland School for the Deaf (MSD), were altered so that the amount of funds remained the same as under current law.

Delayed implementation: **Chapter 237** delayed the date by which collaborative time must begin being implemented to July 1, 2028, and shortens the phase-in period from eight year to seven years.

Teacher Duties: **Chapter 119 of 2023** altered requirements for certain professional educators on the career ladder. The Act altered the duties of assistant principals on the career ladder to require that they participate in classroom activities, instead of classroom teaching, for a certain percentage of time and provides that they may not be designated as the teacher of record. Additionally, the Act clarified that county boards must only begin selecting specified professionals on the career ladder to perform certain functions related to mentoring, teacher training practicums, and the writing of curriculum, assessment items, and development of model lesson plans after the Accountability and Implementation Board (AIB) determines that the career ladder is well established throughout the State.

Principal qualifications: **Chapter 602 of 2026** delayed the date by which a licensed principal on the career ladder must meet the requirement to earn a National Board Certification from July 1, 2029, to July 1, 2034.

Leadership Training: Chapter 127 of 2024 combined two school leadership training programs already required to be established by the Maryland State Department of Education (MSDE), in conjunction with AIB, into one program, expanded the content areas, and altered the modes of instruction. The Act also modified the attendance requirement to specifically require the State Superintendent of Schools, local superintendents of schools, the chair and vice chair of the State Board of Education (SBOE), each county board of education, and AIB members to complete the training. The name of the program was altered to be the Maryland Leadership Academy. The program purpose was altered to a focus on strengthening and developing school leadership in schools by targeting training for school principals, assistant principals, and other school leaders.

College and Career Readiness

Another major policy goal of the Blueprint is having each public school student reach CCR by the end of grade 10. Each county board of education must provide students who achieve this goal with access to three post-CCR pathways, at no cost to the student: (1) enrolling into a competitive entry college preparatory program; (2) dual enrollment at a high school and an institution of higher education; and (3) career and technical education (CTE).

Dual Enrollment: Local school systems are provided funding to pay for dual enrollment courses under a formula that pays an amount per student that qualifies as CCR-ready. To maximize the number of students who may take dual enrollment courses while available funding and student access are misaligned, **Chapter 164 of 2024** authorized SBOE and AIB, in consultation with local school systems, to limit the number and types of courses that a student may be dually enrolled at an institution of higher education during the school year. **Chapter 602** extended this authority until fiscal 2030.

Career and Technical Education Committee: The CTE Committee was established under the Blueprint to develop a statewide framework for CTE that prepares students for employment in today's diverse economy. To assist in those responsibilities, the CTE Skills Standards Advisory Committee was established to advise and make recommendations to the CTE Committee on setting occupational standards. **Chapter 602** repealed the CTE Skills Standards Advisory Committee and many of the committee's former duties were transferred to the CTE Committee.

Career Counseling

Chapter 237 extended funding directed to local workforce development boards for the Career Counseling Program for Middle and High School Students. Through fiscal 2028, county boards of education must provide funding to local workforce development boards based on student enrollment, with the per student amount adjusted annually for inflation from the fiscal 2024 base amount of \$62. AIB must conduct a study on the program's effectiveness and submit a report to the Governor and the General Assembly.

More Resources for Students to Be Successful

Compensatory Education Enrollment Funding: One of the many changes made to school funding formulas by the Blueprint, is the “compensatory education enrollment” count, which is used to count the number of low-income students. This count is used both for the compensatory education aid program and concentration of poverty grant (CPG) program, which funds community schools.

Compensatory Education Enrollment Count Methodology: Prior to 2010, low-income students were counted nationally and in Maryland based on eligibility for free and reduced-price meals (FRPM). In the federal Healthy, Hunger-Free Kids Act of 2010, local school systems and schools that met a minimum level of students eligible for FRPM were determined eligible for a Community Eligibility Provision (CEP).

Without a directly applicable count of low-income students, the compensatory education enrollment count has relied on a variety of methods to count low-income students. One approach under the Blueprint is the requirement that schools that participate in the CEP to collect the State alternative income eligibility form. Information from these forms is one of multiple inputs used to calculate income for purposes of the CEP. Another approach is use of the direct FRPM count from the year before a school or local school system became CEP. The authority of local schools systems to use this count ends at the close of fiscal 2026. ***Chapter 602*** extended the use of this methodology for counting low-income students through fiscal 2028. The Act also requires AIB and MSDE to engage in a collaborative and transparent process for identifying a methodology for counting students from low-income households to calculate the compensatory education program and report to the General Assembly with a final report by September 30, 2027.

Community Schools: A “community school” means a public school that establishes a set of strategic partnerships between the school and other community resources that leverage shared accountability, collaborative leadership, capacity building, and authentic family and community engagement, using a student-centered framework to promote inclusive student achievement, positive learning conditions, and the well-being of students, families, educators, and the community through a variety of engaging practices including the provision of wraparound services.

Concentration of Poverty Grant Program Funding Flexibility: Community schools are funded through the CPG program. The Blueprint initially required that all funding for community schools follow the student and go directly to the schools except for counties that had at least 40 community schools. In these counties, the local school system was authorized to spend up to 50% of CPG funds at the county level in a manner that directly benefits an eligible school. ***Chapter 237*** expanded this existing funding distribution flexibility to each county board that has at least 10 eligible community schools or if at least 35% of a local school system’s schools are eligible schools. Each county board that spends funds in this way must provide each eligible school with an itemized list of services provided, the amount of funds spent on each service, and the amount of funds spent on central administrative support.

Chapter 237 also altered the planning and implementation process to establish a community school. MSDE was authorized to establish requirements for community school implementation plans and countywide implementation plans. Either type of implementation plan must include measurable goals that will be measured at least once every two years. If MSDE determined that a community school had not expended funds in accordance with its implementation plan, MSDE may direct a county board to expend funds on behalf of the community school in accordance with the implementation plan.

Rental Assistance: Chapters 210 and 211 of 2024 established the Rental Assistance for Community School Families Program and a related fund to provide rental assistance to eligible student households at community schools. Payments may be made to recipients for up to 12 to 15 months under the program, and the payments may be used for relocation expenses and rental and utility payments, including arrearages and fines and fees related to rent and utilities.

Wraparound Services: Chapters 229 and 230 of 2024 expanded the definitions of “community school” and “wraparound services.” The definition of “wraparound services” was again expanded under **Chapter 602** to include the use of other evidence-based academic interventions to improve student outcomes through individual and small group instruction provided during the school day in addition to other authorized tutoring services.

Governance and Accountability

Expert Review Teams: To support implementation of the Blueprint at the school level, MSDE developed a comprehensive school review process conducted through Expert Review Teams (ERT). ERTs conducted school visits to support school and district leaders in the effectiveness of curriculum, instruction, interventions and behavioral health services designed to improve student learning and well-being. In light of concerns with design and implementation of the program, **Chapter 602** required MSDE to suspend operation of the ERT Program during the 2026-2027 school year. Funding allocated for the ERT Program in the fiscal 2027 Budget may be transferred to the Judith P. Hoyer Early Childhood Education Enhancement Program and similar funding transferred to that program may be transferred to the Academic Excellence Fund. By November 1, 2026, MSDE and AIB must jointly submit a report to the Governor and to specified General Assembly committees on plans for future implementation of the program.

Educator Shortages

An insufficient supply of new teachers and a high number of teachers exiting the profession has resulted in a significant number of teacher vacancies across the State. To combat this issue, numerous bills were passed establishing programs to attract more individuals to the teaching profession and retain trained teachers. Over the past couple years, the trend of increasing teacher vacancies has begun reversing. Teacher vacancies decreased over 45% in the 2025-2026 school year from the previous year. Still, there remains a focus on teacher preparation programs and recruitment efforts to further close the vacancy gap.

Educator Development and Retention

Chapter 627 of 2023 established and altered various programs and policies to encourage individuals to pursue teaching careers or retain professionals working in the education field. The Act established the Teacher Development and Retention Program and related special fund, and required MSDE, in collaboration with the Maryland Higher Education Commission, to establish specific goals for the recruitment and retention of teachers in teacher preparation programs throughout the State.

Chapter 627 significantly modified the eligibility requirements for the Teaching Fellows for Maryland scholarship, allowing more students to qualify and changing the parameters of their related service obligation. A scholarship recipient must pledge to work as public school or public prekindergarten teachers in the State upon completion of their studies at specified schools. The service obligation for undergraduate recipients is altered to a minimum of two years from one year for each year that the recipient had a scholarship awarded.

Initial Teaching Certificate

Chapters 187 and 188 of 2024 altered the requirements to qualify for an initial teaching certificate. The Acts repealed the requirement that a teacher preparation program include passing a nationally recognized portfolio-based assessment of teaching ability as a requirement for graduation, instead leaving this as one of several options. *Chapter 337 of 2025* amended this further by allowing an individual to pass a portfolio-based assessment developed by a nationally accredited teacher preparation program instead of passing a nationally recognized, portfolio-based assessment of teaching ability.

Teacher Induction

Chapters 187 and 188 also established requirements for comprehensive and rigorous comprehensive teacher induction programs established independently by a local school system or in collaboration with other local school systems.

Grow Your Own Educators Grant Program

Chapters 227 and 228 of 2024 established the Grow Your Own Educators Grant Program to provide support to eligible noncertified education support professionals and provisional teachers interested in teaching who pledge to fulfill a service obligation as a teacher employed full-time in a high-needs school, grade level, or content area in the State in which there is a shortage of teachers. Administered by MSDE, the program provides grants to local school systems in collaboratives for certain teacher candidates' expenses and program administration costs.

Chapter 237 altered the program to focus on experiential learning opportunities. The types of collaborative models that may be awarded grants under the program were expanded. Teacher candidate participants must be provided access to a mentor for the duration of their program. Also, teacher candidates may serve as a substitute teacher, subject to specified conditions.

Maryland Teacher Relocation and Incentive Grant

Chapter 237 established the Maryland Teacher Relocation Incentive Grant, to provide up to \$2,000 to incentivize out-of-state licensed teachers to move to the State.

Workgroup on Southern Maryland Early College Teacher Pathway Program

Chapter 766 of 2026 required the University System of Maryland to convene a workgroup and develop recommendations for establishing a Southern Maryland Early College Teacher Pathway Program to create a structured pathway for high school students in Southern Maryland to earn college credit and train to become primary and secondary education teachers.

Special Education

Special Education and Individuals with Disabilities

The federal Individuals with Disabilities Education Act (IDEA) requires that a child with disability be provided a free appropriate public education in the least restrictive environment from birth through the end of the school year in which the student turns 21 years old, in accordance with an individualized education program (IEP) specific to the individual needs of the child. If a parent disagrees with implementation of their child's IEP, the IDEA provides several pathways for resolving the dispute: mediation; a State complaint; or due process complaint. Several bills over the 2022-2026 term were passed to ensure access and accountability for special education services due to students with identified disabilities in accordance with the law.

Access to Attorneys, Advocates, and Consultants for Special Education: Chapters 170 and 171 of 2024 established the Access to Attorneys, Advocates, and Consultants for Special Education Program, administered by the Maryland Volunteer Lawyers Service and the Access to Attorneys, Advocates, and Consultants for Special Education Fund, administered by MSDE. The program directs resources and services to eligible students to provide access to legal, advocacy, and consultant services in special education matters. An eligible student is limited to a lifetime maximum of \$20,000 under the program. Notification of availability of the program must be provided in parent's rights documents distributed to families in IEP meetings and before mediation or due process hearings.

Award of Attorney's and Related Fees: Chapter 708 of 2023 authorized a court to award reasonable attorney's fees and related costs, including expert witness fees and costs, to the parent of a child with a disability, if the parent prevails in a proceeding that is held to resolve disputes about the identification, evaluation, or educational placements of children with disabilities or the provision of a free appropriate public education. However, a court may not award attorney's fees after the date a written offer of settlement is made to the parent, under certain conditions, unless the parent was substantially justified in rejecting the settlement offer.

Teacher Salaries in Nonpublic Schools: Chapter 648 of 2023 required a nonpublic school in which a child with a disability is placed to receive special education services to pay its teachers

a salary that is equivalent to the salaries of public school teachers of similar training and experience in the same county where the nonpublic school is located. Pay parity must be achieved within three years, with the phase-in beginning in fiscal 2024.

Blind and Visually Impaired Students

Chapters 749 and 750 of 2024 required county boards of education to annually determine the instructional materials that will be used in the upcoming school year for students with IEPs or Section 504 plans by March 15 each year. A county board of education must coordinate with the Instructional Resources Center to provide the instructional materials in a specialized format to students who are blind or visually impaired, no later than the first day of classes of the upcoming school year. The Acts also required that a contract between a county board and a publisher of pupil edition textbooks include a provision requiring the publisher to provide an electronic file of the textbook in a specified standard to the National Instructional Materials Access Center at the same time as that publisher provides the textbooks.

Statewide Education Policy and Governance

Education Policy

Academic Excellence Program: *Chapter 237* established the Academic Excellence Program within MSDE and a related special fund. The purpose of the program is to strengthen educator capacity by providing State-hired individualized literacy coaching to improve professional practice and targeted professional development. Regional coaching teams will support teachers in implementing evidence-based instructional strategies to improve student academic growth. *Chapter 237* prohibited any money from the Blueprint Fund from being used to fund the program.

Public School Accountability System: Maryland's educational accountability program was established by SBOE in the early 1990s and has been changed through various education reform efforts and requirements at the federal and State levels over the past three decades. During the past four-year term, MSDE convened a task force to examine and recommend improvements to the State's educational accountability program to improve alignment with requirements from federal law and the Blueprint and develop a rating system that more accurately reflects student achievement.

Chapter 593 of 2026 altered the requirements for the State's educational accountability system by increasing maximum weight that academic indicators may carry in a school's composite accountability score from 65% to 70%. The composite score must be reported showing the individual indicator scores, and no academic indicator of proficiency may be weighted as more than 20% of the composite score. *Chapter 593* also repealed the requirement that access to or credit for completion of a well-rounded curriculum be included as an academic indicator and prohibits SBOE from incorporating, referencing, or relying on teacher evaluations when establishing or calculating indicators for the State education accountability system.

Immigration Enforcement in Schools: In response to significant increases in federal enforcement of federal immigration laws by Immigration and Customs Enforcement under the federal Department of Homeland Security, throughout the country and in the State, numerous bills were introduced during the 2022-2026 term clarifying or establishing policies for government agency personnel interactions with immigration enforcement officers.

To ensure that public schools across the State are able to fulfill their legal responsibility to educate all children in a safe environment, regardless of immigration status, ***Chapter 161 of 2026*** prohibited public school personnel, including school resource officers, school security employees, and other specified law enforcement officers, from (1) being used at a public school for purposes of or engaging in immigration enforcement or (2) producing or sharing information or a document pertaining to student educational records or employee personnel records or any other information for purposes of immigration enforcement. It also required public school personnel to notify the county superintendent of an affected school or the county superintendent's designee if the school personnel is notified of immigration enforcement in a school.

Student Use of Electronic Devices: Recent research strongly suggests that student smartphone use, with immediate access to social media and gaming applications, is fueling a youth mental health crises, creating learning distractions in schools, and hindering social development in children. Consequently, states across the country are passing legislation banning or restricting cell phones in schools. ***Chapter 596 of 2026*** required each county board of education to develop and implement, by the 2027-2028 school year, a policy to prohibit the use of “electronic communication devices,” including cell phones and other similar communication devices, by students during the entire academic school day. A policy must prohibit the use of electronic communication devices, require students to store devices as specified, and prohibit a student from accessing or using a social media platform, as defined in the Act. Policies may not prohibit a student from using electronic communication devices in certain situations, such as accessing disability accommodations or health monitoring. Each county board must engage families in developing the policy and publicize it.

Restricting Book Bans in School Libraries: Nationally, some states have restricted access to or removed books from public libraries, especially in elementary and secondary schools, that include depictions of subjects some parents categorize as inappropriate for children. ***Chapters 129 and 130 of 2024*** established, as a policy of the State, that each local school system operate its school library media program consistent with standards that ensure the materials, services, and resources are not excluded from a library because of the content of the materials; the characteristics of the author; or the partisan, ideological, or religious viewpoint of the objector. The Acts also prohibited local school systems from taking certain retaliatory actions against certain school library media program personnel for performing their job duties consistent with the State policy. Each local school system was also required to develop and implement a policy and procedures to review objections to materials in the school library media program.

Sexual Abuse and Misconduct: ***Chapter 639 of 2026*** required MSDE to develop a model sexual abuse and misconduct response policy that includes specified components for use by local

school systems to respond to school-related allegations of sexual abuse and sexual misconduct. Each local school system must adopt a response policy based on the model policy developed by MSDE.

Governance

State Board of Education: SBOE consists of 13 regular members and 1 student member appointed by the Governor with the advice and consent of the Senate. Among the regular members, the Governor must appoint one teacher and one parent of a public school student. There is a growing trend of allowing regulated individuals to sit on regulatory boards, including the addition of the teacher member in 2019. Consistent with this trend, **Chapter 649 of 2026** authorized the Governor to appoint 1 regular member to SBOE who is an employee of a county board, who is not the teacher member, subject to specified conditions.

Personnel Policies

Antibias Training: Hate crimes and bias-motivated incidents have seen a steady, concerning upward trend in Maryland in recent years. The increase spans multiple categories driven by racial, ethnic, and religious biases, prompting legislation to expand tracking and prevention measures over the 2022-2026 term.

Chapter 128 of 2024 required MSDE to develop guidelines, and county boards of education to develop training, as specified, for an antibias training program for school employees that is job-embedded, paid training provided on nonteaching time. The guidelines are among other things, meant to reduce implicit bias, be culturally responsive to the needs of students, and combat discrimination and prejudices faced by historically marginalized groups. Building on this requirement, **Chapters 301 and 302 of 2025** required each member of a county board of education to complete an antibias training program at least once during their term. The training program must be the same as provided to public school employees; however, the antibias training for board members must be conducted separately from the training provided to public school employees.

School Psychologist Interstate Licensure Compact: Another significant trend over the last four years is occupational license mobility. Interstate licensure compacts allow for greater mobility for licensed professionals and assist in filling job shortages. **Chapters 616 and 617 of 2026** entered Maryland into the School Psychologist Interstate Licensure Compact, an interstate compact in which each member state must grant an equivalent license or renewal to practice school psychology upon application by licensees in member states who satisfy applicable criteria. The Acts detailed the conditions for entry into the compact, compact governance under the School Psychologist Interstate Licensure Compact Commission, compact financing, information exchange in the compact, and dispute resolution processes, among other provisions.

Technology and Data

Virtual Education: The abrupt change from in-person instruction to an all-remote learning model in March 2020 due to the COVID-19 pandemic had an immediate impact on student access

to instruction, student learning, and school resources. Local school systems and schools across the State struggled to provide student instruction using various remote learning models, with significant variation from one school system to the next and with limited success. The benefits and detrimental impacts of the unplanned and unstructured use of virtual instruction led to the need for the creation of a framework for virtual education of all types in Maryland’s public schools.

Chapter 804 of 2023 established requirements for virtual education days for school closures due to inclement weather; altered requirements for the establishment and operation of virtual schools by local school systems; and required county boards of education to adopt virtual education plans for the operation of public schools under a prolonged state of emergency. The Act also established requirements related to teacher training related to virtual education, including the use of online curriculum and expanding computer and Internet security infrastructure for virtual education. For counties to operate public schools through virtual education in a prolonged state of emergency, the Governor was required to have declared a state of emergency.

Recognizing the limitations of only allowing the prolonged closure of schools for statewide or regional states of emergencies declared by the Governor, **Chapters 598 and 599 of 2026** authorized the State Superintendent of Schools, subject to specified conditions, rather than the Governor, to declare a “prolonged state of emergency” for an event that prevents regular, in-person attendance at a public school for at least 14 consecutive school days.

Artificial Intelligence and Cybersecurity Policies: The use of artificial intelligence (AI) tools present critical challenges in education that require the development of proactive and systematic policies in key areas of academic integrity, data and student privacy, inaccuracy and bias, cognitive decline, and social and emotional impact. To begin addressing these issues, **Chapter 634 of 2026** tackles the use of AI tools in schools through several statewide policies designed to promote the safe, responsible use of AI in schools and for instruction. The Act required MSDE, in collaboration with specified stakeholders, to provide and publish guidance on AI to local school systems, educators and administrators, parents, and students through an online platform, subject to annual review and update. MSDE must develop and publish a rubric and other evaluative tools, as necessary, to assist local school systems in the evaluation of AI tools selected for use by a local school system.

The Act required each local school system to designate an AI coordinator to serve as liaison between the local school system and the State on the productive and ethical use of AI in the local school system. The Act also required MSDE to provide professional development in AI to educators and school leaders. Further, **Chapter 634** established the Maryland AI Education Collaborative on Artificial Intelligence in K-12 Education to (1) study the uses of AI in each local school system and (2) make findings and recommendations regarding development of guidance and best practices required by the Act, implementation of best practices for professional development, and the adoption of related policies and procedures as specified. Finally, MSDE, in consultation with the Governor’s Workforce Development Board, must ensure AI literacy is a component of workforce preparation standards and K-12 computer science standards.

Data Collection and Sharing: Chapters 100 and 101 of 2026 authorized the Governing Board of the Maryland Longitudinal Data System (MLDS) Center to allow the MLDS Center to provide individual-level student and workforce data to one third-party data center at a time and only to enable multistate research and reporting on student outcomes subject to specified conditions.

Chronic Absenteeism in Public Schools

Chronic absences of students are a significant issue in Maryland schools. Chronic absenteeism is defined as the percentage of students who are absent for at least ten percent or more of school days. In the 2022-2023 school year, baseline data indicated a statewide chronic absenteeism rate of 30%, a substantial increase from pre-COVID-19 pandemic levels of approximately 20%. **Chapter 243 of 2025** established the Task Force to Improve Attendance and Reduce Chronic Absenteeism in Schools. The task force was required to analyze data regarding chronic absenteeism by students in schools in the State; identify and evaluate local and national strategies and best practices to address chronic absenteeism; and identify differentiated and comprehensive responses for chronic absenteeism that prioritize prevention and intervention, among other duties.

Alternative Pathways to a High School Diploma

To obtain a high school diploma via an alternative pathway, a Maryland resident may take the GED, complete the National External Diploma Program, or attend an adult high school. These programs assist at-risk youth and adults by providing opportunities to access career training and increase earning potential outside of the traditional school system.

High School Diploma by Examination: Chapters 327 and 328 of 2025 required the Maryland Department of Labor (MD Labor) to allow an individual to take all components of the GED in either English or Spanish. Additionally, MD Labor must identify other appropriate languages in which to offer the GED and study the feasibility and cost of offering the examination in additional languages.

MDiplomaWorks: Chapters 168 and 169 of 2026 established the MDiplomaWorks Pathway within MD Labor to recognize and certify an eligible individual's high school diploma achievement through demonstrated academic and career competencies, including (1) earning industry-recognized credentials; (2) demonstrating foundational academic skills through formal assessments; (3) completing CTE coursework; and (4) completing an on-the-job learning experience.

County Boards of Education

Curriculum Discrepancies: In Maryland, SBOE adopts the content standards and frameworks (the knowledge and skills that every student must learn and apply at each grade level from prekindergarten to grade 12) and the county boards of education develop and adopt the curriculum (how teachers teach the content standards). The Maryland CCR Standards were

adopted in 2010 and undergo review by MSDE at least once every eight years. Department regulations require each county board to certify to MSDE that its adopted curriculum is aligned with State content standards. **Chapter 245 of 2025** clarified in law that the curriculum guides and courses of study adopted by county boards must align with State content standards adopted by SBOE. The Act established a process for correcting discrepancies identified by the State Superintendent of Schools in a county board's curriculum guides and courses of study that do not align with State content standards, including specified penalties.

Alternate Student Transportation: Subject to termination on June 30, 2026, Chapters 197 and 198 of 2021 authorized a county board to provide transportation for specified public school students to and from a school using a vehicle other than a Type I or Type II school vehicle (a yellow school bus) when a school vehicle could not reasonably be provided. These Acts required MSDE to consult with county boards and the Motor Vehicle Administration to adopt regulations establishing minimum vehicle and driver safety standards for the use of alternate student transportation vehicles.

Chapters 682 and 683 of 2026 repealed the termination provision, making the authorization for county boards to transport students using alternate vehicles permanent. Additionally, the acts required MSDE to review the regulations governing the use of alternate vehicles to transport specified students to examine the regulatory requirements for (1) authorized alternate vehicles; (2) drivers of alternate vehicles; and (3) Public Service Commission regulations for transportation network operators and whether those regulations could be brought into alignment with MSDE regulations without sacrificing student safety.

Health and Safety

Student Health

Student health and safety is the foundation of academic success. Healthy students have better attendance and higher engagement. Schools often act as the primary safety net for many disadvantaged students and can be used to bridge health disparities due to lack of access, low-income, or other barriers. As schools are called on to be community hubs, the legislature passed bills to ensure access to healthcare services and the safety of school facilities against harmful intrusions.

Student Telehealth Appointments: **Chapter 195 of 2024** required MSDE and the Maryland Department of Health (MDH) to, in consultation with specified stakeholders, jointly develop State guidelines for student health services to accommodate student participation in telehealth appointments during the school day on middle or high school premises after consideration of specified issues. SBOE must adopt the State guidelines. On or before the start of the 2025-2026 school year, each county board of education must adopt a student telehealth policy and provide notice of the policy in a specified manner.

Corporal Punishment Prohibited in Public Schools: Corporal punishment is the infliction of physical punishment as retribution for an offense or for disciplinary purposes. It has been

prohibited as a method of discipline in public schools since 1993. Each county board of education must adopt regulations designed to create and maintain an atmosphere of order and discipline necessary for effective learning in public schools.

Chapter 671 of 2023 generally required SBOE to identify methods to find and eliminate any instance of corporal punishment administered to discipline any student in the State. Specifically, the Act prohibits SBOE from issuing a certificate of approval to any noncollegiate educational institution (nonpublic primary or secondary school) that does not have a policy prohibiting any employee from administering corporal punishment to discipline a student. Additionally, **Chapter 671** required that regulations adopted by SBOE for registration of family child care homes and large family child care homes and for the licensing and operation of child care centers prohibit the administration of corporal punishment to discipline a child by a child care provider in any of these settings.

Anaphylactic Food Allergen Guidelines: Chapter 770 of 2023 required MSDE and MDH to jointly update, by August 1, 2023, the Maryland State School Health Services guidelines to reduce the risk of exposure to anaphylactic major food allergens in classrooms and common areas. Each local board of education must adopt and implement the updated guidelines before the 2024-2025 school year. Each public school must develop a system to disclose, within a reasonable time before service, the foods served in the school and the major food allergens contained in them.

Bronchodilators Use, Availability, Training, and Policies: Chapter 279 and 280 of 2024 required MDH, in consultation with county boards of education, to establish a policy for public schools to authorize the school nurse and designated school personnel to administer a bronchodilator to a student who is determined by an individual with specified training to be or perceived to be experiencing asthma-related symptoms or is perceived to be in respiratory distress and requires that bronchodilators and modes of delivery be stored in public schools to be used in an emergency situation.

Cardiac Emergency Response Plans for Athletic Facilities: Chapter 163 of 2024 required each public middle and high school to include a cardiac emergency response plan (CERP) that includes specified items as a component of its venue-specific emergency action plan for athletic facilities. The plan must be annually reviewed and updated by each middle school and high school. The Act also required each nonpublic middle school and high school that receives State funding to develop a venue-specific emergency action plan for all athletic facilities that includes specified components, including use of automated external defibrillators, a heat acclimatization plan, and CERP.

School Safety

Active Shooter Drills: Chapter 182 of 2024 prohibited active shooter drills or trainings in schools from including specified activities that may be traumatic for students or school personnel and include specified notice, follow-up, and data collection requirements.

Secure Schools Emergency Response Grant Program: Chapter 293 of 2024 established the Secure Schools Emergency Response Grant Program in the Maryland Center for School Safety (MCSS). The purpose of the program is to provide grants to local school systems to improve emergency notification systems and communication between public elementary and secondary school personnel, a public safety answering point, and a public safety agency during emergency events.

School Mapping Data Program: Chapters 166 and 167 of 2024 created the School Mapping Data Program in MCSS to provide funds to local school systems to produce school mapping data for each public school in the county, including charter schools. The Interagency Commission on School Construction must adopt facility mapping standards for the uniform mapping of the physical attributes of public schools.

Student Safety

Restorative Practices Schools: SBOE must establish guidelines that define a State code of discipline for all public schools with standards of conduct and consequences for violations of the standards. SBOE must also (1) upon request, provide technical assistance and training to county school boards on the use of restorative approaches (renamed restorative practices under the Act) and (2) assist each county school board with implementing the guidelines. ***Chapters 240 and 241 of 2025*** required MSDE, on or before July 1, 2026, and in consultation with specified stakeholders, to develop a comprehensive plan for the establishment of restorative practices schools that includes specified components. If a county board of education chooses to establish a restorative practices school within the local school system, the county board must use the comprehensive plan developed by MSDE.

Notification of Incidents of Student Elopement: Chapter 339 of 2025 required that each time a student attempts or accomplishes an elopement (leaving a school campus without the permission of a responsible school staff member), the school must notify the student's parent or guardian on the same day the incident occurred. At least one time each year, a school or a student's IEP team must review and address wandering or elopement behavior in updating the student's IEP or behavioral intervention plan. The Act applies to public schools, MSB, MSD, and nonpublic schools. A school must develop policies and procedures to implement the requirements of the Act.

Higher Education

Higher Education Funding

As shown in **Exhibit L-1**, from fiscal 2023 to 2027, total State support for higher education increased 15.9%, or \$461.5 million, including both general and special funds. The primary reason for this increase is the change in State support for higher education from fiscal 2023 to 2024, which increased by 13.6%, or \$393.5 million. In contrast, from fiscal 2024 to 2025, funding increased 0.3%, or \$8.9 million; from fiscal 2025 to 2026, funding increased 1.5%, or \$49.1 million; and from fiscal 2026 to 2027, funding increased 0.3%, or \$10.1 million.

Exhibit L-1
State Support for Higher Education
Fiscal 2023-2027
(\$ in Millions)

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u> <u>Working</u>	<u>2027</u> <u>Allowance</u>	<u>2023-2027</u> <u>\$ Change</u>	<u>% Change</u>
USM ¹	\$1,929.5	\$2,174.4	\$2,269.1	\$2,263.2	\$2,268.5	\$338.9	17.6%
MSU	140.4	164.4	178.5	175.9	178.1	37.8	26.9%
SMCM	34.1	40.7	40.6	42.9	46.2	12.1	35.6%
HBCUs Settlement ²	37.5	58.0	62.2	61.9	60.7	23.2	62.0%
Community Colleges ³	434.8	476.0	478.3	505.0	518.5	83.6	19.2%
BCCC	44.7	49.9	48.3	48.4	48.6	3.8	8.5%
Independent Institutions	118.6	137.1	72.6	73.3	73.3	-45.3	-38.2%
MHEC Student Financial Aid ⁴	157.0	189.5	149.4	177.4	164.3	7.2	4.6%
Total	\$2,896.6	\$3,290.0	\$3,298.9	\$3,348.0	\$3,358.1	\$461.5	15.9%
\$ Change from Prior Year		\$393.5	\$8.9	\$49.1	\$10.1		
% Change from Prior Year		13.6%	0.3%	1.5%	0.3%		

BCCC: Baltimore City Community College HBCU: historically Black college and universities MSU: Morgan State University
MHEC: Maryland Higher Education Commission SMCM: St. Mary's College of Maryland USM: University of Maryland System

¹ Funds for USM, MSU, and SMCM include general funds and funding from the Higher Education Investment Fund.

² HBCUs Settlement funding includes special funds from the Cigarette Restitution Fund in fiscal 2025 and 2027.

³ Community College funds include the Senator John A. Cade formula, other programs, and fringe benefits.

⁴ Does not include special funds from the Need-Based Student Financial Assistance Fund.

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

Source: Maryland State Budget Books; Department of Legislative Services

University System of Maryland and Morgan State University

For University System of Maryland (USM) institutions from fiscal 2023 to 2027, funding increased 17.6%, or \$338.9 million. This increase reflects annualization of fiscal 2023 salary increases and general salary increases in fiscal 2024, offset by adjustments in the turnover rate in fiscal 2025; an overall decrease in funding in fiscal 2026; and changes to the budgeting of general salary increases across years. For Morgan State University (MSU), from fiscal 2023 to 2027, funding increased 26.9%, or \$37.8 million. This increase includes \$10.4 million for annualization of fiscal 2023 general salary increases and increments as well as general salary increases in fiscal 2024 to 2027.

Historically Black Colleges and Universities (HBCU) Settlement Funding: As mandated in Chapters 41 and 42 of 2021, fiscal 2023 was the first year for eligible HBCUs – MSU, Bowie State University (BSU), Coppin State University (CSU), and the University of Maryland Eastern Shore (UMES) – to receive settlement funding. (Those Acts required provision of an additional \$577.0 million over 10 years, through fiscal 2032 to be distributed to and used as specified by the HBCUs, contingent on a final settlement of the *Coalition for Equity and Excellence in Maryland Higher Education, et al. v. Maryland Higher Education Commission, et al.* lawsuit by June 1, 2021.) From fiscal 2023 to 2027, the four HBCUs received a total of \$280.3 million, including \$226.9 million in general funds and \$53.4 million in special funds from the Cigarette Restitution Fund. Over this five-year period, MSU received \$124.0 million, BSU received \$77.1 million, CSU received \$41.7 million, and UMES received \$37.5 million.

University of Maryland Strategic Partnership Act: Since fiscal 2018, the State has committed \$169.0 million to establish a strategic partnership between the University of Maryland, College Park Campus (UMCP) and University of Maryland, Baltimore Campus (UMB), as defined in Chapter 25 of 2016 as amended. From fiscal 2023 to 2027, the partnership received a total of \$119.0 million as follows:

- \$44.0 million for the MPowering Steering Council distributed equally between UMCP and UMB, which includes \$14.0 million mandated in fiscal 2023 and 2024 and \$10.0 million mandated annually starting in fiscal 2025;
- \$42.5 million for the Center for Economic and Entrepreneur Development at UMCP, mandated at \$8.5 million annually; and
- \$32.5 million for the Center for Advanced Ventures at UMB, mandated at \$6.5 million annually.

Other Notable Mandated Funding: Certain USM institutions received mandated funding for the following programs for the first time between fiscal 2023 and 2027:

- \$7.0 million in fiscal 2024 and \$5.0 million annually starting in fiscal 2025 for the USM School of Medicine to provide clinical care at the University of Maryland Capital Region

Medical Center, as mandated in Chapter 418 of 2021 and amended by **Chapter 181 of 2024**;

- \$5.0 million in fiscal 2024 only as mandated in Chapter 623 of 2022 to fund workforce development initiatives at the Universities at Shady Grove Regional Higher Education Center;
- \$1.5 million annually in fiscal 2024 to 2027 as mandated in Chapter 637 of 2022 for the Institute for Public Leadership at UMCP;
- \$1.5 million in fiscal 2026 and \$3.0 million in fiscal 2027, with amounts increasing by \$6.0 million annually through fiscal 2029 for the University of Maryland Institution for Health Computing, as mandated in **Chapter 181**;
- \$350,000 from fiscal 2024 to 2026 for the UMCP Consumer Health Information Hub as mandated in Chapter 679 of 2022 and as amended by **Chapter 657 of 2026**, which instead establishes that the hub continue to operate to the extent funding is available;
- \$250,000 in fiscal 2024 and 2025, as mandated in Chapter 574 of 2022 for the University of Maryland Center for Environmental Science (UMCES) for evaluation related to oyster substrate and planting; and
- \$150,000 annually starting in fiscal 2025 to the University of Maryland Extension at UMCP to administer the educational components of the Maryland Native Plants Program as mandated in **Chapters 489 and 490 of 2023**.

St. Mary's College of Maryland

For St. Mary's College of Maryland (SMCM), funding from fiscal 2023 to 2027 increased 35.6%, or \$12.1 million. This was based primarily on increases in the school's inflationary formula and changes enacted in Chapter 607 of 2022, which further augmented SMCM's funding to include 100.0% of cost-of-living adjustments for State-supported employees starting in fiscal 2024.

Community Colleges

For community colleges, funding from fiscal 2023 to 2027 increased 19.2%, or \$83.6 million, including funding for fringe benefits. In fiscal 2024, community colleges received a funding formula increase to 29.0% of the funding provided to public four-year institutions; however, this funding was rebased to 27.2% in the Budget Reconciliation and Financing Act (BRFA) of 2024 (**Ch, 717**). The BRFA of 2026 (**Ch, 6**) capped funding growth for each community college at 3.0% of the previous year's funding level for fiscal 2027 through 2029. In addition, the BRFA of 2025 (**Ch, 604**) permanently shifted \$4.8 million of the State share of employer contributions in retirement costs for employees of community college to local jurisdictions. The

BRFA of 2026 subsequently shifted 50.0%, or \$2.3 million, of the year-over-year increase in retirement costs to local jurisdictions in perpetuity.

For Baltimore City Community College (BCCC) (the only State-operated community college), funding from fiscal 2023 to 2027 increased 8.5%, or \$3.8 million. From fiscal 2023 to 2026, BCCC's allowance included a hold-harmless adjustment based on declining full-time equivalent student (FTES) enrollment, which maintained the funding level from the prior fiscal year. In fiscal 2027, BCCC's FTES enrollment increased by 16.1% year-over-year, which brought the college out of hold-harmless status for the first time since fiscal 2014. The BRFA of 2026 temporarily reduced from 68.5% to 67.5% the per FTES statutory funding level for fiscal 2027 through 2029.

Independent Institutions

For independent institutions, funding from fiscal 2023 to 2027 decreased by 38.2%, or \$45.3 million. From fiscal 2023 to 2024, independent institutions received a 15.6%, or \$18.5 million increase related to salary annualization and general increases. In fiscal 2025, independent institutions were to receive \$133.9 million through the Joseph A. Sellinger Program formula, which was \$7.5 million lower than anticipated due to the Department of Budget and Management breaking with its past practice of using the enrollment projections prepared by the institutions to calculate the funding per FTES and instead using the Maryland Higher Education Commission's (MHEC) enrollment projections. In addition, provisions in the BRFA of 2024 changed the FTES data used to determine the allocation of Sellinger funds among the institutions from total FTES enrollment to only using undergraduate FTES enrollment. The BRFA of 2024 also increased the statutory percentage in the Sellinger formula from 15.5% to 16.1%. When combined, these changes resulted in a total of \$72.6 million in Sellinger formula funding in fiscal 2025, which was a decrease of \$62.3 million, or 47.0%, from fiscal 2024. The BRFA of 2026 funded the formula for independent institutions at the fiscal 2026 level, not only in fiscal 2027 but also in fiscal 2028 and 2029 and specified the distribution of funds.

Student Financial Assistance

General funds for State student financial assistance programs increased 4.6%, or \$7.2 million. Selected increases in funding tied to these programs are as follows:

- \$12.0 million for the Delegate Howard P. Rawlings Educational Excellence Awards (EEA) Program, which includes a minimum appropriation of \$112.0 million annually (up from \$100.0 million) beginning in fiscal 2024 as mandated under Chapter 23 of 2022;
- \$10.0 million in fiscal 2025 for the Teacher Development and Retention Program established under **Chapter 627 of 2023** as amended (originally added for fiscal 2024 as part of legislative priorities in the 2023 session but appropriated to the wrong agency);

- \$5.0 million for the Nancy Grasmick Public School Professional Award added as part of legislative priorities in the 2023 session, contingent on **Chapter 627**;
- \$1.0 million for the Pilot Program Human Services Careers Scholarship added as part of legislative priorities in the 2023 session, contingent on **Chapter 100 of 2023**; and
- \$400,000 for the James Proctor Scholarship beginning in fiscal 2024 as mandated in Chapter 23.

Decreases to student financial assistance programs were primarily due to reductions in the mandated annual funding requirements in budget reconciliation and financing legislation as follows:

- \$8.0 million net for the currently configured Maryland Police Officers, Probation Agents, and Correctional Officers Scholarship, reflecting a \$3.5 million reduction from the original mandated level of \$8.5 million to \$5.0 million (**Chapter 100**), another \$3.0 million reduction beginning in fiscal 2026 (BRFA of 2025), and another \$1.5 million reduction beginning in fiscal 2027 (BRFA of 2026), decreasing the ongoing annual mandate to \$500,000;
- \$1.0 million, net, for the currently configured Maryland Loan Assistance Repayment Program (LARP) for Police Officers, Probation Agents, and Correctional Officers, reflecting an initial \$3.5 million increase from the original mandated level of \$1.5 million to \$5.0 million – essentially a shift of funding from the corresponding scholarship to the LARP program) (**Chapter 100**), a subsequent \$3.0 million reduction beginning in fiscal 2026 (BRFA of 2025), and another \$1.5 million reduction beginning in fiscal 2027 (BRFA of 2026), decreasing the ongoing annual mandate to \$500,000; and
- \$1.5 million for the Maryland Community College Promise (MCCP) Scholarship as modified in the BRFA of 2025, decreasing the mandated amount from \$15.0 million to \$13.5 million beginning in fiscal 2026.

Capital Program

Exhibit L-2 shows the allocation of capital support by institution. From fiscal 2024 to 2027, higher education capital funding totaled \$2.0 billion, including general and special funds, general obligation bonds, and Academic Revenue Bonds (ARBs). This amount includes \$1.5 billion for public four-year institutions (USM institutions, MSU and SMCM), \$280.1 million for the State's 16 community colleges (including BCCC), and \$49.5 million for independent institutions. ARBs are issued directly by USM (with MSU and SMCM having similar authority) to construct or renovate academic facilities; these institutions must submit legislation to authorize debt issuances. Legislation enacted during this period authorized \$30.0 million in ARBs for USM in fiscal 2024 (**Chapter 160 of 2023**), \$30.0 million in fiscal 2025 (**Chapter 721 of 2024**),

\$30.0 million in fiscal 2026 (*Chapter 316 of 2025*), and \$50.0 million in fiscal 2027 (*Chapter 601 of 2026*).

Exhibit L-2
Higher Education Capital Funding by Institution
Fiscal 2024-2027
(\$ in Thousands)

<u>Institution</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>Four-year Total</u>
UMB	\$9,126	\$31,368	\$42,924	\$48,324	\$131,742
UMCP	68,140	89,920	78,700	72,425	309,185
Bowie State University	68,234	9,983	2,230	8,302	88,749
Towson University	67,338	32,474	71,402	59,393	230,607
UMES	13,228	8,550	1,000	1,000	23,778
Frostburg State University	500	0	1,000	100	1,600
Coppin State University	1,000	12,136	0	2,000	15,136
University of Baltimore	0	0	0	500	500
Salisbury University	2,223	27,629	35,011	1,124	65,987
UMGC	650	1,249	0	1,000	2,899
UMBC	23,839	18,265	26,741	9,087	77,932
UMCES	11,033	0	0	0	11,033
USM Office ¹	29,934	36,634	32,100	27,906	126,574
<i>Subtotal – USM Institutions</i>	<i>\$295,245</i>	<i>\$268,208</i>	<i>\$291,108</i>	<i>\$231,161</i>	<i>\$1,085,722</i>
Morgan State University	\$85,874	\$39,240	\$104,236	\$147,577	\$376,927
St. Mary’s College of Maryland	4,694	2,350	0	3,230	10,274
Independent Institutions	14,250	8,000	8,000	19,200	49,450
Baltimore City Community College	9,384	5,289	18,000	10,790	43,463
Community Colleges	72,116	41,657	63,240	59,610	236,623
Total	\$481,563	\$364,744	\$484,584	\$702,729	\$2,033,620

UMB: University of Maryland, Baltimore Campus

UMBC: University of Maryland Baltimore County

UMCES: University of Maryland Center for Environmental Science

UMCP: University of Maryland, College Park Campus

UMES: University of Maryland Eastern Shore

USM: University System of Maryland

¹ Includes Rita Colwell Center deferred maintenance.

Note: Funds include Academic Revenue Bonds (USM only), general obligation bonds, and general and special funds. Numbers may not sum to total due to rounding.

Source: Department of Legislative Services

Maryland 529 Program – Savings Plans

Transfer of Administration to the State Treasurer

Chapter 113 of 2023 transferred the Maryland 529 Program, including all administrative facets of the Maryland Senator Edward J. Kasemeyer Prepaid College Trust (MPCT), the Maryland Senator Edward J. Kasemeyer College Investment Plan and related State matching contributions (Save4College), the Maryland Achieving a Better Life Experience Program, and the statutorily authorized but unestablished Maryland Broker-Dealer College Investment Plan, from the Maryland 529 Board to the State Treasurer and abolished the Maryland 529 Board. The State Treasurer – as the successor of the board – assumed fiduciary duties and responsibility for administering the Maryland 529 Program. All appropriations, including State and federal funds held by agencies and units of the State to carry out the functions, programs, and services were transferred to the State Treasurer’s Office. The fiscal 2024 budget included an appropriation of \$6.7 million to facilitate this transfer.

Likewise, the transfer included all employees, functions, powers, duties, books and records, real and personal property, equipment, fixtures, assets, liabilities, obligations, credits, rights, and privileges of Maryland 529. All existing laws, regulations, and other mandates or responsibilities continued to be in effect and were legally binding on the State Treasurer until otherwise ended; any regulations adopted by the Maryland 529 Board prior to June 1, 2023, continued to be in force and effect unless otherwise altered by the State Treasurer. The Act also altered some responsibilities of the State Treasurer relative to the responsibilities of the board. For example, instead of an executive director of Maryland 529, the State Treasurer was required to appoint a deputy treasurer to administer the program.

Prohibition on Establishing Certain New Prepaid Contracts

Under the Act, the State Treasurer may not establish new prepaid contracts or extend or upgrade any existing prepaid contracts under MPCT nor may any account holder enter into new prepaid contracts or extend or upgrade any existing prepaid contracts under MPCT. Also, the State Treasurer may only allow the transfer of funds from any other qualified State tuition program into an MPCT account for the purpose of contributing funds toward an existing contractual obligation. Although no new MPCT accounts may be opened, the State Treasurer must still allow accounts to be rolled over from MPCT and transferred to any other qualified tuition program. Various provisions govern the treatment of ongoing claims against MPCT.

College Affordability

Newly Created Scholarships and Related Programs

Targeted Human Services Careers: Chapter 100 established the Pilot Program for Human Services Careers and a companion Pilot Program Human Services Careers Scholarship. The purpose of the pilot program is to (1) encourage collaboration between the Department of Human Services (DHS) and eligible local school systems to assist students in establishing careers in

targeted positions within DHS and (2) assist current DHS employees and employees in certain positions to establish careers in targeted positions, which by definition includes social workers, child support specialists, family investment specialists, family support workers, and family ‘SVS’ caseworkers in Baltimore City and Baltimore and Prince George’s counties. The companion scholarship provides assistance to students enrolled in a program at a public higher education institution in Maryland that will enable them to obtain a credential or degree necessary to work in or further a career in a targeted DHS position specifically in the three jurisdictions.

The Office of Student Financial Assistance (OSFA) within MHEC and DHS must publicize the availability of the scholarship, including providing information on it to every employee in a targeted position. DHS must identify and select eligible applicants for the scholarship, prioritizing those who participated in the Pilot Program for Human Services Careers. A scholarship recipient must (1) be a Maryland resident or a graduate of a Maryland high school; (2) be accepted for admission or currently enrolled at a public higher education institution (either a community college or a senior institution) in the State in a relevant program; (3) sign a letter of intent to perform a service obligation (work in a targeted position for at least five years during the eight-year period immediately following high school graduation) on completion of the recipient’s required studies (though the service obligation may include work in a targeted position while a student is attending an eligible institution); (4) maintain a cumulative GPA of at least 2.5 on a 4.0 scale; and (5) satisfy any additional criteria established by OSFA or DHS. DHS must work in collaboration with a scholarship recipient to develop a work schedule that enables the recipient to maintain a course load consistent with the intent of the pilot program. A scholarship recipient must repay scholarship funds to OSFA if the recipient does not satisfy the degree requirements of the eligible course of study or perform the service obligation after graduation.

Fallen and Surviving Transportation Workers: Among other measures related to the collapse of the Francis Scott Key Bridge on March 26, 2024, ***Chapters 2 and 3 of 2024***, the Maryland Protecting Opportunities and Regional Trade Act, established the Fallen Transportation Workers Scholarship Program. The program and a related special fund provides tuition assistance to a student who was a dependent of or is the surviving spouse of a “fallen transportation worker” – defined as an individual (1) whose occupation is in the construction, rehabilitation, or operation of a transportation facility or transportation facilities project in the State and (2) who died on or after January 1, 2022, as a result of an accident occurring while the individual was performing any job duty necessary to their occupation. To receive assistance, that student must be accepted for admission or enrolled in a regular undergraduate, graduate, or professional program at an institution of postsecondary education in the State.

Chapters 712 and 713 of 2026 (1) authorized awards from the Fallen Transportation Workers Scholarship Program for surviving transportation workers as defined and certain additional individuals related to surviving and fallen transportation workers and (2) specified that the scholarship can be used for the total cost of attendance. The Acts also renamed the scholarship as the Fallen and Surviving Transportation Workers Scholarship Program.

Practical Applications of Real Estate Appraisal (PAREA): Chapters 743 and 744 of 2026 established the PAREA Grant program in MHEC to assist in (1) closing appraisal gaps that occur in historically redlined neighborhoods and underrepresented communities and (2) diversifying the appraisal field. The program provides grants to minorities who reside in certain neighborhoods and communities with the goal of becoming real estate appraisers.

Expansion of Existing Scholarships and Related Programs

Police Officers, Probation Agents, and Correctional Officers: Two existing programs – the Maryland LARP for Police Officers and the Maryland Police Officers Scholarship Program, originally established by Chapter 59 of 2021 (the Maryland Police Accountability Act of 2021) – were modified several times during the term. The LARP was initially designed to assist eligible officers who meet specified requirements, including eligible employment as a police officer in the State for at least two years, in the repayment of a higher education loan. The scholarship was initially designed to provide tuition assistance for individuals (1) attending a degree program that would further the student’s career in law enforcement at an “eligible institution”, with the intent to be a police officer after graduation or (2) who are currently police officers attending a degree program that would further the police officer’s career in law enforcement at an eligible institution.

Chapter 100 expanded both programs to encompass parole and probation agents and related personnel and renamed the programs accordingly. Thus, parole and probation agents, including supervisors or regional administrators for the Department of Public Safety and Correctional Services, could qualify for the scholarship as well as the LARP, with the same two-year employment requirement for it. ***Chapter 252 of 2024*** altered the definition of an “eligible institution” for the scholarship to include a community college in the State.

As discussed earlier, required annual funding for both programs was modified by ***Chapter 100*** as well as the BRFA of 2025 and 2026. The BRFA of 2025 also repealed the requirement – added by Chapter 100 – that the mandated funding for the scholarship be split as one-half for students intending to become police officers or probation agents after graduation and the other half for existing police officer and probation agents to attend an eligible institution and remain in their positions after graduation.

Chapter 679 of 2026 added correctional officers as eligible recipients for both the LARP and scholarship programs and renamed each of them to reflect this inclusion – specifically as the Maryland LARP for Police Officers, Probation Agents, and Correctional Officers and the Maryland Police Officers, Probation Agents, and Correctional Officers Scholarship Program. ***Chapters 680 and 681 of 2026*** likewise expanded the scholarship to include correctional officers and renamed that program accordingly; in addition, those Acts extended eligibility for the scholarship to individuals enrolled in certificate programs.

MCCP Scholarship: In addition to the mandated funding noted earlier, during the term, several changes were made to the MCCP Scholarship – a last-dollar assistance program to help community college students pay tuition and mandatory fees. Among other provisions, ***Chapter 634 of 2023*** altered eligibility for, applicable priority, and administration of the scholarship. Under the

Act, an MCCP Scholarship recipient may enroll in no fewer than 6, rather than 12, credits per semester to retain the scholarship – thereby expanding eligibility. Even so, priority must be given to prior-year recipients who remain eligible for the program as well as all eligible students who are enrolled in either at least 12 credits per semester or a sequence of credit or noncredit courses that lead to licensure or certification.

The Act also shifted responsibility for the selection and distribution of awards from OSFA to each community college in the State. Instead of applying directly to OSFA, a student may apply annually to a Maryland community college located in the county or, in the case of a regional community college, the region in which the applicant lives. The Act continued to allow, if an applicant's community college or regional community college does not offer the degree or certification program in which the applicant wants to enroll, for an applicant to apply outside of the region where the applicant lives. OSFA must allocate MCCP Scholarship funding to each community college in the State based on the proportion of Pell Grant-eligible students at the community college. If a community college does not award all allocated funding, the community college must distribute the remaining funding to other community colleges for MCCP Scholarship awards in that year.

Each community college must provide MHEC with an audit that shows proof of proper verification and award of scholarships. OSFA must review these audits at least once every three years. If OSFA determines that an award was made in error, the community college that made that award must remit the total amount associated with it to MHEC. Remitted funds must be paid to the Need-Based Student Financial Assistance Fund, and the community college may not require a student to repay any such award made in error.

Chapter 355 of 2024 changed eligibility requirements for the MCCP Scholarship for certain applicants. Thus, requirements related to GPA attainment and submission of the Free Application for Federal Student Aid (FAFSA) (unless enrolling in a noncredit program for which a federal Pell Grant may be used) do not apply to individuals who (1) enroll in a noncredit vocational certificate program; (2) enroll in a sequence of noncredit courses leading to licensure or certification; or (3) participate in a registered apprenticeship program.

To be eligible for the program, without the exemption in the Act, a student must (1) be eligible for in-state tuition; (2) enroll at a community college in an eligible program; (3) have earned at least a 2.3 high school GPA at the end of the first semester or the end of the senior year (unless the applicant graduated from high school five or more years before the date of application) for an initial award or have earned at least a 2.5 GPA while enrolled at a community college in the State; and (4) have a gross adjusted income of \$100,000 or less if the applicant is single or resides in a single-parent household or of \$150,000 or less if married or resides in a two-parent household. As applicable, a FAFSA must be submitted on a timely basis.

Chapters 377 and 378 of 2025 allowed part-time associate degree students to receive MCCP Scholarship awards for up to six years while maintaining the three-year maximum for full-time associate degree students and other eligible recipients. The Acts also clarified that

students pursuing licensure, certification, or participating in a registered apprenticeship program may receive the award for up to three years.

Teaching Fellows for Maryland Scholarship: **Chapter 627** allowed more students to qualify for and changed the service obligation parameters associated with the Teaching Fellows for Maryland Scholarship. More specifically, the Act repealed the requirement that a recipient be a Maryland resident or have graduated from a Maryland high school and broadened the academic requirements such that a recipient must only continue to make satisfactory progress toward a degree and maintain the standards of the institution. OSFA must focus on publicizing availability of the scholarship at HBCUs to teaching assistants and other educational support staff currently working in public schools and publicly funded prekindergarten programs in a manner that promotes the program to students who are members of groups that are underrepresented in the teaching profession.

EEAs: The Delegate Howard P. Rawlings EEA Program consists of two types of awards for full-time undergraduate students: Guaranteed Access (GA) grants, which are awarded to the neediest students to ensure that 100% of educational costs are paid, and Educational Assistance grants, which are awarded to low- and moderate-income students to assist in paying educational costs. **Chapter 634** altered requirements for GA grants to allow more individuals to qualify for or retain their awards. Specifically, the Act altered certain requirements such that recipients must (1) no longer attain a GPA of at least 2.5 on a 4.0 scale at the end of the first semester of the senior year in high school; (2) begin college within six years (rather than one year) of completing high school (or achieving a passing score on the diploma by examination); (3) be younger than age 26 (rather than 22) at the time of receiving the first award; and (4) no longer have successfully completed a college preparatory program in high school. The Act removed the requirement that a student who prequalifies for a GA grant agree in writing to refrain from substance abuse and lowered the minimum score required on each module for individuals who received a diploma by examination.

Chapter 634 also required institutions of higher education to establish a process to transfer the notification and issuance of EEA and GA awards from MHEC's OSFA to institutions of higher education. However, due to a variety of reasons, as of calendar 2026, OSFA has not implemented this transfer and continues to process GA awards. Accordingly, **Chapters 98 and 99 of 2026** delayed transfer of GA award notification and issuance responsibility from OSFA to institutions of higher education until the 2029 to 2030 financial aid award year.

Veterans of the Afghanistan and Iraq Conflicts Scholarship: While **Chapters 733 and 734 of 2023** renamed the scholarship after Douglas J. J. Peters, **Chapter 176 of 2024** expanded eligibility for it by repealing the terminal dates of eligibility. Thus, to be eligible for a scholarship, in addition to other eligibility requirements, an individual must have served in (1) Afghanistan or contiguous air space, as defined in federal regulations on or after October 24, 2001, or (2) Iraq or contiguous waters or air space, as defined by federal regulations on or after March 19, 2003. In addition, **Chapters 58 and 59 of 2026** further expanded eligibility by repealing language that prevented MHEC from issuing an initial award for the scholarship after June 30, 2030.

Conroy and Cryor Memorial Scholarships: Chapters 693 and 694 of 2023 expanded the circumstances under which surviving spouses of members of the U.S. Armed Forces are eligible to apply for the Edward T. and Mary A. Conroy Memorial Scholarship. Specifically, a surviving spouse is eligible for the scholarship if the service member (1) died as a result of military service after December 7, 1941, or (2) was declared to be a prisoner of war or missing in action as a result of the Vietnam conflict. A surviving spouse of a service member who suffered a service-connected 100% permanent disability continues to be eligible, regardless of the date of disability.

Chapter 798 of 2026 modified the allocation method for the Edward T. and Mary A. Conroy Memorial Scholarship and the Jean B. Cryor Memorial Scholarship and required MHEC to establish a formula as specified to distribute funds to higher education institutions subject to the availability of funds provided in the State budget. MHEC must also prioritize awards for current scholarship recipients before awarding funds to new applicants.

Firefighter and Ambulance Rescue Squad Member Scholarship: Chapters 223 and 224 of 2024 altered the Charles W. Riley Firefighter and Ambulance Rescue Squad Member Scholarship to (1) authorize individuals who enroll in courses (rather than programs) to receive the award; (2) reduce maximum award amounts; (3) require that initial awards be provided to scholarship recipients on a first-come, first-served basis; and (4) specify that any student financial aid other than a student loan must be credited to the recipient's tuition before the calculation of any award amount provided through the scholarship.

Legislative Scholarships: Chapters 174 and 175 of 2024 authorized MHEC to waive the minimum semester hour requirements for part-time senatorial or delegate scholarships on request of an applicant with a documented disability.

Janet L. Hoffman LARP: The Janet L. Hoffman LARP helps repay the student loans of individuals working in specified public service positions, including those within State and local governments and nonprofit organizations serving underserved populations in the State. **Chapter 627** expanded the eligibility for the Nancy Grasmick Teacher Award within the Janet L. Hoffman LARP to include any mental health professional who provides mental health services in public schools (and is employed by a local school system or a local health department to provide school health services). Accordingly, the Act renamed the award the Nancy Grasmick Public School Professional Award. A mental health professional includes a school psychologist, resource psychologist, psychologist coordinator, social worker, social worker supervisor, school counselor, or mental health coordinator.

Chapters 250 and 251 of 2024 further expanded eligibility for the Nancy Grasmick Public School Professional Award within the Janet L. Hoffman LARP to include public school nurses with two years of experience who provide health services in a public school. Accordingly, public school nurses employed by a local school system or a local health department to provide health services through an agreement with a local board of education are eligible for assistance in the repayment of a higher education loan.

Chapters 387 and 388 of 2025 expanded eligibility for the Janet L. Hoffman LARP, generally, to include veterinary practitioners and veterinary technicians who received a graduate, professional, or undergraduate degree from any accredited veterinary college or university. To qualify, veterinary practitioners and technicians must also have provided veterinary services (or veterinary technician services) for a certain number of years – either as an employee in the State for at least five years or as a volunteer for at least 100 hours per year over at least a three-year period at an animal shelter owned by (1) a local government; (2) an organization contracted to perform animal control services for a local government; or (3) an organization that shelters animals and was a recipient of the Maryland Spay and Neuter Grants Program during the prior year.

Expansion of Tuition Waivers

Maryland Dream Act: Under the Maryland Dream Act, Chapter 191 of 2011 as amended, an individual who attended a Maryland high school for at least three years and graduated from a Maryland high school or received the equivalent of a high school diploma in the State may pay the same tuition rates that resident students pay. To qualify for the waiver program, individuals, including undocumented immigrants, need to meet certain criteria, including submission of three years of Maryland tax returns. **Chapter 799 of 2026** expanded eligibility by reducing the requirement for filing a Maryland tax return from three years to two years to qualify for the out-of-state tuition exemption.

Maryland National Guard Tuition Assistance: Chapters 143 and 144 of 2026 expanded eligible institutions for the National Guard Tuition Assistance program to include trade and career schools recognized by MHEC or the Maryland Apprenticeship and Training Council. The Acts also expanded assistance from the Military Department to include training assistance and established that existing two-year post-course service obligation requirements apply to career courses.

Foster Care Recipients and Homeless Youth: Specified foster care recipients and homeless youth are eligible for tuition and mandatory fee exemption to attend public institutions of higher education in the State. For the purposes of determining eligibility for this exemption, **Chapter 785 of 2026** expanded eligibility by altering the definition of “foster care recipient” from an individual who resided in an out-of-home placement on or after their thirteenth birthday to an individual who resided in an out-of-home placement on or after their eighth birthday.

State or Local Public Safety Employees: Chapter 798 exempted the spouses and financially dependent children of State or local public safety employees who died as a result of or in the course of performance of their duties from paying out-of-state or out-of-county tuition at a State public institution of higher education.

Tax Credits and Matching Contributions for Student Loans

Student Loan Debt Relief Tax Credit: Chapter 738 of 2023 doubled, from \$9.0 million to \$18.0 million, the maximum amount of student debt relief tax credits MHEC may approve for

any taxable year. The Act also required MHEC to (1) annually reserve \$9.0 million of the authorized credits for State employees; (2) prioritize tax credit recipients and amounts based on whether the qualified taxpayers graduated from institutions of higher education in the State at which at least 40% of attendees are eligible to receive federal Pell Grants; and (3) engage in specified outreach regarding the tax credit program.

Budget reconciliation legislation made further changes to this level of funding. The BRFA of 2025 established a program cap of \$9.0 million for tax year 2025 only. However, the BRFA of 2026 (1) increased the program cap from \$9.0 million to \$16.0 million for tax year 2025; (2) decreased the cap from \$18.0 million to \$9.0 million for tax year 2026; and (3) retained the \$18.0 million cap for all tax years beginning after tax year 2026.

In addition, **Chapter 755 of 2026** modified the student loan debt relief tax credit by authorizing MHEC to grant an extension of the period within which an individual under certain circumstances must use the credit for repayment of eligible student loan debt. MHEC may grant this extension if the individual was unable to repay the debt due to specified federal administrative delays or litigation. The Act also modified provisions related to credit recapture and required MHEC to adopt procedures for individuals to apply for a waiver.

Matching Contributions: Among other actions, **Chapter 100** required the State to provide a matching contribution to employees participating in State supplemental retirement plans under certain circumstances. More specifically, the State contribution must be equal to the lesser of the participating employee's contributions or \$600 per fiscal year. A participating employee who makes student loan payments and provides documentation of such a payment may also receive a matching contribution of \$600 or up to the amount of higher education loan payments per fiscal year, whichever is less. However, an individual may not receive a matching contribution for both student loan payments and regular employee retirement plan contributions.

Workforce Training and Service Programs

Vocational Exploration and Service Pathways

Within a reorganized Maryland Corps Program, **Chapter 99 of 2023** (Serving Every Region through Vocational Exploration Act) created two similar but distinct pathways as an alternative to attending an institution of higher education. Although the two pathways share many features, they have slightly different purposes and eligibility requirements. Each pathway has a corresponding special fund and is administered by the Department of Service and Civic Innovation (DSCI), which was established by executive order in January 2023 and then reestablished by the Act. Additionally, the Act replaced the \$6,000 education award for individuals who complete at least nine months of a Maryland Corps service placement, with a program completion award of the same amount for the same duration of service under each pathway. Although this award could be paid either as a deposit to a Maryland 529 account, as previously required, or a cash stipend, **Chapters 93 and 94 of 2025** subsequently established that the award could only be paid as cash.

Young Adult (YA) Service Year Option Pathway: Under *Chapter 99*, the statutory purpose of the YA pathway is to (1) provide service placements to eligible young adults as an additional option to immediately pursuing postsecondary education or career and technical training; (2) equip program participants with professional development, mentoring, job training, financial literacy skills, and other supports; (3) assist in addressing the State's greatest challenges by channeling the next generation into impactful public service; and (4) strengthen a pipeline of talent into State and local governments to fill present and future staffing needs. As subsequently amended by *Chapters 93 and 94*, applicants for the YA pathway must be Maryland residents who are at least age 18 but younger than age 25 at the start of their participation; they must also have graduated from high school or obtained a similar level of education completion. There are responsibilities and benefits for YA pathway participants, including that they must work at least 30 hours per week, be partnered with an onsite mentor, and be paid at least the State or county minimum wage, whichever is greater.

Under *Chapter 99*, DSCI had to set targets for participation in the YA pathway, including 200 participants in the first year and 2,000 participants in the fourth year of implementation. However, the BRFAs of 2025 and 2026 delayed attainment of those targets. Accordingly, under the BRFA of 2025, DSCI had to set intermediate participation targets of 750 in the third year, 1,500 in the fourth year, and 2,000 in the fifth year. The BRFA of 2026 subsequently reduced those participation targets to 1,100 in the fourth year and 1,550 in the fifth year and established the 2,000 target for the sixth year of implementation.

Maryland Service Year (MSY) Option Pathway: Under *Chapter 99*, the statutory purpose of the MSY pathway is to (1) equip Maryland Corps participants with professional development, mentoring, job training, financial literacy skills, and other supports; (2) assist in addressing the State's greatest challenges by channeling the next generation into impactful public service; and (3) strengthen a pipeline of talent into State and local governments to fill present and future staffing needs. Although initially applicants to the MSY pathway had to be interested in performing public and community service in the State, *Chapters 93 and 94* eliminated this requirement. Instead, applicants must be Maryland residents who are at least age 18 at the start of their participation. DSCI must prioritize for participation in the MSY pathway applicants who are historically underrepresented in higher education and employment, as specified. Pathway participants are subject to most of the same responsibilities and benefits as YA pathway participants, including being paid at least the minimum wage. However, they do not have a requirement to work at least 30 hours per week nor are they required to be partnered with an onsite mentor. DSCI must also promote and publicize the availability of the MSY pathway to HBCUs, community colleges, trade schools, faith-based institutions, youth who are disconnected from school or work, and employers and nonprofit organizations that are potential service placement providers. There are no participation targets for the MSY pathway.

Pathway Funds: *Chapter 99* established two nonlapsing special funds – the YA Pathway Fund and the MSY Pathway Fund – but required that, except for the three-year period from fiscal 2024 through 2026, any unspent balance in each fund revert to the general fund at year-end. Under that Act, the YA Pathway Fund, which does not have any requirements associated with its

funding level, could only be used to (1) provide stipends to YA pathway participants; (2) pay the costs of administering the YA pathway; and (3) assist in the creation of additional Maryland Corps programs. **Chapter 99** directed an existing mandated appropriation for the Maryland Corps Program to the MSY Pathway Fund, which could be used only to (1) provide stipends to MSY Pathway participants; (2) provide completion awards to participants that complete Maryland Corps; (3) cover expenses incurred by DSCI, as specified; (4) cover expenses incurred to study how Maryland Corps alumni could be better positioned to meet the current and future needs of employers in the State; (5) provide matching funds for grants received for the MSY Pathway; and (6) assist in the creation of additional Maryland Corps programs. **Chapters 93 and 94** provided flexibility in funding the program by establishing that both pathway funds can be used for either pathway.

Chapter 99 ensured monies for the MSY Pathway Fund would increase from \$5.0 million a year up to \$20.0 million a year, as already required for the Maryland Corps, according to the following schedule: \$5.0 million in fiscal 2024; \$10.0 million in fiscal 2025; \$15.0 million in fiscal 2026; and \$20.0 million in fiscal 2027 subsequent years. However, the BRFA of 2025 temporarily reduced the mandated appropriation to the MSY Pathway Fund for fiscal 2026 from \$15.0 million to \$13.0 million but retained the \$20.0 million funding level beginning in fiscal 2027.

Teacher Development Programs

Teacher Development and Retention Program: Among other actions, **Chapter 627**, the Maryland Educator Shortage Reduction Act, established the Teacher Development and Retention Program as a pilot program (in effect for six years) to incentivize a cohort of students to pursue a career in the teaching profession. The program provides financial support to eligible individuals who ultimately pledge to fulfill a service obligation as a teacher that is employed full time in a high-needs school, grade level, or content area in the State in which there is a shortage of teachers, as identified by the Maryland State Department of Education (MSDE). Eligible individuals are offered a one-time stipend (termed the initial stipend) for participation in an experiential learning opportunity in a classroom and later an internship stipend before placement in a school. **Chapters 185 and 186 of 2024** expanded eligibility for the stipends to include an otherwise eligible individual who is enrolled in any community college in the State. The Acts also delayed the stipend award periods by one year and made conforming changes to the timing of a required evaluation and the termination date for the pilot program.

Southern Maryland Early College Teacher Pathway: **Chapter 766 of 2026** required USM, in consultation with MSDE and MHEC, to develop recommendations for a Southern Maryland Early College Teacher Pathway Program, including a credit-bearing teacher preparation pathway for high school students in Southern Maryland. USM must convene a workgroup, as specified, to develop the recommendations for the program.

Maryland Pathway to Nursing Pilot Program

Chapter 866 of 2024 established the Maryland Pathway to Nursing Pilot Program under MHEC to provide practical and financial support to specified nursing students. The Act also established the Maryland Pathway to Nursing Advisory Committee, with specified membership, to assist the Secretary of Higher Education in the development and implementation of the program and required an annual report through 2029.

Preparedness in Cybersecurity and Artificial Intelligence Programs

Further Modifications to the Cyber Warrior Diversity (CWDP) Program: Chapters 566 and 567 of 2018 established CWDP at BCCC and the four HBCUs in the State to train students in computer networking and cybersecurity, including training to achieve specified CompTIA certifications. Chapters 454 and 455 of 2019 added the University of Maryland Baltimore County Training Centers located in the State to the CWDP and allowed the centers to be eligible for specified grants. **Chapter 578 of 2023** required MHEC, in consultation with the Cyber Association of Maryland, Inc. if applicable, to expand the CWDP to accommodate any changes in certification trends. At the end of each fiscal year, any unexpended funds allocated by MHEC under the program must revert to MHEC to be allocated for the upcoming fiscal year and be used to supplement but not supplant the MHEC required appropriations for the upcoming fiscal year. Additionally, the Act repealed the required methodology for MHEC's annual allocation of funds.

Maryland Artificial Intelligence (AI) Partnership: Chapter 633 of 2026 established the Maryland AI Partnership in USM to develop a strategic plan and coordinate State AI initiatives. The primary purpose of the Act is to (1) require the partnership to establish Maryland Technology Extension Hubs; (2) establish an AI Incubation Lab in USM to accelerate the responsible use of AI; (3) require the MSU Center for Equitable AI and Machine Learning Systems to support State agencies related to the productive, secure, and ethical use of AI; and (4) establish the AI Public Service Fellowship.

Workforce Pell Grant Program

The federal Pell Grant Program, authorized by Title IV of the Higher Education Act of 1965, as amended, is the single largest source of federal grant aid supporting postsecondary education students. In March 2026, the U.S. Department of Education issued a notice of proposed rulemaking to alter thresholds for Pell Grant eligibility and establish the Workforce Pell Grant Program as authorized under the federal One Big Beautiful Bill Act. **Chapter 724 of 2026** implemented the Workforce Pell Grant Program in the State, by which federal Pell Grants may be awarded to students enrolled in a short-term program that helps prepare students for careers. The Act established a process by which the Governor, in consultation with the Governor's Workforce Development Board (GWDB), can determine whether to approve such a short-term program. GWDB and MHEC must then implement workforce development programs that meet federal eligibility criteria and may adopt regulations to do so. Also, GWDB must collect data, as specified, and GWDB and MHEC must submit annual reports.

Higher Education Program Approval and Governance

Academic Program Approval

Chapter 101 of 2023, the Fiscal 2024 Budget Bill, established the Program Approval Process Workgroup to make recommendations on MHEC’s process for approving programs. **Chapter 963 of 2024** included many of the Program Approval Process Workgroup’s recommendations. The Act established a new process for academic program approval and institutional mission statements based on identifying State and regional workforce needs. It also required MHEC to (1) review existing programs, as specified; (2) establish a Program Review Process Advisory Council; (3) develop a procedures guide related to the review process; and (4) establish separate processes for the approval of graduate programs and online programs. MHEC was also required to (1) conduct a comprehensive analysis of statewide workforce needs by designated agencies; (2) integrate these needs into the State Plan for Higher Education; and (3) establish a new review processes for academic programs to ensure alignment with workforce demands. **Chapter 963** also created a special approval process for graduate-level “emerging workforce need programs”, with specified institutions of higher education given a first right to submit a notice of intent of a program proposal.

Chapter 143 of 2025 repealed the provisions of **Chapter 963** that granted institutions the exclusive right (for 90 days) to propose emerging workforce need programs. The Act also (1) required private nonprofit institutions of higher education to submit semiannual letters of intent to MHEC, putting them in the same posture as public institutions of higher education and (2) clarified that letters of intent are intended for collaboration and feedback rather than conferring any right of first refusal.

Maryland Higher Education Commission Governance

Chapter 634 altered the selection process for the Secretary of Higher Education by removing the requirement that the Governor select the Secretary from a list of three nominees provided by MHEC. Under the Act, the Secretary of Higher Education serves at the pleasure of the Governor, not MHEC. The Act also repealed uncodified language from Chapters 639 and 640 of 2022, expressing the intent of the General Assembly that MHEC be reorganized to establish OSFA as a separate independent agency in fiscal 2024.

Equity and Accessibility

Prohibition on Consideration of Legacy or Donor Preference in Admissions

Chapter 363 of 2024 prohibited an institution of higher education in the State that receives State funds from considering a “legacy preference” or “donor preference” as an eligible criterion for admission standards at the institution. (Such preferences are given to an applicant due to having a familial relationship to an alumnus of the institution (legacy) or a person who provides financial support to the institution (donor).) However, an institution may ask applicants to provide

information about familial relationships to alumni of the institution for the purpose of collecting data.

Targeted Recruitment and Outreach

Chapter 38 of 2024 required each public four-year institution of higher education, excluding the University of Maryland Global Campus (UMGC), to conduct targeted recruitment and outreach efforts each year. Other constituent institutions of USM, MSU, and SMCMD must each adopt and annually update a written policy that identifies communities of interest in the State as well as the institution's targeted recruitment and outreach efforts for the community of interest, with the goal of promoting diversity and inclusion at each institution by attracting and graduating a diverse student body committed to service.

Credit Eligibility and Transfer

Chapters 215 and 216 of 2024 required English Language Learner (ELL) courses taken at a public community college – if those courses are not classified as remedial by the community college – to transfer to any public institution of higher education in the State, as specified. A private nonprofit institution must also review and consider the transfer credits. In addition, a public community college must consider an ELL course or program as eligible for either world language, humanities credit, or both toward a student's associate degree if the course is not classified as a remedial course.

Religious Accommodations

Chapter 634 required each public institution of higher education to adopt a policy to accommodate students' faith-based or religious practices. The policy must (1) provide an accommodation for a student, including excused absences to observe faith-based or religious holidays or participate in organized religious activities; (2) provide that a student be allowed reasonable alternative accommodations for missing an examination or other academic requirements due to any such excused absence; and (3) include a grievance procedure to report noncompliance with the policy. Except for UMGC, each public institution of higher education must also provide a space on campus to accommodate faith-based or religious practices.

Student Withdrawals

Chapters 299 and 300 of 2024 required each public institution of higher education in the State to adopt a policy that authorizes a student to withdraw for "extenuating circumstances", specifically including illness, injury, hospitalization, and mental health and wellness. The policy must include a provision to refund tuition and fees paid by the student for the semester in which a student withdraws if the extenuating circumstances inhibit the student's ability to acquire an education at the public institution of higher education, as defined in the policy.

Student Records and Other Policies and Programs Related to Admissions

Transcript Requests

Chapters 748 and 749 of 2023 prohibited an institution of higher education from refusing to provide a current or former student with a transcript or taking other punitive measures regarding a student’s transcript request because the student owes a debt to the institution. A “debt” does not include the fee, if any, charged to a student for the actual costs of providing a transcript; however, an institution may not charge a higher transcript fee to a student who owes a debt.

Expansion of Priority Registration

Chapters 489 and 490 of 2026 clarified the definitions of eligible service member and eligible veteran to include a veteran who has received an “other than dishonorable” discharge as well as members of the Commissioned Corps of the Public Health Service and the National Oceanic and Atmospheric Administration. Accordingly, the Acts expanded veteran eligibility for priority registration for courses at public higher education institutions. The Acts also extended priority registration to the spouses of eligible service members. Finally, the Acts expanded eligibility to veterans’ spouses for services at community colleges and to active service members’ spouses for specified legislative scholarships.

Direct Admission

Chapter 613 of 2026 established a direct admission program at participating public senior higher education institutions (including USM constituent institutions and UMCES, MSU, and SMCM) for eligible high school students starting in the 2028-2029 academic year. Admission through the program does not guarantee a student placement in any specific program or specific college, school, or functional equivalent at the institution. MHEC, MSDE, USM, MSU, and SMCM must establish minimum eligibility requirements for the program and execute a memorandum of understanding. MHEC and MSDE must also conduct a study and report to the General Assembly on how to effectively implement the program.

Reproductive Health

Public Senior Higher Education Institution Plans: Chapters 250 and 251 of 2023 required a public senior higher education institution (USM constituent institutions – except for UMCES and UMGC, MSU, and SMCM), in consultation with students, to develop and implement a reproductive health services plan. Each plan must provide or refer students to a comprehensive range of reproductive health services, including (1) all methods of federal Food and Drug Administration-approved contraception, including prescription emergency contraception; (2) prevention and treatment services for sexually transmitted infections, including HIV prevention; and (3) abortion care services. On request, the Maryland Department of Health must provide assistance to a public senior higher education institution in developing the reproductive health services plan and plans must be updated annually. In lieu of a plan, the University of

Baltimore (UBalt) must provide students with access to over-the-counter (OTC) contraception through on-campus retail establishments or vending machines.

Access to Contraception at Community Colleges: Chapters 337 and 338 of 2024 required each community college, in consultation with students, to develop and implement a plan to provide students with access to OTC contraception. The plan must include access to OTC contraception through the student health center, campus retail establishments, vending machines, or any other method that provides all students access when on campus. Each community college must annually report the following information to MHEC: (1) how students are provided access to OTC contraception; (2) available information regarding the amount of OTC contraception provided on campus; and (3) a description of how the community college has consulted with students to develop and implement the plan. MHEC must report to the General Assembly on the information collected by the community colleges.

Chapters 674 and 675 of 2026 expanded the requirement related to OTC contraception access previously established for community colleges, so that each community college must provide students with access to all methods of OTC contraception. The Acts also required public senior higher education institutions as well as community colleges to submit an annual report on the provision of OTC contraception to MHEC.

Pregnant and Parenting Students: Under Title IX of the Education Amendments of 1972 to the Higher Education Act, discrimination on the basis of sex in educational programs and activities is prohibited for all educational institutions receiving federal funding. Federal regulations implementing Title IX prohibit discrimination against a student based on pregnancy and against students in situations related to pregnancy. ***Chapters 335 and 336 of 2025*** required specified public four-year higher education institutions to adopt a plan regarding pregnant and parenting students that is consistent with Title IX (with exceptions for UMGC, UBalt, and UMCES). The plan must include (1) a referral to on- or off-campus services regarding the availability of or eligibility for government assistance programs; (2) provision of information about or referral to adoption services; (3) availability of institutional accommodations, as specified; and (4) a referral network of health care service providers.

Chapter 734 of 2026 required MHEC to collect student-level data from each public institution of higher education, including community colleges, regarding the parental status of enrolled students. While otherwise largely identical, ***Chapter 735 of 2026*** established an exemption for UMGC from this specific data collection requirement. The Acts altered the definition of “student data” to authorize MHEC to share parental status with the Maryland Longitudinal Data System Center; however, medical records and pregnancy status are explicitly excluded. Additionally, the Acts expanded the existing requirement for institutions to adopt a plan regarding pregnant and parenting students aligned with Title IX by expanding the definition of “pregnant and parenting student” and extending the requirement for such a plan to community colleges. Even so, ***Chapter 735*** retained the exceptions noted here for UMGC, UBalt, and UMCES, but ***Chapter 734*** did not; accordingly, those three institutions are subject to the requirement as well.

Provision of Menstrual Hygiene Products: Chapter 722 of 2026 required each institution of higher education that provides on-campus housing to provide, free of charge, menstrual hygiene products in student health centers by August 1, 2028.

Mental Health

Access to Mental Health Advisory Committee: Chapters 401 and 402 of 2023 established the Access to Mental Health Advisory Committee within MHEC. The committee is required to study the policies and procedures adopted by institutions of higher education in the State regarding access to mental health care and the prevention and treatment of mental illness in students. Although structured as a permanent entity, the Acts contained a one-time reporting requirement.

Mental Health Training for Coaches: Chapters 733 and 734 of 2024 required each public institution of higher education that offers an athletic program to provide specified mental health training to each participating coach. Chapter MHEC must work with MDH to develop guidelines for public institutions of higher education to train coaches in recognizing the indicators of mental illness and behavioral distress in students.

Financial Well-Being

Chapter 342 of 2024 established the Financial Well-Being Pilot Program at UMCP and MSU, administered jointly with MHEC. The purpose of the program is to provide comprehensive financial guidance, support, and coaching to help students who are (1) facing significant personal financial burdens or complex student loan debts; (2) experiencing high levels of financial anxiety due to personal financial burdens; or (3) lacking in financial literacy knowledge or skills.

Actions Related to Certain Community Colleges

Hagerstown Community College

Chapter 427 of 2025 authorized a Hagerstown Community College police officer to exercise powers granted to a peace and police officer within Washington County under specified circumstances.

Howard Community College

Chapter 585 of 2025 added two additional members to the Board of Community College Trustees for Howard County and imposed additional duties on the board. The board must include an opportunity for public comment at each meeting and must record meetings and post them online in a specified manner. As part of ongoing training for board members and at least every two years, board members must undergo training specific to board governance, structure, responsibilities, and roles. The board must survey employee satisfaction annually by specified means and redact any human resources or personnel-related feedback before public release of survey results.

Baltimore County Community College

To align with the county's new nine-district councilmanic structure, *Chapters 572 and 573 of 2026* lowered the number of members on the Board of Community College Trustees for Baltimore County from 15 to 11. The Acts changed the distribution of members serving from councilmanic districts by reducing the number of district-based seats from 14 to 9 (with 1 member representing each district) and increasing the number of at-large members from 1 to 2.

Frederick Community College

Chapters 576 and 577 of 2026 established public comment and meeting recording requirements for the Board of Community College Trustees for Frederick County and required members to undergo training on board governance, structure, responsibility, and roles.

Prince George's Community College

Chapter 784 of 2026 required Prince George's County Community College to conduct a comprehensive feasibility study and program design assessment for possible aerospace and aviation systems technology workforce training programs.

Local Education Policy

Local Boards of Education – Membership

Baltimore County

The Baltimore County Board of Education is one of four hybrid school boards in the State and consists of four members appointed from the county at large, seven members elected from councilmanic districts, and one student member. *Chapter 786 of 2023* staggered the election and appointment of members of the Baltimore County Board of Education such that (1) the four appointed members are appointed by the Governor in presidential election years and (2) the seven elected members of the county board continue to be elected in gubernatorial election years.

For each nomination for a vacancy on the local board of education, the Baltimore County School Board Nominating Commission must submit a list of names to the Governor. Absent an extraordinary circumstance, the Governor must appoint a member to the Baltimore County Board of Education from the list provided by the commission.

Under *Chapter 787 of 2023*, the commission is required to hold at least three public hearings, each in a different councilmanic district on the selection of *multiple* nominees before recommending them to the Governor. For single nominees, *Chapter 787* reduced the number of, and altered the required venue for, public hearings that the commission must hold on *single* nominees to the county board. *Chapter 787* also authorized the commission to retain and reactivate

the application of a candidate for a vacancy on the county board for up to two years from the date the commission previously submitted a list of nominees to the Governor.

Chapters 570 and 571 of 2026 added 2 members to the 19-member commission and substituted the appointing organization of the member appointed by the Baltimore County Chamber of Commerce with its successor organization, the Greater Baltimore Chamber of Commerce and specified the term of that organization's initial member. Lastly, **Chapters 570 and 571** staggered the terms the commission members.

Charles County

Chapter 162 of 2024 required that vacancies on the Charles County Board of Education must generally be filled within 90 days of the vacancy occurring. In instances where the vacancy occurs in an election year for the seat that is vacant, the board may choose not to fill a vacancy.

Prince George's County

The Prince George's County Board of Education consists of nine members elected from school board districts and one student member. **Chapter 793 of 2023** required each candidate to be a member of the school board district that the candidate seeks to represent at least one year before the date of the general election (rather than at the time of filing), subject to certain exceptions in redistricting years. **Chapter 793** also allows the State Board of Education (SBE) to remove a member of the Prince George's County Board of Education without the approval of the Governor.

Somerset County

Chapters 150 and 151 of 2026 required the Somerset County Commissioners (rather than the Governor) to fill any vacancies that occur on the Somerset County Board of Education.

Washington County

Chapters 367 and 368 of 2024 required that, immediately preceding the date that the board member takes office, each member of the Washington County Board of Education be a resident of Washington County for at least 6 months and a resident of the State for at least 12 months. The Acts also required each board member to maintain a primary residence in Washington County during the member's term.

Wicomico County

Chapter 429 of 2025 altered the electoral system for electing members of the Wicomico County Board of Education by eliminating the at-large members. Beginning with the 2026 election, **Chapter 429** required all seven elected members of the board to be elected from one of the seven councilmanic districts in the county only by the voters of each district.

Local Boards of Education – Student Members

All 24 local boards of education have either at least one student member or student representatives who regularly attend or present at board meetings. Over the four-year term, three counties codified student membership on the county board. These included Kenty County (*Chapters 674 and 675 of 2023*), Somerset County (*Chapters 150 and 151 of 2026*), and Wicomico County (*Chapter 429 of 2025*).

Selection Methods

Chapters 764 and 765 of 2023 altered the selection process for the student member of the Baltimore City Board of School Commissioners by requiring that the student member be elected by the high school students of Baltimore City Public Schools (instead of selected by the Associated Student Congress of Baltimore City). *Chapter 793 of 2023* altered election procedures for the student member of the Prince George’s County Board of Education to require the Prince George’s County Regional Association of Student Governments to annually elect two candidates for the student board member at a primary election held each school year. Subsequently, the single student board member must be elected, at a general election held each year, by students in sixth through twelfth grade in Prince George’s County Public Schools (PGCPS).

Voting Rights

In jurisdictions with student members serving on local boards of education, the ability of student members to vote on matters before the board varies. For example, Anne Arundel County places no restrictions on the ability of the student member to vote on matters before the Anne Arundel County Board of Education. Other jurisdictions have only nonvoting student members of the board. Still other local school systems have voting student members but limit the ability of the student member to vote on certain matters (potentially including collective bargaining, personnel, and budgetary matters) or attend executive sessions.

Since 2023, several jurisdictions have expanded the voting rights of the student member of the board, subject to exceptions for specified subject matters. These include Baltimore City (*Chapters 764 and 765 of 2023*), Baltimore County (*Chapter 785 of 2023*), Howard County (*Chapter 578 of 2026*), and Prince George’s County (*Chapter 793 of 2023*).

Chapter 785 also provided that the student member of the Baltimore County Board of Education must complete specified budget training within two months of their election to vote on budgetary matters.

Local Boards of Education – Compensation

Seven jurisdictions increased the compensation amounts for local board of education regular members, student members, or both. These included Anne Arundel County (*Chapters 7 and 8 of 2025*), Baltimore County (*Chapters 357 and 358 of 2024*), Caroline County (*Chapter 575*

of 2026), Calvert County (*Chapter 574 of 2026*), Prince George’s County (*Chapter 793*), Somerset County (*Chapters 150 and 151*), and Wicomico County (*Chapter 429*).

Chapter 429 provided expense reimbursements to the student member of the Wicomico County Board of Education and authorized the board to grant a scholarship to a student member. In Montgomery County, *Chapter 426 of 2025* altered the compensation procedures for the student member such that the student member may now elect to receive compensation as monthly installments as a stipend during the student member’s term and receive any remaining amount as a scholarship after the end of the term.

Local Boards of Education – Open Meetings and Related Requirements

Baltimore County

Chapter 787 of 2023 required the Baltimore County School Board Nominating Commission to make live video streams and a complete and unedited archived video recording of each public meeting available on its website. *Chapter 356 of 2024* required that, before the commission begins interviewing candidates for appointment to the Baltimore County Board of Education, the commission must publish the names of all candidates on the commission’s website. *Chapter 356* also required that a commission meeting must be open to the public if it involves action on a candidate for appointment to the county board. However, a commission meeting that involves an interview of or a deliberation about a candidate for appointment to the county board must be held without the public in attendance and must be recorded. The commission is required to provide a copy of a meeting recording for public inspection within 48 hours after receiving a request for the recording.

Charles County

Chapter 162 of 2024 required the Charles County Board of Education to make live video streaming and a complete video recording of each public meeting at which applicants for a vacancy are interviewed available on the board’s website in accordance with the Open Meetings Act.

Somerset County

Chapters 150 and 151 required closed sessions of the Somerset County Board of Education to adhere to specified provisions of the Open Meetings Act.

Prince George’s County Board of Education – Governance

Chapter 792 of 2023 established the Office of Integrity and Compliance within PGCPs, led by an Integrity and Compliance Officer. The Act also changes the name of the position of Chief Executive Officer of PGCPs to the county superintendent and makes related conforming changes.

Chapter 792 of 2023 made several changes to the duties and responsibilities of the Prince George’s County Board of Education, the county superintendent, and PGCPs. The Act

specified the responsibilities of the chair of the board and required the board to adopt bylaws to govern its conduct. The board must establish an audit committee to ensure public funds are spent equitably across all the schools in the county school system, and the board and superintendent are required to establish annual goals for the performance of the county school system.

Other Local Education Legislation

Collective Bargaining – Dorchester County

In Maryland, certificated and noncertificated school employees bargain separately. In some counties, specific categories of noncertificated professionals are included with certificated employees for bargaining purposes. *Chapter 381 of 2024* included supervisory noncertificated employees (any individual who responsibly directs the work of other employees) in the definition of “public school employees” for collective bargaining purposes in Dorchester County.

School Scheduling Options – Anne Arundel County

Public schools must be open for at least 180 days and 1,080 school hours at elementary and middle schools or 1,170 hours at high schools during a 10-month period. However, a county board of education may apply to SBE for a waiver from these provisions of State law. *Chapter 346 of 2025* allowed the Anne Arundel County Board of Education to operate all public schools in the county using a scheduling model that eliminates early dismissal days, to allow for less than 180 school days, if the minimal hours of attendance in a school year under specified State regulations are met. If the county board uses this scheduling model, the county board must (1) offer hourly rate school employees an opportunity to make up the lost wages through other duties before the beginning of the next school year and (2) report to SBE and the General Assembly on the operation of schools during the preceding school year that used an alternative schedule.

Student Loan Assistance Repayment for Educators – Anne Arundel County

Chapters 364 and 365 of 2024 authorized Anne Arundel County to establish a Student Loan Assistance Repayment Program for Educators employed by Anne Arundel County Public Schools (AACPS) to attract, recruit, and retain a diverse cadre of qualified educators in AACPS that reflects the student population within county schools. For purposes of the program, an “educator” includes classroom teachers, education support professionals, education-related service providers, and specialists eligible for certification from the Maryland State Department of Education.

Student Support and School Facilities Surcharge – Prince George’s County

Chapters 303 and 304 of 2024 established a student support specialist network with specified membership in each public high school in Prince George’s County and required each network to develop, complete, and implement a student support success action plan.

Chapter 351 of 2019 reduced the school facilities surcharge (*i.e.*, a surcharge on specified new residential construction to support new school construction in the county) by 50% for specified multifamily housing projects in Prince George’s County. In addition to provisions relating to student support specialist networks described above, **Chapters 303 and 304** extend the termination date of Chapter 351 by five years (from June 30, 2024, to June 30, 2029). The bill also extends a reporting requirement on the impact of the school facilities surcharge (and a related public safety surcharge) from December 1, 2022, to December 1, 2026.

Education – Early Childhood/Libraries/Miscellaneous

Child Care Policy and Access

Child Care Scholarship Program

The Child Care Scholarship (CCS) Program, established by Chapter 396 of 2018, provides financial assistance with child care costs to low-income families that meet applicable State or federal requirements and is funded through a combination of State funds and the federal Child Care and Development Block Grant. All participating parents or guardians must meet a variety of requirements. During the 2023-2026 term, the General Assembly increasingly focused on balancing access to child care assistance with rising program costs and growing demand for services.

Chapters 731 and 732 of 2023 generally prohibited the Maryland State Department of Education (MSDE) from altering the CCS Program, including by increasing copayment levels, reducing reimbursement rates or income eligibility requirements, or implementing an enrollment freeze. The legislation authorized such changes (excluding copayment increases) only after notification to the General Assembly or following certain budget reductions approved by the Board of Public Works.

A waitlist for CCS Program services was implemented beginning May 1, 2025, after MSDE implemented an enrollment freeze to slow spending growth. **Chapter 594 of 2026** exempted certain vulnerable populations from enrollment freezes, including homeless children and participants in specified public assistance programs, and required MSDE to establish a prioritized waitlist during any enrollment freeze. The legislation also required revisions to the application and eligibility review process.

Chapter 595 of 2026 expanded coordination between the CCS Program and other publicly funded early childhood and assistance programs during enrollment freezes by requiring MSDE to provide applicants with information on publicly funded prekindergarten, Head Start, other government assistance programs, and tax credits for which they may qualify. The Act also repealed presumptive eligibility provisions, authorized partial scholarships and sliding-scale copayments, prohibited copayments for households below the federal poverty line, and required ongoing monitoring of the CCS Program waitlist.

Chapter 369 of 2025 established the Youth Transitioning from Foster Placement to Successful Adulthood Program, administered by MSDE, to remove certain application barriers for parenting foster youth and increase eligibility access to the CCS Program for the foster youth's child. The Department of Human Services must make referrals to MSDE regarding the program.

Child Care Facilities

Age of Teachers: Prior to the enactment of legislation in 2024, State regulations required a child care teacher to be at least age 19. **Chapter 37 of 2024** reduced the minimum age of child care teachers to 18 by requiring the regulations governing the registration and operation of large family child care homes and the licensing and operation of child care centers to require child care teachers to be at least age 18.

State-owned Facilities: **Chapter 650 of 2025** required the Department of General Services to assess whether State-owned facilities could be used for child care centers and report its findings to the General Assembly.

Family Child Care Homes

MSDE adopts rules and regulations for licensing and operating child care centers and the licensing of child care providers. A family child care home is a residence in which family child care is provided for up to 8 children. A large family child care home is a residence in which family child care is provided for at least 9 children but not more than 12 children. Generally, family child care homes and large family child care homes may not operate in the State unless they are registered.

Corporal Punishment Prohibited: Corporal punishment is the infliction of physical punishment as retribution for an offense or for disciplinary purposes and has been banned as a method of discipline in public schools since 1993. **Chapter 671 of 2023** extended the prohibition to family child care homes and child care centers.

Zoning: **Chapter 375 of 2025** generally prohibited common ownership communities and local jurisdictions from restricting the establishment or operation of family child care homes beyond State-authorized capacity limits.

Military Certified Child Care Providers: **Chapters 658 and 659 of 2023** exempted certain child care providers serving military families and certified by the U.S. Department of Defense or U.S. Coast Guard from State registration and licensing requirements.

Child Care Providers

Criminal History Records Checks: **Chapters 360 and 361 of 2026** expanded criminal history records check requirements to include certain employees and volunteers at child care facilities and required MSDE to establish a centralized unit to process and manage background

check information. The legislation also established probationary employment qualifications for certain child care teachers and required a review of the background check process.

Reserve Component Members: *Chapter 732 of 2026* required a family child care provider who is a member of a reserve component to designate a substitute to provide family child care during the family child care provider’s absence for required training and active service, subject to MSDE requirements and qualifications.

Health and Safety

Chapter 122 of 1986 enacted the Youth Suicide Prevention School Program. *Chapter 246 of 2025* expanded the programs authorized under the Youth Suicide Prevention School Program to include classroom instruction on the relationship between gambling and youth suicide and emphasize the identification of behavioral health issues, trauma, and violence affecting students.

Chapter 770 of 2023 required MSDE and the Maryland Department of Health (MDH) jointly to update the Maryland State School Health Services guidelines to reduce the risk of exposure to anaphylactic major food allergens in public school classrooms and common areas. *Chapter 273 of 2024* similarly required the development of guidelines to reduce the risk of exposure to anaphylactic major food allergens in child care settings.

Chapters 552 and 553 of 2012 required each county board of education to establish a policy to authorize certain school personnel to administer auto-injectable epinephrine to a student in anaphylaxis. *Chapters 710 and 711 of 2025* replaced “auto-injectable epinephrine” with “emergency use epinephrine” throughout the Education, Health-General, and Health-Occupations articles.

Personnel

School Health and Wellness Personnel

Chapter 345 of 2025 required MDH and MSDE to conduct an annual assessment of the State’s school health and wellness personnel workforce and added a school nurse member to the Maryland Council on Advancement of School-Based Health Centers.

Early Childhood Certification through Alternative Teacher Preparation Programs

In general, an alternative teacher preparation program is a program established by a county board of education that leads to a participant receiving a Resident Teacher Certificate issued by MSDE and includes teaching assignments with supervision and mentoring by a qualified teacher. Teachers trained through these programs and other teacher preparation programs must complete a teacher training practicum with a program’s partner school to implement their teaching skills under the direction of a certificated teacher. *Chapter 627 of 2023* altered these requirements by also authorizing an institution of higher education or a nonprofit organization to establish an alternative teacher preparation program and clarifying that a prekindergarten provider may be a partner

school. The legislation also established an alternative pathway for participants pursuing early childhood education certification to demonstrate competency based on prior learning experiences.

High Quality Pre-K Staff Qualifications for Montessori Schools and Programs

There are several eligibility requirements under the Prekindergarten Expansion Grant Program. *Chapter 670 of 2023* established staffing and credential requirements for Montessori schools and programs participating in publicly funded prekindergarten programs.

School Psychologist Interstate Licensure Compact

Chapters 616 and 617 of 2026 entered Maryland into the School Psychologist Interstate Licensure Compact.

Libraries and Literacy

Collective Bargaining

Chapter 132 of 2024 established a collective bargaining process for full- or part-time nonmanagement employees of public library systems throughout the State. *Chapters 756 and 757 of 2026* extended collective bargaining rights to Baltimore County Public Library supervisory employees.

Family Literacy Pilot Project

Chapters 367 and 368 of 2025 established the Family Literacy Pilot Program administered by the Maryland State Library Agency (MSLA) to foster family literacy and strengthen parent-child relationships by providing children's books in State correctional facilities to incarcerated individuals and a means for an incarcerated individual to read aloud to the individual's child.

Young Readers Program

In fiscal 2016, the Governor's Office for Children implemented the Governor's Young Readers Program in Baltimore City with funds from the Children's Cabinet Interagency Fund. *Chapters 446 and 447 of 2022* codified the Baltimore City Young Readers Program in the Governor's Office of Crime Prevention and Policy (GOCPP) and established the Young Readers Matching Grant Program to provide matching grants to an "affiliated service" to support the establishment and operation of the affiliated service. *Chapters 649 and 650 of 2023* transferred the Baltimore City Young Readers Program and the Young Readers Matching Grant Program from GOCPP to the MSLA and increased the annual appropriation to the grant program.

Chapter 625 of 2026 renamed the Young Readers Matching Grant Program to be the Young Readers Grant Program and removed the matching requirement and increased the mandated funding.

Funding Programs

The State and local governments share in the cost of funding local public library systems through the library aid formula, which establishes minimum State and local contributions. The formula distributes funds on the basis of county population and wealth. Under **Chapters 496 and 497 of 2022**, the library aid program per resident amount is scheduled to increase annually through fiscal 2027, when per capita funding is set at \$19.10. **Chapters 158 and 159 of 2023** maintained per capita funding for local public libraries at \$19.10 beyond fiscal 2027.

The State also provides funding to regional resource centers and county public library systems through a formula that determines the State and local shares of a minimum per capita library program. **Chapter 625 of 2026** increased the per capita funding amount for each participating regional resource center and county public library system beginning in fiscal 2028, increasing incrementally each year until fiscal 2032. As a result, State aid to local library systems increases by approximately \$1.2 million in fiscal 2028, growing to \$5.1 million by fiscal 2031. Additionally, the Act altered the services public libraries are required to offer.

The Central Library of the Enoch Pratt Free Library operates as the designated State Library Resource Center (SLRC). The State provides State library network funding in the form of per capita funding for SLRC. **Chapter 180 of 2024** increased annual per capita State aid for the SLRC by \$0.10 beginning in fiscal 2025 to \$2.07 per resident. **Chapters 702 and 703 of 2026** further increased the per capita funding amount beginning in fiscal 2028, increasing incrementally each year until fiscal 2032. As a result, general fund expenditures are projected to increase by \$628,900 in fiscal 2028, growing to \$2.8 million by fiscal 2031.

Fines for Minors

Chapter 27 of 2021 prohibited a public library from (1) charging a fee for a minor's overdue library materials until 21 days after the date on which the library materials were due and (2) attempting to collect any outstanding fees for overdue library materials that are incurred by a minor after June 30, 2021. If a minor's overdue library materials are returned after a public library has charged a fee, the public library must cancel the fee. **Chapter 208 of 2024** expanded existing prohibitions on library fines for minors by restricting overdue, reserve, and replacement fees for materials *intended* for children and teens.

County Boards of Library Trustees

County boards of library trustees consist of at least seven members, appointed by the governing body of the county. **Chapters 621 and 622 of 2026** authorized a county board of library trustees to select a student member of the board and authorized a student member of a board to vote on all policy matters before the board. The legislation also allowed the board to adopt a policy or bylaw to authorize a student member to vote on additional nonpolicy matters.

Regional Resource Centers

Regional resource centers serve Western Maryland, Southern Maryland, and the Eastern Shore, and must provide, through mutual cooperation and coordination, books, information, and other material and services that an individual library cannot provide adequately by itself. *Chapters 676 and 677 of 2023* revised governance requirements for regional resource centers, including the establishment of governing boards and additional administrative responsibilities.

Maryland Public Access Automated External Defibrillator Program

Chapter 167 of 1999 established the Automated External Defibrillator Program, renamed to be the Public Access Automated External Defibrillator Program to make automated external defibrillation (AED) available. *Chapters 613 and 614 of 2025* required each library to (1) place an AED in a prominent area, accessible to employees and library users; (2) comply with the Maryland Public Access Automated External Defibrillator Program; and (3) maintain the functionality of the AED. “Library” for purposes of the legislation includes each branch of a county library system, or the Enoch Pratt Free Library, but does not include a school library established by a local school system, a mobile library unit, or a correctional facility library.

High School Diploma – Alternative Pathway

To obtain a high school diploma via an alternative pathway, a Maryland resident may take the GED, complete the National External Diploma Program, or attend an adult high school. *Chapters 168 and 169 of 2026* established the MDiplomaWorks Pathway within the Maryland Department of Labor to provide an additional pathway for adults to obtain a high school diploma through demonstrated academic and career competencies.

Maryland Longitudinal Data System

Chapter 190 of 2010 established the Maryland Longitudinal Data System (MLDS) Center to contain individual-level student data and workforce data from all levels of education and the State’s workforce. The purpose of the data system is to facilitate and enable the exchange of student data among agencies and institutions within the State as well as generate timely and accurate information about student achievement that can be used to improve the State’s education system and guide decision makers at all levels. The MLDS Center may only use de-identified data in the analysis, research, and reporting conducted by the center.

Student data collected by MLDS includes State and national assessments; course taking and completion; grade point average; remediation; retention; degree, diploma, or credential attainment; enrollment; demographic data; juvenile delinquency records; elementary and secondary school disciplinary records; child welfare data; license, industry certificate, or vocational certificate; and personally identifiable information. *Chapter 778 of 2023* added student disability data by specific disability category to the data collected, analyzed, and reported on by

MLDS. *Chapters 63 and 64 of 2024* authorized the governing board of the MLDS Center to send the student information to the U.S. Census Bureau.

Chapter 577 of 2021 required, by July 1 each year, beginning in 2023 and ending in 2028, each county board of education to submit a report to MLDS with the number of students who completed and submitted the Free Application for Federal Student Aid (FAFSA) in the immediately preceding school year, the number of students who did not complete and submit the FAFSA in the immediately preceding year, and the number of students who completed the FAFSA by the deadline for eligibility for State financial aid, disaggregated by high school. *Chapter 688 of 2023* repealed the requirement that local school systems provide student FAFSA data to the MLDS Center and instead requires the Maryland Higher Education Commission to provide the MLDS Center with access to student FAFSA data.

Primary and Secondary Education – School Construction

Governance and Administration

Overview

The Interagency Commission on School Construction (IAC) oversees all aspects of State support and administration of public school construction. The largest State school construction program is the Public School Construction Program (PSCP), which provides State matching funds for the construction of new public schools as well as the expansion, renovation, or systemic upgrade of existing facilities. In addition to PSCP, several ongoing State PSCPs address specific school facility needs. The Supplemental Capital Grant Program, also known as the Enrollment Growth and Relocatable Classroom Program, provides additional school construction funds for local school systems with significant enrollment growth or relocatable classrooms; the Nancy K. Kopp Public School Facilities Priority Fund (PSFPF) provides funds to address the facility needs of schools in accordance with statutory requirements; and the School Safety Grant Program provides funding for security upgrades to public school facilities. IAC is also responsible for implementation of Chapter 20 of 2020, the Built to Learn Act (BTL), which includes the Prince George’s County Private-Public Partnership (P3).

In addition to ongoing programs, IAC administrated three programs that terminated during the 2023-2026 term: (1) the Healthy School Facilities Fund, which provided funding for public primary and secondary schools to improve the health of school facilities; (2) the Aging Schools Program (ASP), which provided support for improvements to older public school facilities; and (3) the Revolving Loan Fund, which was intended to provide low- or no-interest loans to local governments to forward fund the local or State share of school construction projects (but never became active before being terminated). IAC also administered one program for nonpublic schools: the Senator James E. “Ed” DeGrange Nonpublic ASP which provides funding for nonpublic school construction in the form of grants for renovations and improvements to existing nonpublic school buildings.

Starting in fiscal 2028, IAC will also administer two new programs: the Nonpublic Special Education School Renovation Program, which will provide grants to eligible nonpublic special education schools for capital improvements; and the Charter School Capital Program, which requires IAC to distribute funds directly to public charter schools for capital improvements, debt service, or rent or lease payments.

Administrative Changes

Chapter 679 of 2023 made IAC a fully independent agency and removed oversight by the Maryland State Department of Education (MSDE). The Act also repealed the requirement that IAC evaluate the life-cycle costs of public school buildings and their major mechanical systems. Local school systems must now conduct life-cycle assessments of building systems for the school construction projects they submit to IAC for approval.

The Act also made numerous adjustments to other school construction programs, which are discussed later in this section.

Chapter 600 of 2026 repealed the requirement that IAC approve projects that comprise 75% of the preliminary school construction allocation before December 31 of each year and instead required IAC to provide reports to each local governing body and school board on the status of local school construction funding requests, as specified, annually by November 30, December 31, and January 31.

Chapter 600 also clarified actions of local boards of education related to school construction that require approval by the State Superintendent or the State Superintendent's designee. The Act increased the minimum value for a change order requiring Superintendent approval from \$50,000 to \$350,000. Notwithstanding the superintendent review process, current law also requires major school construction projects be approved by IAC in accordance with a process outlined in State law. **Chapter 600** further clarified that such processes apply only to construction and systemic renovation projects that (1) cost more than \$1.25 million and have received State funding or for which a school system will be requesting State funding or (2) replace or make changes to an heating, ventilation, or air-conditioning (HVAC) system that are not like-for-like replacement of system components. At least once every four years, IAC must review the cost threshold amount.

In general, a local school system must reimburse the State for any outstanding debt for a school that is no longer used for school purposes and for which ownership is transferred to a county government, including Baltimore City. A local school system must provide the reimbursement within two years after the transfer of ownership. The fiscal 2026 capital budget bill (**Chapter 603 of 2025**) extends the repayment period to five years.

Built to Learn Act

Chapter 20 of 2020, the BTL, authorized the Maryland Stadium Authority (MSA) to issue up to \$2.2 billion in revenue bonds, backed by annual payments from the Education Trust Fund

(ETF) beginning in fiscal 2022, for public school construction projects in the State, including support for a P3 agreement for Prince George’s County. Although Chapter 20 authorized MSA to issue up to \$2.2 billion in revenue bonds, current estimates are based on approximately \$1.7 billion in available proceeds for fiscal 2022 through 2028, excluding projects in Prince George’s County. The debt service for these bonds is funded with a fixed \$100.0 million annually from the ETF, which collects proceeds from video lottery terminals and table games at licensed gaming facilities.

As of January 2026, IAC has approved 59 BTL projects and committed more than \$1.5 billion in funding to those projects.

Distribution of Bonds and Bond Sales

Since fiscal 2021, MSA has issued three BTL bond sales totaling \$1.14 billion including \$285.9 million in fiscal 2021; \$413.5 million in fiscal 2022; and \$444.2 million in fiscal 2024. The final revenue bond issuance was projected to occur during fiscal 2027 but has been deferred to fiscal 2028 based on the readiness and cash-flow needs of projects. Depending on current estimates and issuance rates, a final issuance will yield between \$1.7 billion and \$1.8 billion in total funds for BTL projects. **Exhibit L-3** shows the allocation of MSA’s most recent projection of \$1.7 billion in anticipated revenues given increases in interest rates since the program’s enactment.

Exhibit L-3 **Allocation of Built to Learn Bond Sale Proceeds** **(\$ in Millions)**

	<u>Percent of Total</u>	<u>Proceeds</u>
Anne Arundel	12.5%	\$212.5
Baltimore City	21.0%	357.0
Baltimore	21.0%	357.0
Frederick	5.1%	86.7
Howard	6.6%	112.2
Montgomery	21.0%	357.0
Prince George’s	*	*
All Other Counties	11.5%	195.5
Unallocated/Maryland Stadium Authority	1.3%	22.1
Total	100.0%	\$1,700.0

* Under Chapter 20 of 2020, as amended by Chapter 679 of 2023, Prince George’s County receives \$27.0 million annually for up to 30 years to supplement local funds for an availability payment if it enters into a public-private partnership agreement, subject to other provisions in the Act.

Source: Department of Legislative Services

Prince George's County Public-Private Partnership and Fund

The BTL authorized Prince George's County to pursue a P3 to build public schools under the BTL program. Under the statute, State funds were conditional on a memorandum of understanding between IAC, Prince George's County Public Schools, Prince George's County, and MSA. For Prince George's County to receive annual BTL payments, the P3 agreement had to include (1) a minimum of eight schools to be improved, constructed, renovated, operated, and maintained; (2) agreement that the Prince George's County board and private entity remain in the P3; and (3) a commitment by the Prince George's County government and school board to provide the local share of the availability payment.

As originally enacted in Chapter 20, if Prince George's County entered into a specified P3 agreement by July 1, 2022, MSA was required to deposit \$25.0 million annually, beginning in fiscal 2024 and not after 2053, into the P3 Fund created by Chapter 387 of 2019. The source of the funds is lottery proceeds from the ETF. **Chapter 679 of 2023**, introduced above, increased State support for the Prince George's County P3 from \$25 million annually to \$27 million. Prince George's County must also deposit a \$42.0 million availability payment to the fund annually.

Nancy K. Kopp Public School Facilities Priority Fund

Chapter 20 of 2020 created the PSFPP to address the facility needs of the highest priority schools identified by the statewide facilities assessment completed by IAC. Chapter 32 of 2022 renamed the fund as the Nancy K. Kopp Public Schools Facilities Priority Fund. **Chapter 354 of 2024** temporarily altered the purpose of PSFPP, only for fiscal 2027, to provide State funds to address the severity of issues in school buildings, including (among other things) air-conditioning, heating, and plumbing. In accordance with funding amounts updated by the Act, beginning in fiscal 2027, the Governor must appropriate at least \$70.0 million to the fund annually.

The fiscal 2027 Capital Budget Bill (**Chapter 5 of 2026**) required that PSFPP authorizations not be subject to a local matching requirement and that PSFPP funds must be distributed in accordance with the amounts shown in **Exhibit L-4**.

Exhibit L-4
Nancy K. Kopp Public School Facilities Priority Fund Allocations
Fiscal 2027
(\$ in Millions)

<u>Local School System</u>	<u>2027</u>
Anne Arundel	\$3.0
Baltimore City	16.0
Baltimore County	5.0
Frederick	5.0
Howard	6.0
Montgomery	15.0
Prince George's	19.0
Others	1.0
Total	\$70.0

Source: Maryland Consolidated Capital Bond Loan of 2026 (*Chapter 5*); Department of Legislative Services

In order to determine allocations for the PSFPF in fiscal 2028 and subsequent years, *Chapter 354* reconstituted the Workgroup on the Funding of School Facilities established in Chapter 20. The workgroup was intended to consider whether and how the results of the ongoing statewide assessment of school facilities should be incorporated into school funding decisions for the PSFPF. However, the workgroup has not convened to date.

School Safety Grant Program

Chapter 14 of 2018 created the School Safety Grant Program (SSGP), which provides grants to local school systems for security-related improvements, with funding mandated at \$10.0 million annually. Eligible school safety improvements are identified through facility risk assessments required by the Safe to Learn Act (Chapter 30 of 2018) and include improvements such as secure and lockable classroom doors, areas of safe refuge within classrooms, and surveillance and other security technology for school monitoring purposes. IAC and the Maryland Center for School Safety share administration of the program.

In keeping with the legislative intent of Chapter 20 for SSGP to be consolidated with the PSFPF, *Chapter 679 of 2023* repealed the program beginning in fiscal 2027. However, *Chapter 354 of 2024* reinstated the program and maintained the \$10.0 million funding mandate indefinitely.

Aging Schools Program

In 1997, the General Assembly established the ASP. Eligible ASP expenditures include asbestos and lead paint abatement; upgrading of fire protection systems and equipment; plumbing; roofing; upgrade of heating, ventilation, and air-conditioning systems; site redevelopment; wiring schools for technology; and renovation projects related to education programs and services. Funding is specified in Section 5-206 of the Education Article and since fiscal 2010, has been mandated at a minimum of \$6.1 million annually.

In keeping with the legislative intent of Chapter 20 for the ASP to be consolidated with the PSFPP, **Chapter 679 of 2023** repealed the program beginning in fiscal 2027, and it did not receive funding in the fiscal 2027 budget.

State School Construction Funding

Chapter 14 of 2018 established the State's intent to provide at least \$400.0 million annually, within current debt affordability guidelines, for public school construction. Chapter 32 of 2022 increased the legislature's intended annual funding level to \$450.0 million beginning in fiscal 2023. **Chapter 354 of 2024** clarified that the intended threshold does not include funding provided through the BTL program. From fiscal 2023 to 2026, the State surpassed the intended thresholds.

Exhibit L-5 shows annual State public school construction funding from fiscal 2023 through 2026 by county, including BTL allocations and statewide and local reserve allocations *not* counted toward calculation of the State's funding goal.

Exhibit L-5
State Public School Construction Funding
Fiscal 2023-2026
(\$ in Thousands)

<u>Local School System</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Allegany	\$4,116	\$5,742	\$12,308	\$9,854
Anne Arundel	76,974	58,141	88,551	44,641
Baltimore City	327,001	154,841	282,068	79,863
Baltimore	127,687	75,823	201,151	63,917
Calvert	8,678	18,737	8,250	10,585
Caroline	7,059	4,469	5,967	4,546
Carroll	20,955	16,609	16,417	18,179
Cecil	19,590	42,912	5,490	7,684
Charles	35,237	21,031	22,982	17,058
Dorchester	4,670	6,114	3,992	6,853
Frederick	48,808	43,608	21,131	29,313
Garrett	11,065	18,479	23,802	9,420
Harford	16,911	33,455	18,238	22,517
Howard	69,797	26,993	19,642	33,654
Kent	2,331	3,242	406	8,885
Montgomery	50,233	198,048	57,636	20,991
Prince George's	124,264	76,967	52,782	63,786
Queen Anne's	4,526	6,934	784	16,168
St. Mary's	7,878	15,951	7,073	24,698
Somerset	266	9,409	6,813	13,195
Talbot	1,129	6,202	6,438	3,701
Washington	10,413	14,903	27,890	14,909
Wicomico	33,416	22,072	7,861	11,584
Worcester	308	689	8,202	7,293
Maryland School for the Blind	9,100	13,605	4,595	11,328
Statewide	4,279	63	9,033	1,849
Total	\$1,026,691	\$895,038	\$919,501	\$556,469

Notes: Includes general obligation bonds, Built to Learn revenue bonds, pay-as-you-go funds, and reallocated funds that were previously authorized (as shown in IAC Capital Improvement Program 100% Allocation reports). Allocated funds include the Enrollment Growth or Relocatable Classroom program, School Safety grants, and Healthy School Facility grants. Statewide funds include unallocated discretionary funds, contractual costs for external reviews, and funds reserved for unforeseen contingencies. Columns may not sum to total due to rounding.

Source: Interagency Commission on School Construction; Department of Legislative Services

Other School Construction Programs

Baltimore City HVAC

In addition to appropriations in the fiscal 2027 capital budget for school construction, the fiscal 2027 operating budget (**Chapter 4 of 2026**) included three appropriations related to HVAC systems in Baltimore City public school facilities. The first appropriation provided \$150,000 in Strategic Energy Investment Fund (SEIF) alternative compliance payment (ACP) revenues for the Comptroller to conduct a comprehensive study of the HVAC systems in four 21st Century School buildings in Baltimore City experiencing chronic operational challenges and report findings to the General Assembly budget committees by December 1, 2026. The second appropriation provided \$9.85 million in SEIF ACP revenues for HVAC upgrades in Baltimore City school buildings, contingent on the enactment of legislation expanding the allowable uses of SEIF ACP revenues to include public school HVAC upgrades. The third appropriation provided \$9.0 million in SEIF Regional Greenhouse Gas Initiative (RGGI) proceeds for HVAC upgrades in Baltimore City school buildings, contingent on legislation authorizing spending for that purpose (notwithstanding SEIF-RGGI account restrictions). Language authorizing the use of the SEIF for HVAC upgrades in Baltimore City was included in **Chapter 353 of 2026** (the Utility RELIEF Act of 2026).

Maryland School for the Blind

The Maryland School for the Blind (MSB) is a nonprofit organization that provides educational programs to Maryland students from birth to age 21 who are blind, severely visually impaired, or visually impaired/multi-disabled. Although it is not administered by a local school system, Chapter 144 of 2012 made MSB eligible for PSCP funding from fiscal 2013 through 2028. Subsequently, **Chapters 639 and 640 of 2023** extended MSB's eligibility for PSCP funds beyond fiscal 2028. Further, **Chapter 192 of 2024** required IAC to set the State share of eligible school construction costs at 100% for MSB.

Revolving Loan Fund

Chapter 14 of 2018 established the School Construction Revolving Loan Program and corresponding fund. However, funding was not provided until mandated by Chapter 32 of 2022, which required the Governor to allocate at least \$40.0 million in fiscal 2023, \$20.0 million in fiscal 2024 and \$10.0 million in each of fiscal 2025 and 2026.

The Budget Reconciliation and Financing Act of 2024 (**Ch. 717**) repealed the program and fund (and associated future mandated funding provisions) and transferred the \$40.0 million unspent balance in the fund to the Blueprint for Maryland's Future Fund.

New School Construction Programs

During the 2026 session, the General Assembly passed legislation to create two new school construction programs, one for nonpublic special education school facilities and one for public charter school facilities.

Nonpublic Special Education School Renovation Program

Chapter 768 of 2026 established the Nonpublic Special Education School Renovation Program to provide grants to eligible nonpublic special education schools for capital improvements. IAC may prioritize applications for projects that (1) address student health or safety concerns; (2) are necessary to comply with standards set by MSDE; or (3) are for nonpublic special education schools with a high percentage of students who are residents of the State. The Act established the intent of the General Assembly that the Governor include an appropriation of at least \$5.0 million to the program in the annual capital budget bill each fiscal year. IAC must adopt regulations to implement the program. As funding was not provided in fiscal 2027, the earliest funding may become available is fiscal 2028.

Charter School Capital Program

Under current law, a charter school is eligible for PSCP funding, but only if the local school system in which the charter school is located includes a request for funding in its submission to IAC. **Chapter 767 of 2026** required IAC to distribute funds directly to public charter schools for capital improvements, debt service, or rent or lease payments. To receive funds, a public charter school must not concurrently receive funds under PSCP, and the operator's most recent financial audit must be unqualified. Continued funding for a charter school is contingent on submission of a report on the status of funds already received. Funding for this program must supplement, not supplant, local school system PSCP allocations.

Beginning in fiscal 2028, **Chapter 767** required the Governor to include an appropriation in the annual budget bill for the program equal to the total aggregate student enrollment in the Maryland Public Charter School Program for the prior fiscal year multiplied by \$200, which is projected to total approximately \$5.3 million in fiscal 2028. If funding for PSCP is reduced year-over-year, funds distributed to public charter schools must be reduced proportionally.

