

Decision Document

**House Appropriations Committee
Transportation and the Environment Subcommittee
2024 Session**

C90G00
Public Service Commission

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

Concur.

Modify –
see below.

C90G00
Public Service Commission

Additional First House Actions

Amount
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Position
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Agency Response Hearing Notes

Senate
Decisions

House
Decisions

1. Adopt the following narrative:

Adopt.

Third-party Retail Energy Supplier Regulation and Enforcement Actions in Response to Prohibited Marketing Practices: The committees are interested in continuing to monitor the enforcement actions taken by the Public Service Commission (PSC) in response to third-party retail energy suppliers who have engaged in prohibited marketing practices and the effectiveness of these enforcement actions at prohibiting these marketing practices from occurring. The committees request that PSC submit a report providing an overview of the current types of enforcement actions that it has the statutory authority to take against third-party retail energy suppliers, information and evidences regarding the effectiveness of these enforcement actions, limitations to the effectiveness of these enforcement actions, and any additional enforcement efforts that PSC plans or could take in the future under existing statutory authority to address ongoing complaints from consumers impacted by prohibited marketing practices. The report should also include information on any additional statutory regulatory authority that is needed for effective enforcement in response to customer complaints.

Information Request	Author	Due Date
Report on third-party retail energy supplier regulation and enforcement actions in response to prohibited marketing practices	PSC	December 1, 2024

2. Adopt the following narrative:

Adopt.

Utility Termination Restrictions during the Winter Heating Season and in Cases of Extreme Temperatures: The committees are interested in the restrictions that are currently in place through statute and regulations surrounding the circumstances under which a utility may terminate service to residential customers. The committees request that the Public Service Commission (PSC) submit a report outlining the utility termination restrictions that are currently in place during the winter heating season

C90G00
Public Service Commission

Additional First House Actions

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lasting from November 1 to March 1, and on days when the forecasted temperatures are either below 32 degrees Fahrenheit or above 95 degrees Fahrenheit. The committees request that the report also include a discussion of the authority of PSC to adopt additional utility termination restrictions through regulation or order surrounding terminations occurring during the summer cooling season to protect utility customers from the effects of extreme heat.

Information Request

Author

Due Date

Report on utility termination restrictions during the winter heating season and due to extreme temperatures

PSC

December 1, 2024

C91H00
Office of People's Counsel

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

Concur.

Adopt.

CHESBAY*
Chesapeake Bay Overview

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

Concur.

Adopt.

D13A13
Maryland Energy Administration

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

Concur.

Adopt.

Strategic Energy Investment Fund (SEIF) Revenue, Spending, and Fund Balance: The committees are interested in ensuring transparency in Regional Greenhouse Gas Initiative (RGGI) revenue assumptions and spending included in the budget as well as available fund balance and planned usages of revenues. The committees request that the Department of Budget and Management (DBM) provide an annual report on the revenue from the RGGI carbon dioxide emissions allowance auctions, set-aside allowances, and interest income in conjunction with the submission of the fiscal 2026 budget as an appendix to the Governor’s Fiscal 2026 Budget Books. The report shall include information on the actual fiscal 2024 budget, the fiscal 2025 working appropriation, and the fiscal 2026 allowance. The report shall detail:

- revenue assumptions used to calculate the available SEIF from RGGI auctions for each fiscal year, including the number of auctions, the number of allowances sold, the allowance price in each auction, and the anticipated revenue from set-aside allowances;
- interest income received on the SEIF;
- amount of the SEIF from RGGI auction revenue available to each agency that receives funding through each required statutory allocation, dues owed to RGGI, Inc, and transfers or diversions made to other funds; and
- fund balances for each SEIF subaccount, reflecting funds available to spend for the fiscal 2024 actual, the fiscal 2025 working appropriation, and the fiscal 2026 allowance.

D13A13
Maryland Energy Administration

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
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Information Request	Author	Due Date
Report on revenue assumptions, fund balance, and usage of SEIF revenues sourced from RGGI program auctions	DBM	With submission of the Governor’s Fiscal 2026 Budget Books

2. Adopt the following narrative: Concur. Adopt.

Federal Infrastructure Investment and Jobs Act (IIJA) and Inflation Reduction Act (IRA) Funding for Energy-related Purposes: The committees are interested in tracking federal funds available to the Maryland Energy Administration (MEA) from the IIJA and the IRA for energy-related purposes, and the status of implementation of programming using these funds. The committees request that MEA submit a report that includes a list of all IIJA and IRA programs for which it has submitted or anticipates submitting an application, the amount of funding available from each program (if funding allocations have been announced), the status of each application submitted or date funding was awarded, and the planned uses for funding from each program.

Additionally, the committees request that MEA provide an update on the implementation of the two home energy rebate programs through IRA funding, the Home Energy Performance-Based, Whole-House Rebate Program and the High-Efficiency Electric Home Rebate Program. The report should include the status of approval of MEA’s application for funding by the U.S. Department of Energy, program design and implementation activities completed, including outreach to the contractor community, and, if initial rebate awards have been made at the time of report submission, the number of rebates awarded under both programs, the average amount per rebate, and the total amount of rebates awarded. If initial rebate awards have not yet been made at the time of report submission, the report should include an anticipated timeline of when rebates under both programs will be available to the public.

D13A13
Maryland Energy Administration

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
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Information Request	Author	Due Date
Report on federal IJJA and IRA funding and implementation of home energy rebate programs	MEA	December 31, 2024

3. Adopt the following narrative: Concur. Adopt.

Usage of Strategic Energy Investment Fund (SEIF) Revenues Transferred to the Dedicated Purpose Account (DPA): The fiscal 2025 allowance reflects the transfer of \$90 million of SEIF fund balance to the DPA to be used for implementation of unspecified provisions of Chapter 38 of 2022 (the Climate Solutions Now Act) and Maryland’s Climate Pollution Reduction Plan, released in December 2023. The committees request that the Department of Budget and Management (DBM), the Maryland Energy Administration (MEA), and the Maryland Department of the Environment (MDE) jointly submit a report outlining the sources, uses, and planned uses of this funding.

Information Request	Author	Due Date
Report on the usage of SEIF revenues transferred to the DPA	DBM MDE MEA	December 31, 2024

D70J00
Maryland Automobile Insurance Fund

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

Quarterly Financial Statements for Insured and Uninsured Divisions: Annually, the Maryland Automobile Insurance Fund (Maryland Auto) provides end-of-year financial statements including revenue, expenditure, and surplus figures for the closed-out, preceding year; estimates for the current year beginning at closeout; and projections for the immediate year ahead. Most revenue is derived from premiums in the Insured Division and a mandated appropriation of uninsured motorist fines under Section 17-106 of the Transportation Article for the Uninsured Division. However, both divisions derive revenue from investment dividends, which depend on investment portfolio decisions as well as stock market conditions. Comparisons of estimates to closeout and projections to end-of-year estimates suggest limited ability to forecast financial conditions for the full year. Given ongoing concerns about the financial stability of the agency and surplus levels in both divisions, the committees request quarterly updated financial statements for both divisions. The first report should cover data for the first two quarters of calendar 2024, and each subsequent report should cover the prior quarter.

Concur in part. The agency requests shifting the due dates to the following to accommodate the quarterly and full year closeout process: July 31, 2024; October 31, 2024; March 15, 2025; and May 15, 2025.

Modify, see below.

Information Request	Author	Due Date
Quarterly financial statements for Insured Division and Uninsured Division	Maryland Auto	July 15, 2024 October 15, 2024 January 15, 2025 April 15, 2025

First House Modification

Adopt the following narrative:

Adopt.

Quarterly Financial Statements for Insured and Uninsured Divisions: Annually, the Maryland Automobile Insurance Fund (Maryland Auto) provides end-of-year financial statements including revenue, expenditure, and surplus figures for the closed-out, preceding year; estimates for the current year beginning at closeout; and projections for the immediate year ahead. Most revenue is derived from premiums in

D70J00
Maryland Automobile Insurance Fund

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
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the Insured Division and a mandated appropriation of uninsured motorist fines under Section 17-106 of the Transportation Article for the Uninsured Division. However, both divisions derive revenue from investment dividends, which depend on investment portfolio decisions as well as stock market conditions. Comparisons of estimates to closeout and projections to end-of-year estimates suggest limited ability to forecast financial conditions for the full year. Given ongoing concerns about the financial stability of the agency and surplus levels in both divisions, the committees request quarterly updated financial statements for both divisions. The first report should cover data for the first two quarters of calendar 2024, and each subsequent report should cover the prior quarter.

Information Request	Author	Due Date
Quarterly financial statements for Insured Division and Uninsured Division	Maryland Auto	July 31, 2024 October 31, 2024 March 15, 2025 May 15, 2025

D80Z01
Maryland Insurance Administration

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

Concur.

Adopt.

Insurance Tracking System (ITS) Project Status: After significant delays beginning in calendar 2020, active design and development of the ITS project has resumed. A project blueprint was delivered to the Maryland Insurance Administration (MIA) and approved by the Commissioner in September 2023. As of January 2024, MIA had received a detailed Design and Requirements proposal and new cost quotes. The fiscal 2025 allowance includes \$4 million for continued ITS project development. In order to continue monitoring this project and to be informed of any further delays or cost increases, the committees request that MIA submit initial and follow-up reports to update the committees, including:

- a summary of progress made on the project in the previous two quarters and projected tasks to be completed in the following two quarters, including a list of all identified project development benchmarks and target dates and actual completion dates for each major benchmark;
- actual project spending over the previous two quarters; and
- any updates to the estimated total project cost or anticipated project timeline.

Information Request	Author	Due Date
ITS Major Information Technology Development Project status	MIA	July 10, 2024 January 10, 2025

D90U00
Canal Place Preservation and Development Authority

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

F50
Department of Information Technology

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

Concur.

Adopt.

Further provided that \$1,900,000 of this appropriation made for the purpose of funding the Department of General Services eMaryland Marketplace eProcurement Solution Major Information Technology Development Project may not be expended until the fiscal 2025 information technology project request for the project has been provided by the Department of Information Technology to the Department of Legislative Services. The report shall be submitted 45 days before the expenditure of funds, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: New and ongoing projects must submit an information technology project request (ITPR) to request funding for the project, which is then to be approved by the Department of Information Technology (DoIT). The Department of General Services (DGS) submitted a request for fiscal 2025 funding for the eMaryland Marketplace eProcurement Solution project. While funding was included in the fiscal 2025 allowance for the project, the ITPR was still pending approval from DoIT. This language restricts general funds for the project until DoIT has provided the ITPR to the Department of Legislative Services.

Information Request	Author	Due Date
Fiscal 2025 ITPR for the DGS eMaryland Marketplace eProcurement Solution project	DoIT	45 days before the expenditure of funds

F50
Department of Information Technology

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

Further provided that \$1,500,000 of this appropriation made for the purpose of funding the Maryland Department of Health Public Health Services Data Modernization Program Major Information Technology Development Project may not be expended until the fiscal 2025 information technology project request for the project has been provided by the Department of Information Technology to the Department of Legislative Services. The report shall be submitted 45 days before the expenditure of funds, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: New and ongoing projects must submit an information technology project request (ITPR) to request funding for the project, which is then to be approved by the Department of Information Technology (DoIT) and then provided to the Department of Legislative Services (DLS). The fiscal 2025 ITPR for the Maryland Department of Health (MDH) Public Health Services (PHS) Data Modernization Program project has not been provided to DLS. This language restricts general funds for the project until DoIT has provided the ITPR to DLS.

Information Request	Author	Due Date
Fiscal 2025 ITPR for the MDH PHS Data Modernization Program project	DoIT	45 days before the expenditure of funds

F50
Department of Information Technology

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
3. Increase turnover expectancy for 11 new positions to 25% to be consistent with budgeted turnover for new positions.	-\$ 377,207	GF		Disagree. In its written testimony, DoIT reports that DoIT's track record over the last year caused DBM to reduce the turnover rate to 7% excluding the new positions added in July. Increasing the turnover rate for positions funded through general funds will result in DoIT's inability to fill positions or operate in a deficiency.	Adopt.	
4. Managing for Results (MFR) Goals and Indicators for Services to State Agencies: The Department of Information Technology's (DoIT) fourth MFR goal is to provide efficient and high-quality information technology services to State agencies. DoIT also has indicators that measure the workload and efficiency. However, the goal does not address value, and there are no indicators for costs. Many of the services that DoIT provides are comparable to services provided by the private sector and other organizations. DoIT should expand its MFR goals to include value and add indicators that measure costs and value. The department should report these indicators with the MFR submission accompanying the fiscal 2026 budget.			Concur.		Adopt.	
Information Request		Author		Due Date		
MFR indicators for value and costs of DoIT's services to State agencies		DoIT		With the submission of the fiscal 2026 budget		
5. Plan for Spending Cybersecurity Funds Appropriated in the Dedicated Purpose Account (DPA): The Department of Information Technology (DoIT) will have access to up to \$98.5 million in funding in the DPA to support cybersecurity efforts. DoIT advises that these funds will support the next phase of the cybersecurity			Concur.		Adopt.	

F50
Department of Information Technology

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assessments, including ongoing cybersecurity, vulnerability risk and reduction assessments, privacy impact assessments, and implementation of remediation recommended by the assessments. The committees request that DoIT report on its plans to spend funds in the DPA. The report should include discussions of the activities and timing of the spending and progress made securing State information technology hardware, software, and systems. It should also include an update on efforts made to address cybersecurity risks in legacy systems.

Information Request	Author	Due Date
Report on spending DPA funds	DoIT	December 31, 2024

F50
Department of Information Technology

Additional First House Actions

**Amount
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Agency Response Hearing Notes

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

Adopt.

, provided that \$200,000 of this appropriation made for the purpose of the Security program may not be expended until the Department of Information Technology submits a report to the budget committees on the estimated cost of implementing remediation efforts determined to be needed in the cybersecurity assessments. The report shall include information on how the remediation efforts will be categorized to prioritize based on urgency and risk levels, and the estimated cost for each of the identified categories. The report shall be submitted by October 1, 2024, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: Chapter 242 of 2022 requires that the Office of Security Management within the Department of Information Technology (DoIT) ensure that each State agency completes an external assessment at least once every two years and assists each unit to remediate any security vulnerabilities or high-risk configurations identified in the assessment. Agencies excluded from the legislation must also have a similar process. This language restricts funds pending a report on the cost of remediation efforts determined to be needed as a result of the cybersecurity efforts. The submitted report is required to include information on how remediation efforts will be categorized and the costs associated with each category.

Information Request	Author	Due Date
Report on cybersecurity assessment remediation implementation	DoIT	October 1, 2024

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

Adopt.

, provided that \$500,000 of this appropriation made for the purpose of the State Chief

F50
Department of Information Technology

Additional First House Actions	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
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of Information Technology program may not be expended until the Department of Information Technology submits a report to the budget committees by September 1, 2024, outlining a plan and timeline for completing:

- (1) a statewide asset inventory;
- (2) executive metrics, cybersecurity program outcome-driven metrics, incident response performance metrics, and metric trend measurement;
- (3) an inventory and risk assessment of the State’s legacy systems; and
- (4) data inventory, least privilege access, and user access activities.

The report shall also include existing data security standards that have already been identified by the State Chief Information Security Officer, Chief Technology Officer, and Chief Digital Experience Officer that would best be assimilated by State agencies and any recommendations on and assessing fiscal impacts of data security practices. The budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: The General Assembly is interested in better understanding the timelines planned by the Department of Information Technology (DoIT) for completing certain cybersecurity and data security actions. This language restricts funds pending submission of a report by DoIT on the planned timeline.

Information Request	Author	Due Date
Timeline for completing cybersecurity related actions	DoIT	September 1, 2024

J00*
Maryland Department of Transportation Overview

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1. Add the following language:

Concur.

Adopt.

Provided that it is the intent of the General Assembly that projects and funding levels appropriated for capital projects, as well as total estimated project costs within the Consolidated Transportation Program, shall be expended in accordance with the plan approved during the legislative session. The department shall prepare a report to notify the budget committees of the proposed changes in the event that the department modifies the program to:

- (1) add a new project to the construction program or development and evaluation program meeting the definition of a “major project” under Section 2-103.1 of the Transportation Article that was not previously contained within a plan reviewed in a prior year by the General Assembly and will result in the need to expend funds in the current budget year; or
- (2) change the scope of a project in the construction program or development and evaluation program meeting the definition of a “major project” under Section 2-103.1 of the Transportation Article that will result in an increase of more than 10% or \$1,000,000, whichever is greater, in the total project costs as reviewed by the General Assembly during a prior session.

For each change, the report shall identify the project title, justification for adding the new project or modifying the scope of the existing project, current year funding levels, and the total project cost as approved by the General Assembly during the prior session compared with the proposed current year funding and total project cost estimate resulting from the project addition or change in scope.

Further provided that notification of project additions, as outlined in paragraph (1) above; changes in the scope of a project, as outlined in paragraph (2) above; or moving projects from the development and evaluation program to the construction program shall be made to the General Assembly 45 days prior to the expenditure of funds or the submission of any contract for approval to the Board of Public Works.

J00*
Maryland Department of Transportation Overview

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
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Explanation: This annual budget bill language requires the department to notify the budget committees of proposed changes to the transportation capital program that will add a new project that was not in the fiscal 2024 to 2029 Consolidated Transportation Program (CTP) or will increase a total project’s cost by more than 10%, or \$1 million, due to a change in scope. Reports are to be submitted with the draft and final versions of the CTP with each using the 2024 session CTP as the basis for comparison. In addition, notification is required as needed throughout the budget year if certain changes to projects are made.

Information Request	Author	Due Date
Capital budget changes from one CTP version to the next	Maryland Department of Transportation (MDOT)	With draft CTP With final CTP
Capital budget changes throughout the year	MDOT	45 days prior to the expenditure of funds or seeking Board of Public Works approval

J00A01
MDOT – The Secretary’s Office

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
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1. Add the following language to the special fund appropriation:	Concur.	Adopt.
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, provided that no more than \$5,509,125 of this appropriation may be expended for operating grants-in-aid, except for:

- (1) any additional special funds necessary to match unanticipated federal fund attainments; or
- (2) any proposed increase either to provide funds for a new grantee or to increase funds for an existing grantee.

Further provided that no expenditures in excess of \$5,509,125 may occur unless the department provides notification to the budget committees to justify the need for additional expenditures due to either item (1) or (2) above, and the committees provide review and comment or 45 days elapse from the date such notification is provided to the committees.

Explanation: This annual language caps the level of special funds provided for operating grants-in-aid. The cap may be increased to match unanticipated federal dollars or to provide new or expanded grant funding upon notification to the budget committees.

Information Request	Author	Due Date
Explanation of need for additional special funds for operating grants-in-aid	Maryland Department of Transportation	45 days prior to expenditure

J00A0103
MDOT – The Secretary’s Office – PAYGO Capital

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
1.	Add the following language to the special fund appropriation:		Concur.	Adopt.	
	<p><u>, provided that no funds may be expended by the Secretary’s Office for any capital project or grant with a total project cost in excess of \$500,000 that is not currently included in the fiscal 2024 to 2029 Consolidated Transportation Program, except as outlined below:</u></p> <p>(1) <u>the Secretary shall notify the budget committees of any proposed capital project or grant with a total cost in excess of \$500,000, including the need and justification for the project and its total cost; and</u></p> <p>(2) <u>the budget committees shall have 45 days to review and comment on the proposed capital project or grant.</u></p>				

Explanation: This language provides legislative oversight of capital projects and grants exceeding \$500,000 that are not listed in the current Consolidated Transportation Program (CTP).

Information Request	Author	Due Date
Notification of the intent to fund a capital project or grant exceeding \$500,000 that is not listed in the current CTP	Maryland Department of Transportation	45 days prior to expenditure

J00A0104
MDOT – WMATA – Operating Budget

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

J00A0105
MDOT – WMATA – Capital Budget

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
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1. Concur with Governor's allowance.		Concur.	Adopt.	
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J00A04
MDOT – Debt Service Requirements

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
1.					Concur.	Adopt.
<p><u>Consolidated Transportation Bonds may be issued in any amount, provided that the aggregate outstanding and unpaid balance of these bonds and bonds of prior issues may not exceed \$2,850,050,000 as of June 30, 2025. The total aggregate outstanding and unpaid principal balance of nontraditional debt, defined as any debt instrument that is not a Consolidated Transportation Bond or a Grant Anticipation Revenue Vehicle bond issued by the Maryland Department of Transportation (MDOT), exclusive of debt for the Purple Line Light Rail Project, may not exceed \$887,865,000 as of June 30, 2025. The total aggregate outstanding and unpaid principal balance on debt for the Purple Line may not exceed \$2,219,374,000 as of June 30, 2025. Provided, however, that in addition to the limits established under this provision, MDOT may increase the aggregate outstanding unpaid and principal balance of Consolidated Transportation Bond debt or nontraditional debt so long as:</u></p>						
(1)	<p><u>MDOT provides notice to the Senate Budget and Taxation Committee and the House Appropriations Committee stating the specific reason for the additional issuance and providing specific information regarding the proposed issuance, including information specifying the total amount of Consolidated Transportation Bond debt or nontraditional debt that would be outstanding on June 30, 2025, and the total amount by which the fiscal 2025 debt service payment for all Consolidated Transportation Bond debt or nontraditional debt would increase following the additional issuance; and</u></p>					
(2)	<p><u>the Senate Budget and Taxation Committee and the House Appropriations Committee have 45 days to review and comment on the proposed additional issuance before the publication of a preliminary official statement. The Senate Budget and Taxation Committee and the House Appropriations Committee may hold a public hearing to discuss the proposed increase and shall signal their intent to hold a hearing within 45 days of receiving notice from MDOT.</u></p>					

J00A04
MDOT – Debt Service Requirements

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
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Explanation: Section 3-202 of the Transportation Article requires the General Assembly to establish the maximum debt outstanding for Consolidated Transportation Bonds each year in the budget bill. The level is based on the outstanding debt as of June 30, 2023, plus projected debt to be issued during fiscal 2025 in support of the transportation capital program. No Consolidated Transportation Bond debt issuance is planned for fiscal 2024. For nontraditional debt, this language limits the amount of debt outstanding at the end of fiscal 2025, exclusive of debt issued for the Purple Line Light Rail Transit project, to the total amount that was outstanding from all previous nontraditional debt issuances as of December 31, 2023, plus anticipated issuances of \$75 million for a new fare collection system for the Maryland Transit Administration and \$235 million for the Concourse A/B Connector and Baggage Handling System Replacement project at Baltimore/Washington International Thurgood Marshall Airport. Debt outstanding for the Purple Line Project is capped at the projected maximum debt outstanding level that will occur during the construction phase of the Purple Line Project. The language allows MDOT to increase the amount of Consolidated Transportation Bond debt or nontraditional debt outstanding in fiscal 2025 by providing notification to the budget committees regarding the reason that the additional debt is required.

Information Request	Author	Due Date
Justification for increasing Consolidated Transportation Bond debt or nontraditional debt outstanding	MDOT	45 days prior to publication of a preliminary official statement

2. Add the following language: Concur. Adopt.

MDOT shall submit with its annual September and January financial forecasts information on:

- (1) anticipated and actual nontraditional debt outstanding as of June 30 of each year; and

J00A04
MDOT – Debt Service Requirements

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
(2) <u>anticipated and actual debt service payments for each outstanding nontraditional debt issuance from fiscal 2024 through 2034.</u>					

Nontraditional debt is defined as any debt instrument that is not a Consolidated Transportation Bond or a Grant Anticipation Revenue Vehicle bond; such debt includes, but is not limited to, Certificates of Participation; debt backed by customer facility charges, passenger facility charges or other revenues; and debt issued by the Maryland Economic Development Corporation or any other third party on behalf of MDOT.

Explanation: The General Assembly is interested in monitoring the use of nontraditional debt by MDOT. The information provides the budget committees with additional information on the usage and annual costs of nontraditional debt.

Information Request	Author	Due Date
Nontraditional debt outstanding and anticipated debt service payments	MDOT	With the September forecast With the January forecast

J00B01
MDOT – State Highway Administration

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

J00D00
MDOT – Maryland Port Administration

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

Concur.

Adopt.

J00D0002

MDOT – Maryland Port Administration – PAYGO Capital

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

J00D0002

MDOT – Maryland Port Administration – PAYGO Capital

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

Adopt.

Howard Street Tunnel Project: The Howard Street Tunnel project is a priority project for the State of Maryland. It will allow double-stack trains in the Howard Street Tunnel, which will increase business at the Port of Baltimore, generate thousands of new jobs, and spur growth for Maryland’s economy. The size and complexity of this project requires a partnership between CSX, the federal government, the State of Maryland, Baltimore City, and others. It is the intent of the committees that all parties work closely together to address permitting requirements and any issues that may arise on the project to ensure that the project stays on schedule and costs are contained.

J00E00
MDOT – Motor Vehicle Administration

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

J00E00
MDOT – Motor Vehicle Administration

Additional First House Actions

Amount
Change

Position
Change

Agency Response Hearing Notes

Senate
Decisions

House
Decisions

1. Adopt the following narrative:

Adopt.

Improper Out-of-state Tags: The committees are concerned about Maryland residents with out-of-state vehicle registrations, particularly given a January 2024 assessment by the Motor Vehicle Administration (MVA) that identified nearly 34,000 individuals with Maryland addresses and vehicles registered in the Commonwealth of Virginia. Maryland law requires that new residents of the State title and register their vehicles with MVA within 60 days. Maryland residents using improper out-of-state tags results in decreased State revenues associated with vehicle registration, titling, and the Vehicle Emissions Inspection Program. Given these concerns, the committees request that MVA submit a report describing the issue of improper out-of-state tags, including statutory and regulatory background, frequency and effectiveness of MVA enforcement and due diligence actions, and recent trends of motorists using improper out-of-state tags in the State. The report should also include a comparison of Maryland’s laws, enforcement actions, and fee structures to neighboring states.

Information Request	Author	Due Date
Report on improper out-of-state tags	MVA	October 15, 2024

2. Adopt the following narrative:

Adopt.

Maryland Automobile Insurance Fund Uninsured Division Solvency: The committees remain concerned about the financial solvency of the Uninsured Division of the Maryland Automobile Insurance Fund (Maryland Auto), which is primarily supported by uninsured motorist fines assessed by the Motor Vehicle Administration (MVA). Maryland Auto and the Maryland Insurance Administration (MIA) have identified that the current uninsured motorist assessment rate may be too low to disincentivize drivers from failing to maintain auto insurance policies. The committees are therefore interested in obtaining additional information on the payment of assessed uninsured motorist fines and the population that would be

J00E00
MDOT – Motor Vehicle Administration

Additional First House Actions

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
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impacted by a change in the rate. The committees request that MVA, in collaboration with Maryland Auto and MIA, submit a report that includes data on the total amount of uninsured motorist fines assessed, billed, and collected in fiscal 2022 and 2023, and the share of motorists who pay assessed fines within one year, two years, or who have never paid the fine. The report should also include an assessment, if known, of how increasing the rate may impact motorists by jurisdiction and demographic group and how Maryland’s uninsured motorist fines compare to neighboring states.

Information Request	Author	Due Date
Report on the uninsured motorist fine	MVA MIA Maryland Auto	September 15, 2024

J00E0007

MDOT – Motor Vehicle Administration – PAYGO Capital

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

J00H01
MDOT – Maryland Transit Administration

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
1.	Add the following language to the special fund appropriation: <u>, provided that \$100,000 of this appropriation made for the purpose of agency administration may not be expended until the Maryland Transit Administration submits six bimonthly construction status reports for the Purple Line project to the budget committees. The status reports shall provide:</u> (1) <u>the completion percentages for the project as a whole and for each major category of work;</u> (2) <u>the running total amount expended for construction; and</u> (3) <u>an explanation of any material change to the total construction cost estimate or construction schedule as set forth in the revised public-private partnership agreement as amended to add Maryland Transit Solutions as the replacement design-build contractor for the project.</u>		Concur in part. Would prefer narrative.	Modify – see below..	

The first status report shall be submitted by July 1, 2024, and subsequent reports shall be submitted every second month thereafter, and the budget committees shall have 45 days from the date of the receipt of the final report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled if the report is not submitted to the budget committees.

Explanation: This language restricts funds pending regular construction progress reports for the Purple Line light rail project.

Information Request	Author	Due Date
Reports on Purple Line construction progress	Maryland Transit Administration	July 1, 2024, and bimonthly thereafter ending with the May 1, 2025 report

J00H01
MDOT – Maryland Transit Administration

Additional First House Actions

Amount
Change

Position
Change

Agency Response Hearing Notes

Senate
Decisions

House
Decisions

1. Adopt the following narrative:

Adopt.

Purple Line Project Status Reports: Given continued challenges and cost overruns associated with completing construction on the Purple Line Light Rail project, the committees request that the Maryland Transit Administration (MTA) submit six bimonthly construction status reports for the Purple Line project to the committees. The status reports shall provide:

- the completion percentages for the project as a whole and for each major category of work;
- the running total amount expended for construction; and
- an explanation of any material change to the total construction cost estimate or construction schedule as set forth in the revised public-private partnership agreement as amended to add Maryland Transit Solutions as the replacement design-build contractor for the project.

Information Request

Author

Due Date

Reports on Purple Line construction progress

MTA

July 1, 2024, and bimonthly thereafter ending with the May 1, 2025 report

2. Add the following language:

Adopt.

Provided that \$250,000 of the special fund appropriation made for the purpose of agency administration in program J00H01.01 Transit Administration and \$250,000 of the special fund appropriation made for the purpose of departmental administration

J00H01
MDOT – Maryland Transit Administration

Additional First House Actions	<u>Amount</u> <u>Change</u>	<u>Position</u> <u>Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate</u> <u>Decisions</u>	<u>House</u> <u>Decisions</u>
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in program J00A01.01 Executive Direction of The Secretary’s Office (TSO) may not be expended until the Maryland Transit Administration and TSO submit a report to the budget committees on the impacts of the fall 2023 service changes to the CityLink Brown and LocalLink33 bus routes. The report shall include:

- (1) an impact assessment of the fall 2023 service adjustments to the CityLink Brown and LocalLink33 routes, including:
 - (a) demographic information on the rider population and service area, prior to the change;
 - (b) monthly ridership data from July 2022 through July 2023;
 - (c) descriptions of the schools and businesses in the service area;
 - (d) projected impacts of the service change to residents, commuters, students, and other populations in the service area; and
 - (e) any impacts to the corresponding paratransit service area; and

- (2) a summary of the agency’s annual outreach efforts prior to route changes and how outreach could be improved to better inform impacted riders, with a particular focus on disadvantaged riders such as those lacking internet access or the ability to attend public meetings.

The report shall be submitted by December 1, 2024, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled if the report is not submitted to the budget committees.

Explanation: Each year, the Maryland Transit Administration (MTA) proposes various service adjustments in the core bus system in Baltimore City to adapt to changing travel needs and trends. MTA holds public hearings to solicit stakeholder

J00H01
MDOT – Maryland Transit Administration

Additional First House Actions

**Amount
Change**

**Position
Change**

Agency Response Hearing Notes

**Senate
Decisions**

**House
Decisions**

and community feedback prior to route changes becoming effective. However, the committees are concerned that sufficient information on impacted riders is not publicly available prior to service changes and that certain populations may not have access to public meetings or opportunities to share feedback. This language restricts funding pending a report on improving the process surrounding annual fixed route service changes and an impact assessment of the calendar 2023 changes to the CityLink Brown and LocalLink33 route in Baltimore City.

Information Request

Author

Due Date

Report on CityLink Brown and
LocalLink33 bus route changes

MTA
TSO

December 1, 2024

J00H0105

MDOT – Maryland Transit Administration – PAYGO Capital

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

J00I00
MDOT – Maryland Aviation Administration

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

J00I0003

MDOT – Maryland Aviation Administration – PAYGO Capital

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

J00J00
MDOT – Maryland Transportation Authority

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

J00J0042

MDOT – Maryland Transportation Authority – PAYGO Capital

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

K00A
Department of Natural Resources

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

Office of Outdoor Recreation Reporting Requirement: The committees are interested in understanding more about the work of the Office of Outdoor Recreation and the impact of this work. Therefore, the committees request that the Department of Natural Resources (DNR) quantify the goals of the Maryland Outdoor Recreation Economic (MORE) Commission and develop Managing for Results (MFR) input, output, and outcome measures that correspond to these numerical goals to be submitted with the fiscal 2026 budget submission. In addition, the committees request that DNR submit a plan for the Office of Outdoor Recreation’s implementation of the recommendations of the MORE Commission. The plan should include the following: the status of implementation of the commission’s five main recommendations; strategies for implementing the recommendations that have not already been completed; an updated analysis of the value that outdoor recreation generates in Maryland as a whole and, if available, by county using Bureau of Economic Analysis data; the state of outdoor recreation and heritage tourism in Maryland using information from the updated Maryland Land Recreation and Preservation Plan; and the opportunities that a Chesapeake Bay National Recreation Area creates for Maryland. The plan is requested to be submitted by October 1, 2024.

Concur in part. The Office of Outdoor Recreation is working on many of the issues/actions identified in the Maryland Outdoor Recreation Economic Commission report and will submit a plan for implementation of the recommendations and other priority actions with strategies, timelines, status and Managing for Results metrics by June 30, 2024. Adopt.

Information Request	Author	Due Date
MFR input, output, and outcome measures for commission goals	DNR	Fiscal 2026 budget submission
Office of Outdoor Recreation Plan for meeting commission goals	DNR	October 1, 2024

K00A
Department of Natural Resources

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

Summary of Chesapeake Bay Restoration Spending: The committees request that the Department of Budget and Management (DBM), the Department of Natural Resources (DNR), and the Maryland Department of the Environment (MDE) provide a report on Chesapeake Bay restoration spending. The report shall be drafted subject to the concurrence of the Department of Legislative Services (DLS) in terms of both electronic format to be used and data to be included. The scope of the report is as follows: Chesapeake Bay restoration operating and capital expenditures by agency, fund type, and particular fund source based on programs that have over 50% of their activities directly related to Chesapeake Bay restoration for the fiscal 2024 actual, fiscal 2025 working appropriation, and fiscal 2026 allowance to be included as an appendix in the fiscal 2026 budget volumes and submitted electronically in disaggregated form to DLS.

Concur. The Administration will continue to provide the requested data with the Governor’s fiscal 2026 allowance. Adopt.

Information Request	Author	Due Date
Summary of Chesapeake Bay restoration spending for programs that have over 50% of their activities directly related to Chesapeake Bay restoration	DBM DNR MDE	Fiscal 2026 budget submission

3. Adopt the following narrative:

Historical and Projected Chesapeake Bay Restoration Spending: The committees are interested in the status of Chesapeake Bay restoration. Therefore, the committees request that the Maryland Department of Planning (MDP), the Department of Natural Resources (DNR), the Maryland Department of Agriculture (MDA), the Maryland Department of the Environment (MDE), and the Department of Budget and Management (DBM) provide a report by December 1, 2024, on recent and projected Chesapeake Bay restoration spending and associated impacts and the overall framework to meet the calendar 2025 requirement of having all best

Concur in part. The Administration is willing to submit a report summarizing Maryland’s Chesapeake Bay funding and restoration progress to date, current status, and future plans by December 1, 2024, but requests that the scope of the requested report be scaled back. Adopt.

K00A
Department of Natural Resources

<u>Amount</u> <u>Change</u>	<u>Position</u> <u>Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>Senate</u> <u>Decisions</u>	<u>House</u> <u>Decisions</u>
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management practices (BMP) in place to meet water quality standards for restoring the Chesapeake Bay. The report is requested to include the following:

- fiscal 2024 annual spending by fund, fund source, program, and State government agency; associated nutrient and sediment reductions; and the impact on living resources and ambient water quality criteria for dissolved oxygen, water clarity, and “chlorophyll a” for the Chesapeake Bay and its tidal tributaries to be submitted electronically in disaggregated form to the Department of Legislative Services (DLS);

- projected fiscal 2025 to 2026 annual spending by fund, fund source, program, and State government agency; associated nutrient and sediment reductions; and the impact on living resources and ambient water quality criteria for dissolved oxygen, water clarity, and “chlorophyll a” for the Chesapeake Bay and its tidal tributaries to be submitted electronically in disaggregated form to DLS;

- an overall framework discussing the needed regulations, revenues, laws, and administrative actions and their impacts on individuals, organizations, governments, and businesses by year from fiscal 2024 to 2025 in order to reach the calendar 2025 requirement of having all BMPs in place to meet water quality standards for restoring the Chesapeake Bay, to be both written in narrative form and tabulated in spreadsheet form that is submitted electronically in disaggregated form to DLS;

- an analysis of the various options for financing Chesapeake Bay restoration, including public-private partnerships, a regional financing authority, nutrient trading, technological developments, and any other policy innovations that would improve the effectiveness of Maryland and other states’ efforts toward Chesapeake Bay restoration;

K00A
Department of Natural Resources

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
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- an analysis on how cost effective the existing State funding sources, such as the Bay Restoration Fund, Chesapeake and Atlantic Coastal Bays 2010 Trust Fund, Water Quality Revolving Loan Fund, and Clean Water Commerce Account among others are for Chesapeake Bay restoration purposes; and
- updated information on the Phase III Watershed Implementation Plan implementation and how the loads associated with the Conowingo Dam infill, growth of people and animals, and climate change will be addressed.

Information Request	Author	Due Date
Historical and projected Chesapeake Bay restoration spending	MDP DNR MDA MDE DBM	December 1, 2024

4. Adopt the following narrative:

Chesapeake and Atlantic Coastal Bays 2010 Trust Fund Annual Work and Expenditure Plans: The committees are concerned that § 8-2A-03(d) of the Natural Resources Article requires the Governor to submit the Chesapeake and Atlantic Coastal Bays 2010 Trust Fund annual work and expenditure plans to the General Assembly as part of the annual budget submission, but the Governor has not done so on a regular basis. Therefore, the committees request that the Department of Natural Resources (DNR) submit the Chesapeake and Atlantic Coastal Bays 2010 Trust Fund annual work and expenditure plans with the fiscal 2026 budget submission.

Concur. The Administration will continue to provide the Chesapeake and Atlantic Coastal Bays 2010 Trust Fund Annual Report with the Governor’s fiscal 2026 allowance. Adopt.

K00A
Department of Natural Resources

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
Information Request	Author	Due Date		
Chesapeake and Atlantic Coastal Bays 2010 Trust Fund annual work and expenditure plans	DNR	Fiscal 2026 budget submission		

K00A
Department of Natural Resources

Additional First House Actions

Amount
Change

Position
Change

Agency Response Hearing Notes

Senate
Decisions

House
Decisions

1. Adopt the following narrative:

Adopt.

Cultural and Historical Resources Preservation Plan for Department of Natural Resources (DNR)-managed Lands: The committees are concerned that DNR manages over 500,000 acres of land with numerous cultural and historical sites without a plan that ensures that these sites are preserved. Therefore, the committees request that DNR submit a report detailing the department’s efforts to establish a cultural and historical resources protection plan. The plan shall address the following: development of a systemwide survey to inventory all historical and cultural sites on DNR-managed lands; creation of a centralized cultural resources management unit; specification of the staffing and funding needs of a centralized cultural resources management unit; dedication of capital improvement funding for historic preservation projects; and establishment of a research budget to conduct architectural studies and archeological investigations and synthesize data collected from these efforts into interpretive materials to be shared with the public. The report is requested to be submitted by December 1, 2024.

Information Request	Author	Due Date
Cultural and historical resources preservation plan for DNR-managed lands	DNR	December 1, 2024

2. Adopt the following narrative:

Adopt.

Merkle Wildlife Sanctuary Management Plan to Optimize Canada Geese Wintering: The committees are concerned that the Merkle Wildlife Sanctuary is not being managed to optimize its role as the wintering ground for the largest concentration of Canada geese on the Chesapeake Bay’s western shore, despite a summer 2023 agreement to develop a responsive management plan. Therefore, the committees request that the Department of Natural Resources (DNR) develop and submit a management plan for the Merkle Wildlife Sanctuary that optimizes the

K00A
Department of Natural Resources

Additional First House Actions

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Position
Change

Agency Response Hearing Notes

Senate
Decisions

House
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property’s role as a prime wintering ground for Canada geese. The plan is requested to be submitted by October 1, 2024.

Information Request

Author

Due Date

Merkle Wildlife Sanctuary
management plan to optimize
Canada goose wintering

DNR

October 1, 2024

3. Adopt the following narrative:

Adopt.

Report on Consideration of Mentored Hunt Program Participant Access to Department of Natural Resources (DNR) Conservation Easements: The committees recognize that Maryland will be increasing its land acquisition efforts as required by Chapter 546 of 2023 (Maryland the Beautiful Act). Chapter 546 established the intent of the General Assembly that (1) by calendar 2030, 30% of lands in the State be conserved and (2) by calendar 2024, 40% of lands in the State be conserved. Conservation easements purchased by the State on private lands apply conditions of use that remain in perpetuity. From a hunting perspective, the conditions of use determined at the time that the State buys conservation easements on private lands could result in hunters never having access to these conserved lands. This would reduce the size and number of hunting areas and thus potentially reduce the number of people who hunt in Maryland. To counter the decline in hunting, DNR adopted a Mentored Hunt Program. The Mentored Hunt Program is intended to promote hunting consistent with and responsive to the nationwide recruitment, retention, and reactivation initiative. Therefore, the committees request that DNR encourage landowners to provide access to their lands for individuals participating in the Mentored Hunt Program when the landowners negotiate a land conservation easement agreement under Program Open Space (POS) or the Rural Legacy Program. In addition, the committees request that DNR report on the outcome of its efforts to encourage landowners negotiating State conservation easements under POS and the Rural Legacy Program to provide access to Mentored Hunt Program participants by October 1, 2024.

K00A
Department of Natural Resources

Additional First House Actions

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
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Information Request	Author	Due Date
Report on consideration of Mentored Hunt Program participant access to DNR conservation easements	DNR	October 1, 2024

4. Adopt the following narrative:

Adopt.

Report on Recreational Striped Bass Reporting Methods and Task Force Recommendations Implementation: The committees are interested in the Department of Natural Resources’ (DNR) recreational striped bass reporting methods. The committees are also interested in the status of implementation of the December 1, 2022 report recommendations of the Task Force on Recreational Fishing Data Collection and Licensing – established by Chapters 409 and 410 of 2022. Therefore, the committees request that DNR report on (1) methods to provide licensed fishermen the ability to record electronically per day the number of caught kept striped bass and caught discarded striped bass and (2) the status of implementation of the recommendations of the Task Force on Recreational Fishing Data Collection and Licensing. The report is requested to be submitted by December 1, 2024.

Information Request	Author	Due Date
Report on recreational striped bass reporting methods and task force recommendations implementation	DNR	December 1, 2024

L00A
Department of Agriculture

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
<p>1. Add the following language:</p> <p><u>Provided that \$111,524 in general funds, \$84,995 in special funds, and \$35,701 in reimbursable funds are reduced to increase the turnover rate for new positions to 25%. The Secretary is authorized to allocate this reduction across the Maryland Department of Agriculture.</u></p> <p>Explanation: The turnover rate for the 17 new positions in the Maryland Department of Agriculture’s budget is 6.51%. This reduction brings the turnover rate for the new positions in line with best practices for new positions given the hiring time.</p>			Disagree. Four of the new positions are contractual conversions, and 1 position has already been filled by the loan of a position from another program.	Reject.	
<p>2. Reduce funding for the Weights and Measures program by \$470,135 in general funds. The Weights and Measures program is estimated to need only approximately \$2.3 million in fiscal 2025. This reduction leaves a total appropriation of \$2,651,943 in special funds, due to the availability of additional unspecified special fund revenues in the fiscal 2025 allowance. In addition, there is the possibility for even greater special fund revenues if SB 278 or HB 234 is enacted with the provision allowing the Secretary of Agriculture to set reasonable fees. A special fund budget amendment may be processed if the additional special fund fee revenue is realized.</p>	-\$ 470,135 GF		Disagree. The increased special funds come from fund balance and are needed to purchase new weights and measures equipment. The revenues from the fee bills SB 278 and HB 234 would not be realized until fiscal 2026.	Reject.	
<p>3. Adopt the following narrative:</p> <p>Status and Future of Value-added Agriculture in Maryland: The committees are interested in learning more about the status and future of value-added agriculture in Maryland given that that the Business Economic and Community Outreach Network of Salisbury University estimates that Maryland’s value-added agriculture industry supports close to 74,000 jobs and brings a total economic impact of more than</p>			Concur in part. MDA can make recommendations and produce a report utilizing existing resources, but it will not be as comprehensive as the report by Salisbury University's Business Economic and Community Outreach Network (BEACON).	Modify, see below.	

L00A
Department of Agriculture

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
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\$20.6 billion annually to the State’s economy. Therefore, the committees request that the Maryland Department of Agriculture (MDA) develop Managing for Results (MFR) measures and submit a report on the state of value-added agriculture in Maryland. The MFR measures are requested to include input, output, and outcome measures that correspond to a numerical goal for the number of value-added agricultural businesses that are launched or relocate to Maryland each fiscal year. The report is requested to include the following information: information related to value-added agriculture from the 2022 Census of Agriculture; updated information on the jobs and total economic impact of value-added agriculture from the Business Economic and Community Outreach Network of Salisbury University, Maryland; an assessment of the potential and growth of value-added enterprises in Maryland; information about State and local educational institutions that provide training for value-added entrepreneurs; an assessment of the need for supporting infrastructure, such as processing equipment, meat processing facilities, and commercial/shared-use kitchens; and the resources available for supporting research and technology in the value-added agriculture policy area.

Information Request	Author	Due Date
Status and future of value-added agriculture in Maryland	MDA	October 1, 2024

First House Modification

Adopt the following narrative:

Adopt.

Status and Future of Value-added Agriculture in Maryland: The committees are interested in learning more about the status and future of value-added agriculture in Maryland given that that the Business Economic and Community Outreach Network of Salisbury University estimates that Maryland’s value-added agriculture industry supports close to 74,000 jobs and brings a total economic impact of more than \$20.6 billion annually to the State’s economy. Therefore, the committees request that the Maryland Department of Agriculture (MDA) develop Managing for Results (MFR) measures and submit a report on the state of value-added agriculture in Maryland. The MFR measures are requested to include input, output, and outcome

L00A
Department of Agriculture

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
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measures that correspond to a numerical goal for the number of value-added agricultural businesses that are launched or relocate to Maryland each fiscal year. The report is requested to include the following information: information related to value-added agriculture from the 2022 Census of Agriculture; updated information on the jobs and total economic impact of value-added agriculture; an assessment of the potential and growth of value-added enterprises in Maryland; information about State and local educational institutions that provide training for value-added entrepreneurs; an assessment of the need for supporting infrastructure, such as processing equipment, meat processing facilities, and commercial/shared-use kitchens; and the resources available for supporting research and technology in the value-added agriculture policy area.

Information Request	Author	Due Date
Status and future of value-added agriculture in Maryland	MDA	October 1, 2024

- | | | | | |
|----|---|----------------------------------|--|---------|
| 4. | Delete funding for the Nuisance Insects blackfly and midge treatment program. As part of a consent decree, Baltimore City is required to pay the Chesapeake Bay Trust \$1,900,000 for water quality improvement and restoration projects as part of the Patapsco and Back River Watershed Water Quality Improvement and Restoration Supplemental Environment Project. This alternative source of funding can be used to cover the midge part of the blackfly and midge treatment program. | -\$ 137,500 GF
-\$ 137,500 SF | Disagree. The \$1.9 million the city is paying the Chesapeake Bay Trust will not assist MDA with addressing midge outbreaks outside of the Patapsco and Back River watersheds or with black flies in general, because black flies are in Frederick and Washington counties near Knoxville, Maryland. | Reject. |
|----|---|----------------------------------|--|---------|

L00A
Department of Agriculture

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

Report on Consideration of Mentored Hunt Program Participant Access to Maryland Department of Agricultural Conservation Easements: The committees recognize that Maryland will be increasing its land acquisition efforts as required by Chapter 546 of 2023 (Maryland the Beautiful Act). Chapter 546 established the intent of the General Assembly that (1) by calendar 2030, 30% of lands in the State be conserved and (2) by calendar 2024, 40% of lands in the State be conserved. Conservation easements purchased by the State on private lands apply conditions of use that remain in perpetuity. From a hunting perspective, the conditions of use determined at the time that the State buys conservation easements on private lands could result in hunters never having access to these conserved lands. This would reduce the size and number of hunting areas and thus potentially reduce the number of people who hunt in Maryland. To counter the decline in hunting, the Department of Natural Resources adopted a Mentored Hunt Program. The Mentored Hunt Program is intended to promote hunting consistent with and responsive to the nationwide recruitment, retention, and reactivation initiative. Therefore, the committees request that the Maryland Department of Agriculture (MDA) encourage landowners to provide access to their lands for individuals participating in the Mentored Hunt Program when the landowners negotiate a land conservation easement agreement under the Maryland Agricultural Land Preservation Program (MALPP). In addition, the committees request that MDA report on the outcome of its efforts to encourage landowners negotiating State conservation easements under MALPP to provide access to Mentored Hunt Program participants by October 1, 2024.

Information Request	Author	Due Date
Report on consideration of Mentored Hunt Program participant access to MDA conservation easements	MDA	October 1, 2024

L00A
Department of Agriculture

Additional First House Actions	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
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2. Adopt the following narrative:	Adopt.
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Report on Blue Catfish Marketing: The committees are interested in learning more about the Maryland Department of Agriculture’s (MDA) marketing of blue catfish. Therefore, the committees request that MDA, in consultation with the Department of Natural Resources (DNR), report on its efforts to increase the marketing, processing, and sale of blue catfish in Maryland. The report shall review past and ongoing efforts to promote the creation of a market for blue catfish, identify and explore potential sectors for the blue catfish market, and identify any actions that the State can take to promote and expand the market for blue catfish. The report is requested to be submitted by December 1, 2024.

Information Request	Author	Due Date
Report on blue catfish marketing	MDA DNR	December 1, 2024

U00A
Department of the Environment

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

Further provided that \$200,000 of this appropriation made for the purpose of general administrative expenses in the Land and Materials Administration may not be expended pending the submission of the Maryland Scrap Tire annual report. The requested report shall be submitted no later than November 1, 2024. The budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Disagree. MDE will continue to submit the annual report in a timely manner. Reject.

Explanation: This action restricts funding pending the submission by November 1, 2024, of the Maryland Scrap Tire Annual Report. Section 9-275(c) of the Environment Article specifies that an annual status report is due on or before November 1 of each year, which was not consistently met before the inclusion of annual budget bill language.

Information Request	Author	Due Date
Maryland Used Tire Cleanup and Recycling Fund annual report	Maryland Department of the Environment	November 1, 2024

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

Further provided that \$200,000 of this appropriation made for the purpose of general administrative expenses may not be expended until the Maryland Department of the Environment (MDE), in cooperation with the Department of Budget and Management, submits a confirmatory letter to the budget committees indicating that MDE's fiscal 2024 actual personnel expenditures and the fiscal 2025 working appropriation personnel expenditures are budgeted in the correct statewide subobjects. The confirmatory letter shall be submitted with the fiscal 2026 budget submission, and the budget committees shall have 45 days from the date of the receipt of the confirmatory letter to review and comment. Funds restricted pending the

Disagree. MDE's salary allocation software program is being updated to automate reporting in the form requested by DLS. Currently, MDE staff must manually compile and submit the data. Adopt.

U00A
Department of the Environment

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
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receipt of a confirmatory letter may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the confirmatory letter is not submitted to the budget committees.

Explanation: MDE incorrectly reflects fringe benefit expenditures – health insurance, pension contributions, and turnover adjustments, among others – almost entirely as Social Security contributions, which makes it difficult to do historical data comparisons. Therefore, funding is restricted until MDE and the Department of Budget and Management (DBM) submit a confirmatory letter with the fiscal 2026 budget submission, indicating that fiscal 2024 actual personnel expenditures and fiscal 2025 working appropriation personnel expenditures are budgeted in the correct statewide subobjects.

Information Request	Author	Due Date
Budgeting of fiscal 2024 actual and fiscal 2025 working appropriation personnel expenditures	MDE DBM	Fiscal 2026 budget submission

3. Adopt the following narrative:

Enforcement and Inspection Position Strength Assessment: The committees are interested in the enforcement and inspection positions strength of the Maryland Department of the Environment (MDE) and the Maryland Department of Agriculture (MDA). Therefore, the committees request that MDE and MDA a report on the following:

- an evaluation of the adequacy of Maryland’s current authorized compliance and enforcement positions in the departments. In completing the assessment, the departments shall provide information on the delegation of authority by the federal government to the departments, including any evaluations of this delegated authority, and on the delegation of authority

Disagree. MDE notes that the Annual Compliance and Inspection report covers the detailed activities in all of MDE's programs. MDA notes that additional clarification is needed to determine what additional information is being requested. Adopt.

U00A
Department of the Environment

<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
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by the departments to other entities; and assess the impact of the role that technology has played on compliance and enforcement responsibilities;

- a comparison of the size, roles, responsibilities, and inspection workload of the departments’ compliance and enforcement positions to neighboring or similar states;
- a list of all inspection activities conducted by the MDE Water and Science Administration, the Land and Materials Administration, the Air and Radiation Administration, and the MDA Office of Resource Conservation;
- the number of regular positions and contractual full-time equivalents associated with the inspections, including the number of vacancies for fiscal 2013 through 2024 actuals, and fiscal 2025 current and fiscal 2026 estimated appropriations; and
- a description of the use of and outcomes from any next generation compliance techniques to increase compliance with Maryland’s environmental regulations.

Information Request	Author	Due Date
Enforcement and inspection position strength assessment	MDA MDE	January 1, 2025

U00A
Department of the Environment

Additional First House Actions

Amount
Change

Position
Change

Agency Response Hearing Notes

Senate
Decisions

House
Decisions

1. Adopt the following narrative:

Adopt.

Maryland State Certified Sod Standard Enforcement Report: The committees are concerned that that not all development projects within the State are using Maryland State Certified sod for stormwater and sediment control stabilization as required by State law and the 2011 Maryland Standards and Specifications for Soil Erosion and Sediment Control. It is the committees’ understanding that the required use of Maryland State Certified sod was promulgated with the aim of upholding rigorous standards for soil and water health in our State and is a crucial aspect of environmental stewardship. Currently, enforcement efforts are fragmented between delegated and nondelegated jurisdictions, leading to inconsistencies and uncertainties in compliance. A number of development sites are presently using non-Maryland State Certified sod on their projects. Non-Maryland State Certified sod may not meet rigorous nutrient management requirements leading to additional pollutants entering the Chesapeake Bay and its tributaries. Therefore, the committees request that the Maryland Department of Environment (MDE) submit a report on actions taken and proposed to ensure consistent enforcement of the Maryland State Certified sod standard. The report shall include the efforts by MDE to educate inspectors, delegated local governments, and soil conservation district offices on the State requirements to utilize Maryland State Certified sod at all development sites in the State. MDE is requested to submit the report by December 1, 2024.

Information Request	Author	Due Date
Mayland State Certified sod standard enforcement report	MDE	December 1, 2024

2. Adopt the following narrative:

Adopt.

Maryland Used Tire Cleanup and Recycling Fund Annual Report: The committees are concerned that Section 9-275(c) of the Environment Article specifies that an annual status report on the Maryland Used Tire Cleanup and Recycling Fund

U00A
Department of the Environment

Additional First House Actions	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
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is due on or before November 1 of each year, which was not consistently met before the inclusion of annual budget bill language. Therefore, the committees request that the Maryland Department of the Environment (MDE) submit the Maryland Used Tire Cleanup and Recycling Fund annual status report on November 1, 2024.

Information Request	Author	Due Date
Maryland Used Tire Cleanup and Recycling Fund annual report	MDE	November 1, 2024

3. Adopt the following narrative:

Adopt.

Timeline for Environmental Triggers Development and Go-live Date for Environmental Accidents Text Alert System: The committees remain concerned that affected parties are not notified of environmental accidents, such as the release of hazardous materials or illegal discharges from wastewater treatment plants, in a timely manner. In the 2023 Joint Chairmen’s Report, the committees requested that the Maryland Department of the Environment (MDE) and the Maryland Department of Emergency Management (MDEM) conduct a study to determine the feasibility and cost of implementing a text alert system for environmental accidents along the lines of the current weather and AMBER alert systems. The submitted report discussed the need to determine environmental triggers for the text alert system but did not provide a timeline for the development of the triggers or a go-live date for the text alert system. Therefore, the committees request that MDE and MDEM submit a report that establishes a timeline for the development of the environmental triggers and the go-live date for the text alert system. The report is requested to be submitted by October 15, 2024.

U00A
Department of the Environment

Additional First House Actions

		<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
Information Request	Author					
Timeline for environmental triggers development and go-live date for environmental accidents text alert system	MDE MDEM			October 15, 2024		

U10B00
Maryland Environmental Service

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

Concur.

Adopt.

Maryland Environmental Service (MES) Funding Statement: The committees request that MES continue to provide a report on the following:

- undesignated unrestricted net assets for fiscal 2024, 2025, and 2026 estimated and an explanation for any changes between each of these years, including revenues credited to and expenditures debited from the net assets;
- overhead rate for fiscal 2024, 2025, and 2026 estimated;
- project reserve fund status by beginning balance, approved retainage, funds withdrawn, and interest earned for fiscal 2024 and 2025 for the State Reimbursable Project Contingency Fund, the Eastern Correctional Institution (ECI) Steam Turbine Contingency Fund, the Department of Natural Resources Project Contingency Fund, the ECI Energy Upgrade Project Reserve Fund, and any other project reserve funds created by MES, including justification for any approved retainage or funds withdrawn in any project reserve fund during fiscal 2024 or 2025; and
- justification for the changes in reimbursable project funding for fiscal 2024, 2025, and 2026 estimated.

The report should be submitted in coordination with the Department of Budget and Management (DBM) with the fiscal 2026 budget submission.

Information Request	Author	Due Date
MES funding statement	MES DBM	Fiscal 2026 budget submission