

# HOUSE BILL 392

B1

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CF SB 284

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By: **The Speaker (By Request – Administration)**

Introduced and read first time: January 21, 2026

Assigned to: Appropriations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Budget Reconciliation and Financing Act of 2026**

3 FOR the purpose of altering or repealing certain required appropriations; authorizing and  
4 requiring the use of certain funds for certain purposes; altering the composition of  
5 certain funds; authorizing the transfer of certain funds; authorizing, requiring, or  
6 altering the distribution of certain revenue; altering the Senator John A. Cade  
7 Funding Formula for community colleges; altering the calculation for State aid to  
8 Baltimore City Community College; altering the program of State aid to private  
9 nonprofit institutions of higher education known as the Joseph A. Sellinger Program;  
10 requiring certain counties to reimburse the Maryland Department of Health for a  
11 certain percentage of the costs associated with establishing certain assisted  
12 outpatient treatment programs; altering eligibility for certain programs; requiring,  
13 for certain fiscal years, the Comptroller to pay grants in a certain amount to certain  
14 counties; requiring the Governor to publish certain budget books online instead of  
15 providing the books; altering the amount that county governments are required to  
16 pay toward the retirement costs for certain local employees; specifying an amount  
17 that the Maryland Department of Labor is required to reimburse a certain Local  
18 Reserve Account; providing certain modifications to federal adjusted gross income of  
19 an individual or federal taxable income of a corporation for Maryland income tax  
20 purposes relating to certain depreciation deductions allowed under the federal  
21 income tax; altering a requirement that the Maryland Department of Health apply  
22 to participate in a certain program for a certain fiscal year; and generally relating to  
23 the financing of State and local government.

24 BY repealing and reenacting, without amendments,

25 Article – Agriculture

26 Section 2–1901(a)(1) and (3) and (b), 10–401(a), (d), and (e), and 10–402(a)

27 Annotated Code of Maryland

28 (2016 Replacement Volume and 2025 Supplement)

29 BY repealing and reenacting, with amendments,

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



- 1 Article – Agriculture  
2 Section 2–1901(e) and 10–407(d)  
3 Annotated Code of Maryland  
4 (2016 Replacement Volume and 2025 Supplement)
- 5 BY repealing and reenacting, without amendments,  
6 Article – Economic Development  
7 Section 5–1901(a)(1) and (2) and (b) and 13–601(a) and (c)  
8 Annotated Code of Maryland  
9 (2024 Replacement Volume and 2025 Supplement)
- 10 BY repealing and reenacting, with amendments,  
11 Article – Economic Development  
12 Section 5–1901(g)(1) and (3)(iii) and 13–611(b)(3)  
13 Annotated Code of Maryland  
14 (2024 Replacement Volume and 2025 Supplement)
- 15 BY repealing and reenacting, without amendments,  
16 Article – Education  
17 Section 2–305(b), 7–414.1(a), (b), and (f)(1) and (5), and 7–447.1(p)(1) and (3)  
18 Annotated Code of Maryland  
19 (2025 Replacement Volume and 2025 Supplement)
- 20 BY repealing and reenacting, with amendments,  
21 Article – Education  
22 Section 2–305(g), 7–414.1(f)(4), and 7–447.1(p)(9)(vi)  
23 Annotated Code of Maryland  
24 (2025 Replacement Volume and 2025 Supplement)
- 25 BY repealing and reenacting, without amendments,  
26 Article – Education  
27 Section 16–305(a), (b)(1) and (11), and (c)(3), 16–512(a) and (b)(2), 17–101, 17–104(d),  
28 18–3602(a) and (b), 18–3701(a) and (f), and 18–3802(a) and (b)  
29 Annotated Code of Maryland  
30 (2022 Replacement Volume and 2025 Supplement)
- 31 BY repealing and reenacting, with amendments,  
32 Article – Education  
33 Section 16–305(d), 16–512(b)(1)(xiii) and (xiv), 17–104(a), 18–3605, 18–3704, and  
34 18–3806  
35 Annotated Code of Maryland  
36 (2022 Replacement Volume and 2025 Supplement)
- 37 BY adding to  
38 Article – Education  
39 Section 16–512(b)(1)(xv)  
40 Annotated Code of Maryland

1 (2022 Replacement Volume and 2025 Supplement)

2 BY repealing and reenacting, without amendments,  
3 Article – Health – General  
4 Section 5–626(a), (b), and (c) and 10–6A–03(a) and (b)  
5 Annotated Code of Maryland  
6 (2023 Replacement Volume and 2025 Supplement)

7 BY repealing and reenacting, with amendments,  
8 Article – Health – General  
9 Section 5–626(g), 10–6A–03(c), and 13–1015  
10 Annotated Code of Maryland  
11 (2023 Replacement Volume and 2025 Supplement)

12 BY repealing and reenacting, without amendments,  
13 Article – Health Occupations  
14 Section 14–207(a) and 17–206(a)  
15 Annotated Code of Maryland  
16 (2021 Replacement Volume and 2025 Supplement)

17 BY repealing and reenacting, with amendments,  
18 Article – Health Occupations  
19 Section 14–207(e)(1) and 17–206(d)(1)  
20 Annotated Code of Maryland  
21 (2021 Replacement Volume and 2025 Supplement)

22 BY repealing and reenacting, without amendments,  
23 Article – Labor and Employment  
24 Section 11–603(a)(1) and (3) and 11–1501(a) and (f)  
25 Annotated Code of Maryland  
26 (2025 Replacement Volume)

27 BY repealing and reenacting, with amendments,  
28 Article – Labor and Employment  
29 Section 11–603(g) and 11–1506  
30 Annotated Code of Maryland  
31 (2025 Replacement Volume)

32 BY repealing and reenacting, with amendments,  
33 Article – Local Government  
34 Section 16–501(a) and 16–505  
35 Annotated Code of Maryland  
36 (2013 Volume and 2025 Supplement)

37 BY repealing and reenacting, without amendments,  
38 Article – Local Government  
39 Section 16–501(b)

- 1 Annotated Code of Maryland  
2 (2013 Volume and 2025 Supplement)
- 3 BY repealing and reenacting, without amendments,  
4 Article – Natural Resources  
5 Section 5–903(a)(1)  
6 Annotated Code of Maryland  
7 (2023 Replacement Volume and 2025 Supplement)
- 8 BY repealing and reenacting, with amendments,  
9 Article – Natural Resources  
10 Section 5–903(a)(2)(i) and (i) and 8–709(e)  
11 Annotated Code of Maryland  
12 (2023 Replacement Volume and 2025 Supplement)
- 13 BY repealing and reenacting, without amendments,  
14 Article – Public Safety  
15 Section 1–308(a) and (b)(1)  
16 Annotated Code of Maryland  
17 (2022 Replacement Volume and 2025 Supplement)
- 18 BY repealing and reenacting, with amendments,  
19 Article – Public Safety  
20 Section 1–308(b)(2)(x) and (xi)  
21 Annotated Code of Maryland  
22 (2022 Replacement Volume and 2025 Supplement)
- 23 BY adding to  
24 Article – Public Safety  
25 Section 1–308(b)(2)(xii)  
26 Annotated Code of Maryland  
27 (2022 Replacement Volume and 2025 Supplement)
- 28 BY repealing and reenacting, without amendments,  
29 Article – State Finance and Procurement  
30 Section 5A–303(a)(1) and (30) and (d)(1), (2)(i), and (4)(i) and (ii)1., 7–115(a), 7–311(a)  
31 and (b), and 7–317(a), (g)(1), and (i)  
32 Annotated Code of Maryland  
33 (2021 Replacement Volume and 2025 Supplement)
- 34 BY repealing and reenacting, with amendments,  
35 Article – State Finance and Procurement  
36 Section 5A–303(d)(4)(iv), 7–115(b), 7–311(e), and 7–317(g)(6) and (h)  
37 Annotated Code of Maryland  
38 (2021 Replacement Volume and 2025 Supplement)
- 39 BY repealing and reenacting, without amendments,

1 Article – State Government  
2 Section 9–20B–02, 9–20B–05(a), 21–201(a), (c), (d), and (h), and 21–205(a)(1)  
3 Annotated Code of Maryland  
4 (2021 Replacement Volume and 2025 Supplement)

5 BY repealing and reenacting, with amendments,  
6 Article – State Government  
7 Section 9–20B–03, 9–20B–05(f)(13), (g)(3), and (i)(1), and 21–205(c)(1)  
8 Annotated Code of Maryland  
9 (2021 Replacement Volume and 2025 Supplement)

10 BY adding to  
11 Article – State Government  
12 Section 9–20B–05(i)(5) and (6)  
13 Annotated Code of Maryland  
14 (2021 Replacement Volume and 2025 Supplement)

15 BY repealing and reenacting, without amendments,  
16 Article – State Personnel and Pensions  
17 Section 21–304(a) and (b)(1), (4)(i) and (iii), and (5)  
18 Annotated Code of Maryland  
19 (2024 Replacement Volume and 2025 Supplement)

20 BY repealing and reenacting, with amendments,  
21 Article – State Personnel and Pensions  
22 Section 21–304(b)(6)  
23 Annotated Code of Maryland  
24 (2024 Replacement Volume and 2025 Supplement)

25 BY repealing and reenacting, without amendments,  
26 Article – Tax – General  
27 Section 2–606(b)  
28 Annotated Code of Maryland  
29 (2022 Replacement Volume and 2025 Supplement)

30 BY repealing and reenacting, with amendments,  
31 Article – Tax – General  
32 Section 2–606(i) and 10–210.1  
33 Annotated Code of Maryland  
34 (2022 Replacement Volume and 2025 Supplement)

35 BY repealing and reenacting, without amendments,  
36 Article – Tax – Property  
37 Section 13–209(a), (b), (e), and (h)  
38 Annotated Code of Maryland  
39 (2019 Replacement Volume and 2025 Supplement)

- 1 BY repealing and reenacting, with amendments,  
2 Article – Tax – Property  
3 Section 13–209(c), (d), and (g)(3)  
4 Annotated Code of Maryland  
5 (2019 Replacement Volume and 2025 Supplement)
- 6 BY repealing and reenacting, without amendments,  
7 Article – Transportation  
8 Section 13–955(a) and (e) and 17–106(a), (b), (c), (d), and (e)(1)  
9 Annotated Code of Maryland  
10 (2020 Replacement Volume and 2025 Supplement)
- 11 BY repealing and reenacting, with amendments,  
12 Article – Transportation  
13 Section 13–955(f) and 17–106(e)(2)  
14 Annotated Code of Maryland  
15 (2020 Replacement Volume and 2025 Supplement)
- 16 BY repealing and reenacting, with amendments,  
17 Chapter 275 of the Acts of the General Assembly of 2023  
18 Section 2

19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
20 That the Laws of Maryland read as follows:

21 **Article – Agriculture**

22 2–1901.

23 (a) (1) In this subtitle the following words have the meanings indicated.

24 (3) “Program” means the Maryland Healthy Soils Program.

25 (b) There is a Maryland Healthy Soils Program.

26 (e) **(1)** In each of fiscal years 2024 through [2028] **2026**, the Governor shall  
27 include in the annual budget bill an appropriation of at least \$500,000 for the Program.

28 **(2) IN EACH OF FISCAL YEARS 2027 AND 2028, THE GOVERNOR SHALL**  
29 **INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF AT LEAST \$400,000**  
30 **FOR THE PROGRAM.**

31 10–401.

32 (a) In this subtitle the following words have the meanings indicated.

1 (d) “Native Plant Specialist” means the University of Maryland Extension agent  
2 hired under § 10–403 of this subtitle.

3 (e) “Program” means the Maryland Native Plants Program.

4 10–402.

5 (a) There is a Maryland Native Plants Program.

6 10–407.

7 (d) For fiscal year 2025 and [each fiscal year thereafter] **FISCAL YEAR 2026**, the  
8 Governor shall include in the annual budget bill an appropriation of \$150,000 for the  
9 University of Maryland Extension to hire one extension agent as a Native Plant Specialist  
10 and \$100,000 for the Department to hire staff to administer the Program.

### 11 Article – Economic Development

12 5–1901.

13 (a) (1) In this section the following words have the meanings indicated.

14 (2) “Fund” means the Cannabis Business Assistance Fund.

15 (b) There is a Cannabis Business Assistance Fund.

16 (g) (1) Subject to paragraph (2) of this subsection, the Fund may be used only  
17 for:

18 (i) grants or loans to small, minority–owned, or women–owned  
19 businesses for:

20 1. license application assistance for participation in the  
21 adult–use cannabis industry;

22 2. assistance with the operating or capital expenses of a  
23 business participating in the adult–use cannabis industry; or

24 3. targeted training to support participation in the adult–use  
25 cannabis industry;

26 (ii) grants to historically black colleges and universities for  
27 cannabis–related programs and business development organizations, including incubators,  
28 to train and assist small, minority, and women business owners and entrepreneurs seeking  
29 to become licensed to participate in the adult–use cannabis industry; [and]

1 (III) FOR FISCAL YEARS 2027 THROUGH 2029, OPERATING COSTS  
2 UP TO \$5,000,000 OF THE DEPARTMENT OF SOCIAL AND ECONOMIC MOBILITY; AND

3 [(iii)] (IV) the administrative costs of the Fund.

4 (3) In order to award grants and loans in accordance with paragraph (1) of  
5 this subsection, the Department shall develop partnerships with:

6 (iii) the [Governor's] Office of Small, Minority, and Women Business  
7 Affairs.

8 13-601.

9 (a) In this subtitle the following words have the meanings indicated.

10 (c) "Council" means the Tri-County Council for Southern Maryland.

11 13-611.

12 (b) (3) (i) The Governor shall include in the State budget for the following  
13 fiscal year an appropriation to partially support the Council.

14 (ii) 1. A. For [fiscal year 2024 and each fiscal year  
15 thereafter] **FISCAL YEARS 2024 THROUGH 2026**, the Governor shall include in the  
16 annual budget bill an appropriation of \$1,000,000 to the Council from the Cigarette  
17 Restitution Fund established under § 7-317 of the State Finance and Procurement Article.

18 **B. FOR FISCAL YEAR 2027 AND EACH FISCAL YEAR**  
19 **THEREAFTER, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN**  
20 **APPROPRIATION OF \$700,000 TO THE COUNCIL FROM THE CIGARETTE**  
21 **RESTITUTION FUND ESTABLISHED UNDER § 7-317 OF THE STATE FINANCE AND**  
22 **PROCUREMENT ARTICLE.**

23 2. The Council shall use funds appropriated from the  
24 Cigarette Restitution Fund for the purpose of funding the activities of the Southern  
25 Maryland Agricultural Development Commission.

26 3. The appropriation required under subsubparagraph 1 of  
27 this subparagraph shall be in addition to, and may not supplant, any funding appropriated  
28 to the Council.

29 **Article – Education**

30 2-305.

31 (b) (1) There is a Lacrosse Opportunities Program in the Department.

1           (2)    The purpose of the Lacrosse Opportunities Program is to increase  
2 opportunities for minority students to participate in lacrosse in their communities.

3           (g)    For fiscal year 2014 and each fiscal year thereafter, the Governor [shall] **MAY**  
4 include in the annual budget submission at least \$40,000 for the Lacrosse Opportunities  
5 Program.

6 7-447.1.

7           (p)    (1)    In this subsection, “Fund” means the Coordinated Community Supports  
8 Partnership Fund.

9           (3)    The purpose of the Fund is to support the delivery of services and  
10 supports provided to students to meet their holistic behavioral health needs and address  
11 other related challenges.

12           (9)    The Governor shall include in the annual budget bill the following  
13 appropriations for the Fund:

14                   (vi)    [~~\$100,000,000~~] **\$80,000,000** in fiscal year 2027 and each fiscal  
15 year thereafter.

16 16-305.

17           (a)    The formula used for the distribution of funds to the community colleges in  
18 the State shall be known as the Senator John A. Cade Funding Formula.

19           (b)    (1)    In this section the following words have the meanings indicated.

20                   (11)    “State share” means the amount of money for community college  
21 operating funds to be provided each fiscal year to a board by the State.

22           (c)    (3)    Subject to subsection (d) of this section, the total State share for each  
23 board shall be the sum of:

24                   (i)    The base costs component; and

25                   (ii)   The size factor component.

26           (d)    **(1)**    In each fiscal year, in order for a board to receive an increase in the  
27 State share of support, the county share, in the aggregate, that supports the community  
28 college or colleges shall equal or exceed the aggregate amount of operating fund  
29 appropriations made to the board by the county or all of the counties supporting the college  
30 in the previous fiscal year.

1           **(2) FOR FISCAL YEARS 2027 THROUGH 2029, THE STATE SHARE, AS**  
2 **DETERMINED UNDER SUBSECTION (C)(3) OF THIS SECTION, MAY NOT EXCEED AN**  
3 **INCREASE OF 3% OVER THE STATE SHARE PROVIDED TO EACH COMMUNITY**  
4 **COLLEGE IN THE IMMEDIATELY PRECEDING FISCAL YEAR.**

5 16-512.

6           (a) In this section, “State Funds per full-time equivalent student appropriation  
7 to the 4-year public institutions of higher education” has the meaning stated in §  
8 17-104(a)(1) of this article.

9           (b) (1) The total State operating fund per full-time equivalent student  
10 appropriated to Baltimore City Community College for each fiscal year other than fiscal  
11 year 2013, as requested by the Governor shall be:

12                           (xiii) In fiscal year 2022, not less than an amount equal to 66.5% of the  
13 State’s General Fund appropriation per full-time equivalent student to the 4-year public  
14 institutions of higher education in the State as designated by the Commission for the  
15 purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in  
16 the same fiscal year; [and]

17                           (xiv) In fiscal [year 2023 and each fiscal year thereafter] **YEARS 2023**  
18 **THROUGH 2026**, not less than an amount equal to 68.5% of the State Funds per full-time  
19 equivalent student appropriation to the 4-year public institutions of higher education in  
20 the State as designated by the Commission for the purpose of administering the Joseph A.  
21 Sellinger Program under Title 17 of this article; **AND**

22                           **(XV) IN FISCAL YEAR 2027 AND EACH FISCAL YEAR THEREAFTER,**  
23 **NOT LESS THAN AN AMOUNT EQUAL TO 67.5% OF THE STATE FUNDS PER FULL-TIME**  
24 **EQUIVALENT STUDENT APPROPRIATION TO THE 4-YEAR PUBLIC INSTITUTIONS OF**  
25 **HIGHER EDUCATION IN THE STATE AS DESIGNATED BY THE COMMISSION FOR THE**  
26 **PURPOSE OF ADMINISTERING THE JOSEPH A. SELLINGER PROGRAM UNDER TITLE**  
27 **17 OF THIS ARTICLE.**

28           (2) For purposes of this subsection, the State Funds per full-time  
29 equivalent student appropriation to the 4-year public institutions of higher education in  
30 the State for a fiscal year shall include:

31                           (i) Noncapital appropriations from the Higher Education  
32 Investment Fund; and

33                           (ii) Appropriations, regardless of where they are budgeted,  
34 designated for the general operation of 4-year public institutions of higher education in the  
35 State, including personnel-related appropriations.

36 17-101.

1           There is a program of State aid to private nonprofit institutions of higher education  
2 known as the Joseph A. Sellinger Program.

3 17–104.

4           (a)   (1)   (i)   In this subsection, “State Funds per full–time equivalent student  
5 appropriation to the 4–year public institutions of higher education” shall be calculated in  
6 accordance with this paragraph using the General Fund and Higher Education Investment  
7 Fund actual expenditures for the second previous fiscal year.

8                           (ii)   The total number of full–time equivalent students is based on  
9 credit hour production for the second previous fiscal year.

10                           (iii)   The number of undergraduate full–time equivalent students  
11 shall be calculated using total undergraduate credit hour production divided by 30.

12                           (iv)   1.   Except as provided in subsubparagraph 2 of this  
13 subparagraph, the number of graduate full–time equivalent students shall be calculated  
14 based on a methodology agreed to by the University System of Maryland Office, Morgan  
15 State University, and St. Mary’s College of Maryland, in consultation with the Commission.

16   2.   If a methodology is not agreed to on or before September  
17 16, 2024, the Commission shall determine the methodology used to calculate the number  
18 of graduate full–time equivalent students.

19                           (v)   The Commission shall certify the number of full–time equivalent  
20 students for each institution on or before October 1 each year.

21           (2)   **(I)   [In] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS**  
22 **PARAGRAPH, IN** fiscal year 2025 and each fiscal year thereafter, the Maryland Higher  
23 Education Commission shall compute the amount of the annual apportionment for each  
24 institution that qualifies under this subtitle by multiplying the number of full–time  
25 equivalent undergraduate students enrolled at the institution during the fall semester of  
26 the fiscal year preceding the fiscal year for which the aid apportionment is made, as  
27 determined by the Maryland Higher Education Commission, by an amount not less than  
28 16.1% of the State Funds per full–time equivalent student appropriation to the 4–year  
29 public institutions of higher education in this State.

30                           **(II)   IN EACH OF FISCAL YEARS 2027 THROUGH 2029, THE**  
31 **ANNUAL APPORTIONMENT FOR EACH INSTITUTION THAT QUALIFIES UNDER THIS**  
32 **SUBTITLE IS:**

33   **1.   CAPITOL TECHNOLOGY UNIVERSITY – \$914,981;**

34   **2.   GOUCHER COLLEGE – \$3,168,940;**

- 1                   **3. HOOD COLLEGE – \$3,611,811;**
- 2                   **4. JOHNS HOPKINS UNIVERSITY – \$20,554,298;**
- 3                   **5. LOYOLA UNIVERSITY OF MARYLAND – \$12,550,328;**
- 4                   **6. MARYLAND INSTITUTE COLLEGE OF ART –**  
5 **\$3,745,718;**
- 6                   **7. MCDANIEL COLLEGE – \$5,945,264;**
- 7                   **8. MOUNT ST. MARY’S UNIVERSITY – \$5,476,872;**
- 8                   **9. NOTRE DAME OF MARYLAND UNIVERSITY –**  
9 **\$2,037,187;**
- 10                  **10. ST. JOHN’S COLLEGE – \$1,701,410;**
- 11                  **11. STEVENSON UNIVERSITY – \$9,206,521;**
- 12                  **12. WASHINGTON ADVENTIST UNIVERSITY – \$1,367,650;**
- 13 **AND**
- 14                  **13. WASHINGTON COLLEGE – \$3,041,744.**

15           (d) For purposes of this section, the State’s General Fund appropriation per  
16 full-time equivalent student to the 4-year public institutions of higher education in the  
17 State for a fiscal year shall include:

18                   (1) Noncapital appropriations from the Higher Education Investment  
19 Fund; and

20                   (2) Appropriations, regardless of where they are budgeted, designated for  
21 the general operation of 4-year public institutions of higher education in the State,  
22 including personnel-related appropriations.

23 18-3602.

24           (a) There is a program of Maryland Community College Promise Scholarships in  
25 the State that are awarded under this subtitle.

26           (b) The purpose of the program is to provide tuition assistance for students to  
27 attend a community college in the State.

1 18-3605.

2 (a) Through fiscal year 2025, the Governor shall include an annual appropriation  
3 of at least \$15,000,000 in the State budget for the Commission to disburse Maryland  
4 Community College Promise Scholarships under this subtitle.

5 (b) For fiscal year 2026 [and each fiscal year thereafter], the Governor shall  
6 include an annual appropriation of at least \$13,500,000 in the State budget for the  
7 Commission to disburse Maryland Community College Promise Scholarships under this  
8 subtitle.

9 **(C) FOR FISCAL YEAR 2027 AND EACH FISCAL YEAR THEREAFTER, THE**  
10 **GOVERNOR SHALL INCLUDE AN ANNUAL APPROPRIATION OF AT LEAST \$12,500,000**  
11 **IN THE STATE BUDGET FOR THE COMMISSION TO DISBURSE MARYLAND**  
12 **COMMUNITY COLLEGE PROMISE SCHOLARSHIPS UNDER THIS SUBTITLE.**

13 18-3701.

14 (a) In this subtitle the following words have the meanings indicated.

15 (f) "Program" means the Maryland Loan Assistance Repayment Program for  
16 Police Officers and Probation Agents.

17 18-3704.

18 (a) For fiscal year 2025, the Governor shall include in the annual budget bill an  
19 appropriation of at least \$500,000 for the Program.

20 (b) For fiscal year 2026 [and each fiscal year thereafter], the Governor shall  
21 include in the annual budget bill an appropriation of at least \$2,000,000 for the Program.

22 **(C) FOR FISCAL YEAR 2027 AND EACH FISCAL YEAR THEREAFTER, THE**  
23 **GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF**  
24 **AT LEAST \$500,000 FOR THE PROGRAM.**

25 18-3802.

26 (a) There is a Maryland Police Officers and Probation Agents Scholarship  
27 Program.

28 (b) The purpose of the program is to provide tuition assistance for students who  
29 are:

30 (1) Attending an eligible institution and enrolled in a degree program that  
31 would further the student's intent to become a police officer or probation agent after  
32 graduation; or

1 (2) Employed as a police officer or probation agent, attending an eligible  
2 institution, and enrolled in a degree program that would further the police officer's or  
3 probation officer's career.

4 18-3806.

5 (a) For fiscal year 2025, the Governor shall include in the annual budget bill an  
6 appropriation of at least \$500,000 to the Commission to award scholarships under this  
7 subtitle.

8 (b) For fiscal year 2026 [and each fiscal year thereafter], the Governor shall  
9 include in the annual budget bill an appropriation of at least \$2,000,000 to the Commission  
10 to award scholarships under this subtitle.

11 **(C) FOR FISCAL YEAR 2027 AND EACH FISCAL YEAR THEREAFTER, THE**  
12 **GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF**  
13 **AT LEAST \$500,000 TO THE COMMISSION TO AWARD SCHOLARSHIPS UNDER THIS**  
14 **SUBTITLE.**

#### 15 Article – Health – General

16 5-626.

17 (a) In this section, “Fund” means the Advance Directive Program Fund.

18 (b) There is an Advance Directive Program Fund.

19 (c) The purpose of the Fund is to provide funding to carry out the purposes of the  
20 Advance Directive Program established under § 5-620 of this subtitle.

21 (g) **(1) [Money] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS**  
22 **SUBSECTION, MONEY** in the Fund may be used only to carry out the purposes of the  
23 Advance Directive Program established under § 5-620 of this subtitle.

24 **(2) IN FISCAL YEAR 2027 ONLY, \$1,000,000 OF THE FUND MAY BE**  
25 **USED FOR MATERNAL AND CHILD HEALTH QUALITY INITIATIVES IN THE**  
26 **DEPARTMENT.**

27 10-6A-03.

28 (a) (1) On or before July 1, 2026, a county may establish an assisted outpatient  
29 treatment program in accordance with this subtitle.

30 (2) A county may partner with another county to establish an assisted  
31 outpatient treatment program.

1 (b) An assisted outpatient treatment program established under subsection (a) of  
2 this section shall be approved and overseen by the county's local behavioral health  
3 authority or core service agency.

4 (c) (1) On or before July 1, 2026, the Department shall establish an assisted  
5 outpatient treatment program in any county that does not opt to establish an assisted  
6 outpatient treatment program.

7 (2) **A COUNTY IN WHICH THE DEPARTMENT IS REQUIRED TO**  
8 **ESTABLISH AN ASSISTED OUTPATIENT TREATMENT PROGRAM SHALL REIMBURSE**  
9 **THE DEPARTMENT:**

10 (I) **FOR FISCAL YEAR 2028, FOR 25% OF THE STATE SHARE OF**  
11 **ASSOCIATED COSTS;**

12 (II) **FOR FISCAL YEAR 2029, FOR 50% OF THE STATE SHARE OF**  
13 **ASSOCIATED COSTS;**

14 (III) **FOR FISCAL YEAR 2030, FOR 75% OF THE STATE SHARE OF**  
15 **ASSOCIATED COSTS; AND**

16 (IV) **FOR FISCAL YEAR 2031, FOR 100% OF THE STATE SHARE OF**  
17 **ASSOCIATED COSTS.**

18 13-1015.

19 (a) For fiscal year 2011 and fiscal year 2012, the Governor shall include at least  
20 \$6,000,000 in the annual budget in appropriations for activities aimed at reducing tobacco  
21 use in Maryland as recommended by the Centers for Disease Control and Prevention,  
22 including:

23 (1) Media campaigns aimed at reducing smoking initiation and  
24 encouraging smokers to quit smoking;

25 (2) Media campaigns educating the public about the dangers of secondhand  
26 smoke exposure;

27 (3) Enforcement of existing laws banning the sale or distribution of tobacco  
28 products to individuals under the age of 21 years;

29 (4) Promotion and implementation of smoking cessation programs; and

30 (5) Implementation of school-based tobacco education programs.

1 (b) (1) For fiscal years 2013 through 2021, the Governor shall include at least  
2 \$10,000,000 in the annual budget in appropriations for the purposes described in  
3 subsection (a) of this section.

4 (2) For fiscal [year 2022 and each fiscal year thereafter] **YEARS 2022**  
5 **THROUGH 2026**, the Governor shall include at least \$18,250,000 in the annual budget in  
6 appropriations for the purposes described in subsection (a) of this section.

7 **(3) FOR FISCAL YEAR 2027 AND EACH FISCAL YEAR THEREAFTER,**  
8 **THE GOVERNOR SHALL INCLUDE AT LEAST \$17,520,000 IN THE ANNUAL BUDGET IN**  
9 **APPROPRIATIONS FOR THE PURPOSES DESCRIBED IN SUBSECTION (A) OF THIS**  
10 **SECTION.**

### 11 Article – Health Occupations

12 14–207.

13 (a) There is a Board of Physicians Fund.

14 (e) (1) **(I)** The Fund shall be used exclusively to cover the actual  
15 documented direct and indirect costs of fulfilling the statutory and regulatory duties of the  
16 Board as provided by this title.

17 **(II) FOR FISCAL YEAR 2027 ONLY, \$2,000,000 OF THE FUND**  
18 **BALANCE MAY BE USED TO SUPPORT THE PROGRAMS IN THE OFFICE OF**  
19 **POPULATION HEALTH IMPROVEMENT WITHIN THE DEPARTMENT.**

20 17–206.

21 (a) There is a State Board of Professional Counselors and Therapists Fund.

22 (d) (1) **(I) [The] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS**  
23 **PARAGRAPH, THE** Fund shall be used to cover the actual documented direct and indirect  
24 costs of fulfilling the statutory and regulatory duties of the Board as provided by the  
25 provisions of this article.

26 **(II) FOR FISCAL YEAR 2027 ONLY, \$500,000 OF THE FUND**  
27 **BALANCE MAY BE USED TO SUPPORT PROGRAMS IN THE BEHAVIORAL HEALTH**  
28 **ADMINISTRATION OF THE DEPARTMENT.**

### 29 Article – Labor and Employment

30 11–603.

31 (a) (1) In this section the following words have the meanings indicated.

1 (3) “Program” means the Public Safety Apprenticeship Program.

2 (g) (1) For fiscal [year 2021 and each fiscal year thereafter] **YEARS 2021**  
3 **THROUGH 2025**, the Governor shall include in the State budget an appropriation of at  
4 least \$750,000 for the Program to:

5 [(1)] (I) provide grants to eligible public safety agencies; and

6 [(2)] (II) cover the administrative costs of operating the Program.

7 (2) **FOR FISCAL YEAR 2026 AND EACH FISCAL YEAR THEREAFTER,**  
8 **THE GOVERNOR SHALL INCLUDE IN THE STATE BUDGET AN APPROPRIATION OF AT**  
9 **LEAST \$390,000 FOR THE PROGRAM TO:**

10 (I) **PROVIDE GRANTS TO ELIGIBLE PUBLIC SAFETY AGENCIES;**  
11 **AND**

12 (II) **COVER THE ADMINISTRATIVE COSTS OF OPERATING THE**  
13 **PROGRAM.**

14 11–1501.

15 (a) In this subtitle the following words have the meanings indicated.

16 (f) “Program” means the Career Pathways for Health Care Workers Program.

17 11–1506.

18 (a) (1) Through fiscal year 2024, the Governor shall include in the annual  
19 budget bill an appropriation of at least \$1,000,000 for the Program.

20 (2) For fiscal [year] **YEARS 2025** and [each fiscal year thereafter] **2026**,  
21 the Governor shall include in the annual budget bill an appropriation of at least \$500,000  
22 for the Program.

23 (3) **FOR FISCAL YEAR 2027 AND EACH FISCAL YEAR THEREAFTER,**  
24 **THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION**  
25 **OF AT LEAST \$350,000 FOR THE PROGRAM.**

26 (b) Appropriations and expenditures made for the purpose of implementing the  
27 Program, including the use of any funds received by a person under any component of the  
28 Program, are subject to audit by the Office of Legislative Audits as provided in § 2–1220 of  
29 the State Government Article.

30 **Article – Local Government**

1 16-501.

2 (a) (1) Subject to subsection (e) of this section **AND EXCEPT AS PROVIDED IN**  
3 **PARAGRAPH (2) OF THIS SUBSECTION**, for each fiscal year, the Comptroller shall pay to  
4 an eligible county a grant in the amount determined under subsection (c)(3) of this section.

5 (2) **IN EACH OF FISCAL YEARS 2027 THROUGH 2029, THE**  
6 **COMPTROLLER SHALL PAY TO THE FOLLOWING COUNTIES AND BALTIMORE CITY**  
7 **THE FOLLOWING AMOUNTS IN QUARTERLY PAYMENTS:**

8 (I) **ALLEGANY COUNTY – \$7,298,505;**

9 (II) **BALTIMORE CITY – \$79,051,790;**

10 (III) **CAROLINE COUNTY – \$3,894,753;**

11 (IV) **DORCHESTER COUNTY – \$4,159,010;**

12 (V) **GARRETT COUNTY – \$2,047,408;**

13 (VI) **PRINCE GEORGE’S COUNTY – \$56,889,464;**

14 (VII) **SOMERSET COUNTY – \$7,251,732;**

15 (VIII) **WASHINGTON COUNTY – \$2,507,251; AND**

16 (IX) **WICOMICO COUNTY – \$13,502,951.**

17 (b) A county may not receive a grant under subsection (a) of this section if any of  
18 the county’s income tax rates were less than 2.6%:

19 (1) for the taxable year that ended in the second prior fiscal year; or

20 (2) for any subsequent taxable year through the taxable year that ends in  
21 the current fiscal year.

22 16-505.

23 (a) (1) For each of fiscal years 2025 [through 2028] **AND 2026**, the Governor  
24 shall include in the annual budget bill an appropriation of \$500,000 to the Prince George’s  
25 County Office of the County Executive to be used for the Prince George’s County Reentry  
26 Employment Incentive Program under § 10-334 of the Prince George’s County Code.

27 (2) **FOR EACH OF FISCAL YEARS 2027 AND 2028, THE GOVERNOR**  
28 **SHALL INCLUDE IN THE BUDGET BILL AN APPROPRIATION OF \$350,000 TO THE**

1 **PRINCE GEORGE'S COUNTY OFFICE OF THE COUNTY EXECUTIVE TO BE USED FOR**  
2 **THE PRINCE GEORGE'S COUNTY REENTRY EMPLOYMENT INCENTIVE PROGRAM**  
3 **UNDER § 10-334 OF THE PRINCE GEORGE'S COUNTY CODE.**

4 (b) The funds provided under this section shall be supplemental to, and may not  
5 supplant, funds otherwise available for reentry employment incentives in Prince George's  
6 County.

7 **Article – Natural Resources**

8 8-709.

9 (e) (1) **(I)** Notwithstanding any other provision of law, for fiscal year 2026  
10 [and each fiscal year thereafter], the Department shall distribute at least \$250,000 from  
11 the Waterway Improvement Fund to a statewide Maryland-based historic preservation  
12 nonprofit organization with demonstrated experience in grantmaking.

13 **(II) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, FOR**  
14 **FISCAL YEAR 2029 AND EACH FISCAL YEAR THEREAFTER, THE DEPARTMENT SHALL**  
15 **DISTRIBUTE AT LEAST \$250,000 FROM THE WATERWAY IMPROVEMENT FUND TO A**  
16 **STATEWIDE MARYLAND-BASED HISTORIC PRESERVATION NONPROFIT**  
17 **ORGANIZATION WITH DEMONSTRATED EXPERIENCE IN GRANTMAKING.**

18 (2) A nonprofit organization shall use any funds received under this  
19 subsection to establish, operate, and administer a maritime heritage competitive grant  
20 program to provide grants to nonprofit organizations in the State and instrumentalities of  
21 the State, counties, or municipalities engaged in maritime heritage preservation,  
22 interpretation, or conservation.

23 (3) On or before November 30 each year, a nonprofit organization that  
24 receives funds under this subsection shall submit a report to the Department on the  
25 guidelines, promotion, selection, recipients, and impact of the organization's competitive  
26 grant program.

27 **Article – Public Safety**

28 1-308.

29 (a) There is a 9-1-1 Trust Fund.

30 (b) (1) Except as provided in paragraph (2) of this subsection and subject to §  
31 1-309.1 of this subtitle, the purposes of the 9-1-1 Trust Fund are to:

32 (i) reimburse counties for the cost of enhancing a 9-1-1 system;

1 (ii) pay contractors in accordance with § 1–306(b)(12) of this subtitle;  
2 and

3 (iii) fund the coordinator position and staff to handle the increased  
4 duties related to wireless enhanced 9–1–1 service under § 1–305 of this subtitle, as an  
5 administrative cost.

6 (2) Subject to paragraph (3) of this subsection, in addition to the purposes  
7 described under paragraph (1) of this subsection, the purposes of the 9–1–1 Trust Fund  
8 include funding:

9 (x) costs of telecommunications cardiopulmonary resuscitation  
10 training; [and]

11 (xi) costs related to the operation of the 9–8–8 suicide prevention  
12 hotline that may be shared with 9–1–1 activities, including software interfaces and joint  
13 training; AND

14 **(XII) FOR FISCAL YEAR 2026 AND EACH FISCAL YEAR**  
15 **THEREAFTER, PROGRAM OPERATIONS OF THE MARYLAND DEPARTMENT OF**  
16 **EMERGENCY MANAGEMENT.**

17 **Article – State Finance and Procurement**

18 5A–303.

19 (a) (1) In this section the following words have the meanings indicated.

20 (30) “Small commercial project” means a rehabilitation of a structure if:

21 (i) the qualified rehabilitation expenditures do not exceed \$500,000;  
22 and

23 (ii) 1. the structure is primarily used for commercial,  
24 income-producing purposes;

25 2. the structure:

26 A. is a residential unit in a consecutive series of similar  
27 residential units that are arranged in a row, side by side; and

28 B. is sold as part of a development project for exclusive  
29 occupancy to, and occupied by, the resident;

30 3. the structure is a targeted project; or

1                   4.     the structure is a condominium or cooperative project and  
2 the rehabilitation targets only the common elements of the condominium or cooperative  
3 project.

4           (d)   (1)   (i)    In this subsection the following words have the meanings  
5 indicated.

6                   (ii)   “Reserve Fund” means the Historic Revitalization Tax Credit  
7 Reserve Fund established under paragraph (2) of this subsection.

8                   (iii) “Trust Account” means the Small Commercial Project Trust  
9 Account established under paragraph (4) of this subsection.

10           (2)   (i)    There is a Historic Revitalization Tax Credit Reserve Fund that  
11 is a continuing, nonlapsing special fund that is not subject to § 7–302 of this article.

12           (4)   (i)    Within the Reserve Fund, there is a Small Commercial Project  
13 Trust Account.

14                   (ii)   1.     The Trust Account is established for the issuance of tax  
15 credit certificates for small commercial projects.

16                   (iv)   1.     For each of fiscal years 2024 through [2031] **2026**, the  
17 Governor shall include in the budget bill an appropriation to the Trust Account of at least  
18 \$2,000,000.

19                               **2.     FOR EACH OF FISCAL YEARS 2027 THROUGH 2031,**  
20 **THE GOVERNOR SHALL INCLUDE IN THE BUDGET BILL AN APPROPRIATION TO THE**  
21 **TRUST ACCOUNT OF AT LEAST \$500,000.**

22 7–115.

23           (a)    On submission of the budget bill to the presiding officers of the General  
24 Assembly, the Governor shall provide the supporting material specified in this section.

25           (b)    The Governor shall [provide] **PUBLISH ONLINE** budget books that include the  
26 information required in this section.

27 7–311.

28           (a)    (1)    In this section the following words have the meanings indicated.

29                   (2)    “Account” means the Revenue Stabilization Account.

30                   (3)    “Estimated General Fund revenues” means the estimated General  
31 Fund revenues for a fiscal year stated in the report of the Board of Revenue Estimates

1 submitted to the Governor under § 6–106 of this article in December preceding the fiscal  
2 year.

3 (4) “Unappropriated General Fund surplus” does not include the amount  
4 of nonwithholding income tax revenues that exceed the capped estimate determined under  
5 § 6–104(e) of this article.

6 (b) (1) The Revenue Stabilization Account is established to retain State  
7 revenues for future needs and reduce the need for future tax increases by moderating  
8 revenue growth.

9 (2) It is the goal of the State that 10% of estimated General Fund revenues  
10 in each fiscal year be retained in the Account.

11 (e) (1) Except as provided in subsection (f) of this section, for each fiscal year,  
12 except fiscal [year 2026] **YEARS 2026 AND 2027:**

13 (i) if the Account balance is below 3% of the estimated General Fund  
14 revenues for that fiscal year, the Governor shall include in the budget bill an appropriation  
15 to the Account equal to at least \$100,000,000; and

16 (ii) if the Account balance is at least 3% but less than 7.5% of the  
17 estimated General Fund revenues for that fiscal year, the Governor shall include in the  
18 budget bill an appropriation to the Account equal to at least the lesser of \$50,000,000 or  
19 whatever amount is required for the Account balance to exceed 7.5% of the estimated  
20 General Fund revenues for that fiscal year.

21 (2) At the end of fiscal year 2020 and each fiscal year thereafter, if the  
22 amount of nonwithholding income tax revenues exceeds the capped estimate determined  
23 under § 6–104(e) of this article, the State Comptroller shall distribute funds as provided in  
24 § 7–329(c) and (d) of this subtitle.

25 7–317.

26 (a) There is a Cigarette Restitution Fund.

27 (g) (1) Amounts may only be expended from the Fund through appropriations  
28 in the State budget bill as provided in this subsection.

29 (6) **(I) THIS PARAGRAPH DOES NOT APPLY TO FISCAL YEAR 2027.**

30 **(II)** For each of fiscal years 2025 through 2029, the Governor shall  
31 include in the annual budget bill an appropriation of \$8,000,000 to the Maryland  
32 Community Health Resources Commission Fund.

1 (h) (1) The Fund shall include a separate account consisting of payments  
2 received by the State as a result of litigation by participating manufacturers related to the  
3 State's diligent enforcement of Title 16, Subtitle 4 of the Business Regulation Article.

4 (2) (i) Except as provided in [subparagraph (ii)] **SUBPARAGRAPHS (II)**  
5 **AND (III)** of this paragraph, distributions from the separate account may be used only to  
6 supplant the General Fund appropriation to the historically black colleges and universities  
7 required under [§ 15–126] **§ 15–128** of the Education Article.

8 (ii) For fiscal year 2026 only, distributions from the separate account  
9 may be used to support Medicaid expenses.

10 **(III) FOR FISCAL YEAR 2027 ONLY, ANY AMOUNT THAT IS**  
11 **DISTRIBUTED FROM THE SEPARATE ACCOUNT THAT IS IN EXCESS OF THE FIRST**  
12 **\$35,000,000 DISTRIBUTED MAY REMAIN IN THE ACCOUNT OR BE USED FOR**  
13 **PURPOSES OTHER THAN SUPPLANTING THE GENERAL FUND APPROPRIATION TO**  
14 **THE HISTORICALLY BLACK COLLEGES AND UNIVERSITIES REQUIRED UNDER §**  
15 **15–128 OF THE EDUCATION ARTICLE.**

16 (i) (1) The Fund shall include a separate account consisting of payments  
17 received by the State from any judgment, settlement, penalty, offer of compromise, or any  
18 other enforcement action related to the sale and marketing of electronic smoking devices.

19 (2) Distributions from the separate account established under paragraph  
20 (1) of this subsection may be used, consistent with any other provision of State law, to  
21 supplement the General Fund appropriations designated for programs under subsection (f)  
22 of this section with the purpose of reducing the use of tobacco products by individuals under  
23 the age of 21 years.

## 24 Article – State Government

25 9–20B–02.

26 There is a Maryland Strategic Energy Investment Program in the Maryland Energy  
27 Administration.

28 9–20B–03.

29 The purpose of the Program is to decrease energy demand and increase energy  
30 supply to promote affordable, reliable, and clean energy **AND TO STRENGTHEN THE**  
31 **STATE'S CLIMATE MITIGATION AND CLIMATE RESILIENCY** to fuel Maryland's future  
32 prosperity.

33 9–20B–05.

34 (a) There is a Maryland Strategic Energy Investment Fund.

1 (f) The Administration shall use the Fund:

2 (13) notwithstanding subsection (g) of this section, to pay costs associated  
3 with:

4 (I) the Air and Radiation Administration within the Department of  
5 the Environment; AND

6 (II) **THE POWER PLANT RESEARCH PROGRAM WITHIN THE**  
7 **DEPARTMENT OF NATURAL RESOURCES, INCLUDING TO SUPPORT**  
8 **ENVIRONMENTAL REVIEW OF CERTIFICATES OF PUBLIC NECESSITY ASSOCIATED**  
9 **WITH POWER PLANT CONSTRUCTION REQUIRED UNDER § 3-306 OF THE NATURAL**  
10 **RESOURCES ARTICLE; and**

11 (g) Proceeds received by the Fund from the sale of allowances under § 2-1002(g)  
12 of the Environment Article shall be allocated as follows:

13 (3) at least 20% shall be credited to a renewable and clean energy programs  
14 account for:

15 (i) renewable and clean energy programs and initiatives;

16 (ii) energy-related public education and outreach; [and]

17 (iii) climate change and resiliency programs; [and]

18 (IV) **PROGRAMS AND APPLICABLE INITIATIVES RELATED TO**  
19 **STATE CLIMATE CHANGE MITIGATION AND CLIMATE CHANGE RESILIENCY EFFORTS;**  
20 **AND**

21 (V) **NOTWITHSTANDING § 9-20B-03 OF THIS SUBTITLE,**  
22 **PROGRAMS AND APPLICABLE INITIATIVES RELATED TO RESILIENCY EFFORTS**  
23 **DEFINED AND IMPLEMENTED BY THE MARYLAND DEPARTMENT OF EMERGENCY**  
24 **MANAGEMENT, INCLUDING THE ANNUAL REPORT BY THE OFFICE OF RESILIENCE**  
25 **REQUIRED UNDER § 14-1203 OF THE PUBLIC SAFETY ARTICLE; AND**

26 (i) (1) Except as provided in paragraphs [(2), (3), and (4)] **(2) THROUGH (6)**  
27 of this subsection, compliance fees paid under § 7-705(b) of the Public Utilities Article may  
28 be used only to make loans and grants to support the creation of new Tier 1 renewable  
29 energy sources in the State that are owned by or directly benefit:

30 (i) low- to moderate-income communities located in a census tract  
31 with an average median income at or below 80% of the average median income for the State;  
32 or

1 (ii) overburdened or underserved communities, as defined in § 1-701  
2 of the Environment Article.

3 (5) FOR FISCAL YEAR 2027 ONLY, COMPLIANCE FEES PAID UNDER §§  
4 7-705(B) AND 7-705(B)(2)(I)2 OF THE PUBLIC UTILITIES ARTICLE SHALL BE MADE  
5 AVAILABLE FOR THE FOLLOWING:

6 (I) \$70,000,000 TO THE MARYLAND ENERGY ADMINISTRATION  
7 TO PROVIDE GAP FINANCING FOR AT-RISK, LARGE-SCALE CLEAN ENERGY  
8 PROJECTS;

9 (II) \$10,000,000 TO THE PUBLIC SERVICE COMMISSION TO  
10 CONDUCT RESEARCH INTO GRID-ENHANCING TECHNOLOGIES AND ADVANCED  
11 TRANSMISSION TECHNOLOGIES;

12 (III) \$5,000,000 TO THE PUBLIC SERVICE COMMISSION FOR  
13 GRANTS TO UTILITY COMPANIES TO CONSTRUCT OR MODIFY TRANSMISSION  
14 FACILITIES THAT INCORPORATE GRID-ENHANCING AND ADVANCED TRANSMISSION  
15 TECHNOLOGIES;

16 (IV) \$10,000,000 TO THE DEPARTMENT OF TRANSPORTATION  
17 TO ESTABLISH A PROCESS, ESTABLISH A MODEL LEASING FRAMEWORK, AND CREATE  
18 SAFETY GUIDELINES FOR RIGHT-OF-WAY FOR TRANSMISSION INFRASTRUCTURE;

19 (V) \$25,000,000 TO THE DEDICATED PURPOSE ACCOUNT FOR  
20 RESOURCE PLANNING RELATED TO IMPLEMENTATION OF CHAPTER 19 OF THE ACTS  
21 OF THE GENERAL ASSEMBLY OF THE 2025 SPECIAL SESSION; AND

22 (VI) \$42,000,000 TO THE DEDICATED PURPOSE ACCOUNT TO BE  
23 MADE AVAILABLE FOR HIGHER EDUCATION RESEARCH GRANTS.

24 (6) FOR FISCAL YEARS 2027 THROUGH 2031, COMPLIANCE FEES PAID  
25 UNDER § 7-705 OF THE PUBLIC UTILITIES ARTICLE AND DEPOSITED INTO THE  
26 FUND MAY BE USED FOR GRANTS OR LOANS TO SUPPORT THE CREATION OF NEW  
27 TIER 1 RENEWABLE ENERGY SOURCES IN THE STATE.

28 21-201.

29 (a) In this subtitle the following words have the meanings indicated.

30 (c) “Corps participant” means an individual who participates in the Program.

31 (d) “Department” means the Department of Service and Civic Innovation.

1 (h) “Program” means the Maryland Corps Program.

2 21–205.

3 (a) (1) There is a Young Adult Service Year Option Pathway in the Program.

4 (c) (1) The Department shall set targets for participation in the YA Pathway  
5 under this section, including:

6 (i) 200 corps participants in the first year of implementation;

7 (ii) 750 corps participants in the third year of implementation;

8 (iii) [1,500] **1,100** corps participants in the fourth year of  
9 implementation; [and]

10 (iv) [2,000] **1,550** corps participants in the fifth year of  
11 implementation; AND

12 (v) **2,000 CORPS PARTICIPANTS IN THE SIXTH YEAR OF**  
13 **IMPLEMENTATION.**

14 **Article – State Personnel and Pensions**

15 21–304.

16 (a) (1) In this section the following words have the meanings indicated.

17 (2) With respect to local employees, “aggregate annual earnable  
18 compensation” means the total annual earnable compensation payable by a local employer  
19 to all of its local employees, calculated as of June 30 of the second prior fiscal year before  
20 the fiscal year for which the calculation is made under this section, adjusted by any  
21 actuarial assumed salary increases that were used in the actuarial valuation prepared  
22 under § 21–125(b) of this title for the immediate prior fiscal year.

23 (3) “Local employee” means a member of the Teachers’ Retirement System  
24 or the Teachers’ Pension System who is an employee of a day school in the State under the  
25 authority and supervision of a county board of education or the Baltimore City Board of  
26 School Commissioners, employed as:

27 (i) a clerk;

28 (ii) a helping teacher;

29 (iii) a principal;

1 (iv) a superintendent;

2 (v) a supervisor; or

3 (vi) a teacher.

4 (4) "Local employer" means a county board of education or the Baltimore  
5 City Board of School Commissioners.

6 (5) "State member" does not include a member on whose behalf a  
7 participating governmental unit is required to make an employer contribution under §  
8 21-305 or § 21-306 of this subtitle.

9 (6) "Total employer contribution for local employees" means that portion of  
10 the employer contribution calculated under subsection (b) of this section that is attributable  
11 to all local employees.

12 (b) (1) Subject to paragraphs (4) and (5) of this subsection, each fiscal year, on  
13 behalf of the State members of each State system, the State shall pay to the appropriate  
14 accumulation fund an amount equal to or greater than the sum of the amount, if any,  
15 required to be included in the budget bill under § 3-501(c)(2)(ii) of this article and the  
16 product of multiplying:

17 (i) the aggregate annual earnable compensation of the State  
18 members of that State system; and

19 (ii) the sum of the normal contribution rate and the accrued liability  
20 contribution rate for State members of that State system, as determined under this section.

21 (4) (i) Subject to § 21-309.1 of this subtitle, beginning on July 1, 2012,  
22 and each fiscal year thereafter, each local employer shall pay to the appropriate  
23 accumulation fund an amount equal to the local share of the total employer contribution  
24 for local employees as provided in this paragraph.

25 (iii) Beginning in fiscal year 2017, each local employer shall pay to  
26 the Board of Trustees its local share equal to the normal contribution rate for the Teachers'  
27 Retirement System and the Teachers' Pension System multiplied by the aggregate annual  
28 earnable compensation of the local employees of that local employer.

29 (5) Except as provided in paragraph (6) of this subsection, the difference  
30 between the total employer contribution for local employees and the local share of the total  
31 employer contribution for all local employees shall be the obligation of the State.

32 (6) (i) Subject to § 21-309.2 of this subtitle and as provided under  
33 subparagraph (ii) of this paragraph, beginning in fiscal year [2026] **2027**, each county  
34 government shall pay to the Board of Trustees the following amounts:

1	County	
2	Government	
3	Allegany .....	[754,195] <b>1,139,988</b>
4	Anne Arundel.....	[9,738,875] <b>13,344,016</b>
5	Baltimore City .....	[8,802,114] <b>12,041,167</b>
6	Baltimore .....	[10,352,112] <b>15,122,563</b>
7	Calvert .....	[1,647,480] <b>2,284,705</b>
8	Caroline.....	[561,645] <b>785,750</b>
9	Carroll.....	[2,624,055] <b>3,661,920</b>
10	Cecil.....	[1,327,122] <b>1,963,691</b>
11	Charles.....	[2,786,366] <b>3,900,924</b>
12	Dorchester.....	[590,506] <b>794,625</b>
13	Frederick.....	[5,925,608] <b>7,899,429</b>
14	Garrett .....	[269,208] <b>428,865</b>
15	Harford.....	[3,685,077] <b>5,297,751</b>
16	Howard.....	[6,830,167] <b>9,696,329</b>
17	Kent.....	[165,489] <b>255,179</b>
18	Montgomery .....	[20,861,475] <b>28,754,528</b>
19	Prince George's .....	[13,000,062] <b>18,675,337</b>
20	Queen Anne's.....	[691,279] <b>973,835</b>
21	St. Mary's.....	[1,562,014] <b>2,205,319</b>
22	Somerset .....	[314,066] <b>442,575</b>
23	Talbot .....	[452,957] <b>651,179</b>
24	Washington.....	[2,397,889] <b>3,279,909</b>
25	Wicomico .....	[1,704,888] <b>2,379,362</b>
26	Worcester .....	[699,872] <b>1,049,543</b>

27 (ii) 1. For fiscal year 2026, each county government shall pay to  
 28 the Board of Trustees on or before January 1, 2026, the amount required under  
 29 subparagraph (i) of this paragraph.

30 2. Beginning in fiscal year 2027, each county government  
 31 shall pay to the Board of Trustees on or before each September 1 the amount required under  
 32 subparagraph (i) of this paragraph.

33 (iii) Each fiscal year, the amounts paid under subparagraph (i) of this  
 34 paragraph shall reduce the obligations of the State with respect to the Teachers' Pension  
 35 System and the Teachers' Retirement System by the same amounts.

36 **Article – Tax – General**

1 (b) (1) In June of each year, from current collections, the Comptroller shall  
2 reserve an amount of unallocated revenue that the Comptroller estimates will be claimed  
3 on returns and refunded to taxpayers within 3 years of the date the income tax return was  
4 due to be filed, and distribute to each county, municipal corporation, and special taxing  
5 district a pro rata share of the balance of the unallocated individual income tax revenue.

6 (2) The Comptroller shall adjust the amount distributed under paragraph  
7 (1) of this subsection to a county, municipal corporation, or special taxing district to allow  
8 for the proportionate part of tax claim payments for a prior calendar year made after a  
9 distribution is made to the county, municipal corporation, or special taxing district for that  
10 year.

11 (i) (1) On or before [July 31, 2025] **JUNE 1, 2025**, the Comptroller shall  
12 distribute \$37,300,000 from the Local Reserve Account established to comply with this  
13 section to the [Division of Paid Leave within the Maryland Department of Labor]  
14 **GENERAL FUND OF THE STATE.**

15 (2) The Maryland Department of Labor shall reimburse the Local Reserve  
16 Account **\$37,300,000** within 2 years after contributions into the Department's Family and  
17 Medical Leave Insurance Fund begin.

#### 18 Article – Tax – Property

19 13–209.

20 (a) (1) Before any other distribution under this section, in any fiscal year that  
21 bonds secured by a pledge of the State transfer tax are outstanding, the revenue from the  
22 transfer tax shall be used to pay, as and when due, the principal of and interest on the  
23 bonds.

24 (2) The Department shall deduct the cost of administering the transfer tax  
25 from the taxes collected under this title and credit those revenues to the fund established  
26 under § 1–203.3 of the Corporations and Associations Article.

27 (3) Except as provided in paragraph (4) of this subsection, after deducting  
28 the revenues required under paragraphs (1) and (2) of this subsection, the revenue from  
29 transfer tax is payable to the Comptroller for deposit in a special fund.

30 (4) In any fiscal year in which transfer tax revenue is used to pay debt  
31 service on outstanding bonds under paragraph (1) of this subsection, the distribution of  
32 revenues in the special fund under this section and as specified in § 5–903(a)(2)(i)1A of the  
33 Natural Resources Article, for State land acquisition, or to the Agricultural Land  
34 Preservation Fund to the extent any debt service is attributable to that Fund, shall be  
35 reduced by an amount equal to the debt service for the fiscal year.

36 (b) For the fiscal year beginning July 1, 2002 and for subsequent fiscal years, up  
37 to 3% of the revenues in the special fund may be appropriated in the State budget for

1 salaries and related expenses in the Departments of General Services and Natural  
2 Resources and in the Department of Planning necessary to administer Title 5, Subtitle 9 of  
3 the Natural Resources Article (Program Open Space).

4 (c) (1) Subject to subsection (e) of this section, of the balance of the revenue in  
5 the special fund, not required under subsection (b) of this section:

6 (i) for the fiscal year beginning July 1, 2002, \$47,268,585 shall be  
7 allocated to the General Fund of the State and the remainder shall be allocated as provided  
8 in subsection (d) of this section;

9 (ii) for the fiscal year beginning July 1, 2003, \$102,833,869 shall be  
10 allocated to the General Fund of the State and the remainder shall be allocated as provided  
11 in the State budget;

12 (iii) for the fiscal year beginning July 1, 2004, \$147,374,444 shall be  
13 allocated to the General Fund of the State, and the remainder shall be allocated as provided  
14 in the State budget; and

15 (iv) for the fiscal year beginning July 1, 2005, \$68,223,132 shall be  
16 allocated to the General Fund of the State and the remainder shall be allocated as provided  
17 in subsection (d) of this section.

18 (2) Subject to subsection (e) of this section, for the fiscal years beginning  
19 July 1, 2006 and each subsequent fiscal year, the balance of the revenue in the special fund,  
20 not required under subsection (b) of this section shall be allocated as provided in subsection  
21 (d) of this section.

22 (3) (i) Subject to subsection (e) of this section, for fiscal years 2026  
23 through 2029, of the balance of the revenue in the special fund not required under  
24 subsection (b) of this section, \$25,000,000 shall be allocated to the General Fund of the  
25 State and the remainder shall be allocated as provided in **PARAGRAPH (4) OF THIS**  
26 **SUBSECTION AND** subsection (d) of this section.

27 (ii) For each of fiscal years 2026 through 2029, the allocation  
28 required under subparagraph (i) of this paragraph shall reduce the amount allocated for  
29 Program Open Space land acquisition purposes identified in subsection (d)(1)(ii) of this  
30 section and § 5-903(a)(2)(i)1A of the Natural Resources Article, the Agricultural Land  
31 Preservation Fund identified in subsection (d)(2) of this section, and the Rural Legacy  
32 Program identified in subsection (d)(3) of this section and § 5-903(a)(2)(iii) of the Natural  
33 Resources Article by an amount that is proportional to the amount of revenue each program  
34 is estimated to receive for the fiscal year.

35 **(4) (I) IN ADDITION TO THE GENERAL FUND ALLOCATION UNDER**  
36 **PARAGRAPH (3) OF THIS SUBSECTION AND SUBJECT TO SUBSECTION (E) OF THIS**  
37 **SECTION, FOR FISCAL YEAR 2027 ONLY, OF THE BALANCE OF THE REVENUE IN THE**

1 SPECIAL FUND NOT REQUIRED UNDER SUBSECTION (B) OF THIS SECTION,  
2 \$71,743,156 SHALL BE ALLOCATED TO THE GENERAL FUND OF THE STATE AND THE  
3 REMAINDER SHALL BE ALLOCATED AS PROVIDED IN SUBSECTION (D) OF THIS  
4 SECTION.

5 (II) THE AMOUNT ALLOCATED UNDER SUBPARAGRAPH (I) OF  
6 THIS PARAGRAPH SHALL REDUCE THE AMOUNT ALLOCATED FOR THE FOLLOWING  
7 PROGRAMS AND FUNDS:

8 1. PROGRAM OPEN SPACE (LOCAL) FUNDS IDENTIFIED  
9 IN §§ 5-903(A)(2)(II)2E AND (B)(1) AND 5-905(B)(7) OF THE NATURAL RESOURCES  
10 ARTICLE BY \$49,586,156;

11 2. RURAL LEGACY PROGRAM FUNDS IDENTIFIED IN  
12 SUBSECTION (D)(3) OF THIS SECTION AND § 9-503(A)(2)(III) OF THE NATURAL  
13 RESOURCES ARTICLE BY \$13,400,000; AND

14 3. FUNDS FOR THE NATURAL RESOURCES  
15 DEVELOPMENT FUND IDENTIFIED FOR THE PURPOSES SPECIFIED IN § 5-903(G)(1)  
16 OF THE NATURAL RESOURCES ARTICLE.

17 (III) THE ALLOCATIONS REDUCED UNDER SUBPARAGRAPH (II)  
18 OF THIS PARAGRAPH SHALL BE REPLACED WITH GENERAL OBLIGATION BONDS.

19 (d) Subject to subsections (d-1) and (e) of this section, for the fiscal year beginning  
20 July 1, 2002 and for each subsequent fiscal year, the balance of the revenue in the special  
21 fund, not required under subsection (b) of this section and not allocated to the General Fund  
22 under subsection (c)(1) [and], (3), AND (4) of this section shall be allocated in the State  
23 budget as follows:

24 (1) (i) 75.15% for the purposes specified in Title 5, Subtitle 9 of the  
25 Natural Resources Article (Program Open Space); and

26 (ii) an additional 1% for Program Open Space, for land acquisition  
27 purposes as specified in § 5-903(a)(2) of the Natural Resources Article;

28 (2) 17.05% for the Agricultural Land Preservation Fund established under  
29 § 2-505 of the Agriculture Article;

30 (3) 5% for the Rural Legacy Program established under § 5-9A-01 of the  
31 Natural Resources Article; and

32 (4) 1.8% for the Heritage Conservation Fund established under § 5-1501  
33 of the Natural Resources Article.

1 (e) The sums allocated in subsection (d) of this section may not revert to the  
2 General Fund of the State.

3 (g) (3) (i) 1. For fiscal year 2023, the Governor shall include in the  
4 annual budget bill a General Fund appropriation in the amount of \$2,500,000 to the  
5 Maryland Agricultural and Resource-Based Industry Development Corporation for the  
6 Next Generation Farmland Acquisition Program authorized under § 10-523(a)(3)(ii) of the  
7 Economic Development Article.

8 2. For fiscal year 2025 only, the Governor shall include in the  
9 annual budget bill a General Fund appropriation in the amount of \$2,735,000 to the  
10 Maryland Agricultural and Resource-Based Industry Development Corporation  
11 established under Title 10, Subtitle 5 of the Economic Development Article to be used as  
12 follows:

13 A. \$2,300,000 to support the Corporation's rural business  
14 loan programs and small matching grant programs; and

15 B. \$435,000 for grants and near-equity investments to:

16 I. support the creation or expansion of agricultural product  
17 aggregation and storage sites; and

18 II. facilitate participation in the Certified Local Farm and  
19 Fish Program.

20 3. A. For each of fiscal years 2024, 2025, AND 2026, [and  
21 2027,] the Governor shall include in the annual budget bill a General Fund appropriation  
22 of \$500,000 to the Urban Agriculture Water and Power Infrastructure Grant Fund  
23 established under § 2-2103 of the Agriculture Article.

24 B. FOR FISCAL YEAR 2027, THE GOVERNOR SHALL  
25 INCLUDE IN THE ANNUAL BUDGET BILL A GENERAL FUND APPROPRIATION OF  
26 \$400,000 TO THE URBAN AGRICULTURE WATER AND POWER INFRASTRUCTURE  
27 GRANT FUND ESTABLISHED UNDER § 2-2103 OF THE AGRICULTURE ARTICLE.

28 (ii) The appropriations required under subparagraph (i) of this  
29 paragraph:

30 1. are not subject to the provisions of subsections (a), (b), (c),  
31 and (f) of this section;

32 2. shall be allocated as provided in subsection (d) of this  
33 section and § 5-903 of the Natural Resources Article; and



1 13-955.

2 (a) In this section, "Fund" means the Maryland Emergency Medical System  
3 Operations Fund.

4 (e) Except as provided in subsection (f) of this section, the money in the Fund  
5 shall be used solely for:

6 (1) Medically oriented functions of the Department of State Police, Special  
7 Operations Bureau, Aviation Division;

8 (2) The Maryland Institute for Emergency Medical Services Systems;

9 (3) The R Adams Cowley Shock Trauma Center at the University of  
10 Maryland Medical System;

11 (4) The Maryland Fire and Rescue Institute;

12 (5) The provision of grants under the Senator William H. Amoss Fire,  
13 Rescue, and Ambulance Fund in accordance with the provisions of Title 8, Subtitle 1 of the  
14 Public Safety Article; and

15 (6) The Volunteer Company Assistance Fund in accordance with the  
16 provisions of Title 8, Subtitle 2 of the Public Safety Article.

17 (f) For fiscal years 2025 [and 2026] **THROUGH 2029**, the money in the Fund may  
18 be used to support general operations of the Department of State Police, Special Operations  
19 Bureau, Aviation Command.

20 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read  
21 as follows:

### 22 Article – Education

23 7-414.1.

24 (a) (1) In this section the following words have the meanings indicated.

25 (2) "Fund" means the Driver Education in Public High Schools Fund.

26 (3) "Program" means the Driver Education in Public High Schools Grant  
27 Program.

28 (b) There is a Driver Education in Public High Schools Grant Program in the  
29 Department.

1 (f) (1) There is a Driver Education in Public High Schools Fund.

2 (4) The Fund consists of[:

3 (i) Money received by the Fund from fines for vehicle security lapses  
4 under § 17–106 of the Transportation Article; and

5 (ii) Any other] money from any [other] source accepted for the  
6 benefit of the Fund.

7 (5) The Fund may be used only for:

8 (i) Providing grants under the Program; and

9 (ii) Administrative costs of the Program.

#### 10 Article – Natural Resources

11 5–903.

12 (a) (1) (i) Of the funds distributed to Program Open Space under § 13–209  
13 of the Tax – Property Article, up to \$3,000,000 may be transferred by an appropriation in  
14 the State budget, or by an amendment to the State budget under Title 7, Subtitle 2 of the  
15 State Finance and Procurement Article, to the Maryland Heritage Areas Authority  
16 Financing Fund established under Title 13, Subtitle 11 of the Financial Institutions Article  
17 to be used for the purposes provided in that subtitle.

18 (ii) Of the amount transferred under subparagraph (i) of this  
19 paragraph, up to \$300,000 may be distributed to the Maryland Historical Trust within the  
20 Department of Planning to be awarded as noncapital historic preservation grants.

21 (2) (i) 1. Of the remaining funds not appropriated under paragraph  
22 (1)(i) of this subsection:

23 A. One half of the funds shall be used for recreation and open  
24 space purposes by the Department and the Historic St. Mary’s City Commission; [and]

25 B. 20% of the funds or \$21,000,000, whichever is greater,  
26 shall be appropriated to the Forest and Park Service in the Department to operate State  
27 forests and parks; AND

28 C. **0.2% OF THE FUNDS OR \$200,000, WHICHEVER IS**  
29 **GREATER, SHALL BE APPROPRIATED TO THE DEPARTMENT OF PLANNING TO**  
30 **OPERATE AND MAINTAIN THE JEFFERSON PATTERSON PARK AND MUSEUM.**



1 17-106.

2 (a) If the required security for any vehicle lapses at any time, the registration of  
3 that vehicle:

4 (1) Is suspended automatically as of the date of the lapse effective not later  
5 than 60 days after notification to the Administration that the lapse has occurred; and

6 (2) Remains suspended until:

7 (i) The required security is replaced and the vehicle owner submits  
8 evidence of replaced security on a form as prescribed by the Administration and certified  
9 by an insurer or insurance producer; and

10 (ii) Any uninsured motorist penalty fee assessed is paid to the  
11 Administration.

12 (b) (1) Except as provided in paragraph (2) of this subsection, each insurer or  
13 other provider of required security immediately shall notify the Administration  
14 electronically of those terminations or other lapses that are final.

15 (2) Each insurer or other provider of required security for a vehicle  
16 registered as a Class B (for hire) vehicle under Title 13 of this article shall notify the  
17 Administration within 45 days after a termination or other lapse that is final and occurs  
18 anytime after the required security is issued or provided.

19 (c) On receipt of a notice under subsection (b) of this section, the Administration  
20 shall:

21 (1) Make a reasonable effort to notify the owner of the vehicle that his  
22 registration has been suspended; and

23 (2) Provide electronically the information contained in the notice of the  
24 suspension to the Uninsured Division of the Maryland Automobile Insurance Fund.

25 (d) (1) Within 48 hours after an owner is notified by the Administration of the  
26 suspension of registration, the owner shall surrender all evidences of that registration to  
27 the Administration.

28 (2) If the owner fails to surrender the evidences of registration within the  
29 48-hour period, the Administration:

30 (i) Shall attempt to recover from the owner the evidences of  
31 registration; and

32 (ii) May suspend his license to drive until he returns to the Motor  
33 Vehicle Administration the evidences of registration.



1                                   1.       70% to be allocated as provided in subparagraph (ii) of this  
2 paragraph; and

3                                   2.       30% to the Administration, which may be used by the  
4 Administration, subject to subsection (f) of this section, to provide funding for contracts  
5 with independent agents to assist in the recovery of evidences of registration as authorized  
6 in subsection (d)(3) of this section.

7                                   (ii)     For each fiscal year beginning on or after July 1, 2014, the  
8 percentage of the penalties specified under subparagraph (i)1 of this paragraph shall be  
9 allocated among the Safe Schools Fund, the Vehicle Theft Prevention Fund, the Maryland  
10 Automobile Insurance Fund, [the Driver Education in Public High Schools Fund,] the  
11 State–Aided Institutions Field Trip Fund, and the General Fund as follows:

12                                   1.       \$600,000 to the Safe Schools Fund;

13                                   2.       \$2,000,000 to the Vehicle Theft Prevention Fund;

14                                   3.       The amounts specified under subparagraph (iii) of this  
15 paragraph to the Maryland Automobile Insurance Fund;

16                                   4.       [\$2,000,000 to the Driver Education in Public High  
17 Schools Fund;

18                                   5.]     \$600,000 to the State–Aided Institutions Field Trip Fund;  
19 and

20                                   [6.] 5. The balance to the General Fund.

21                                   (iii) 1.     Except for fiscal year 2024 and except as provided under  
22 subsubparagraph 3 of this subparagraph, the amount distributed to the Maryland  
23 Automobile Insurance Fund under subparagraph (ii)3 of this paragraph shall equal the  
24 amount distributed to the Maryland Automobile Insurance Fund in the prior fiscal year  
25 under the provisions of this paragraph adjusted by the change for the calendar year  
26 preceding the fiscal year in the Consumer Price Index – All Urban Consumers – Medical  
27 Care as published by the United States Bureau of Labor Statistics.

28                                   2.       For fiscal year 2024, the amount distributed to the  
29 Maryland Automobile Insurance Fund under subparagraph (ii)3 of this paragraph shall  
30 equal the amount distributed to the Maryland Automobile Insurance Fund in the prior  
31 fiscal year under the provisions of this paragraph adjusted by the change for the calendar  
32 year preceding the fiscal year in the Consumer Price Index – All Urban Consumers –  
33 Medical Care as published by the United States Bureau of Labor Statistics plus an  
34 additional \$2,000,000.

35                                   3.       For fiscal year 2025, the amount distributed to the  
36 Maryland Automobile Insurance Fund under subparagraph (ii)3 of this paragraph shall



1 (1) (i) except as provided in item (ii) of this item, an amount is added to  
2 or subtracted from federal adjusted gross income to reflect the determination of the  
3 depreciation deduction provided under § 167(a) of the Internal Revenue Code and the  
4 adjusted basis of property without regard to the additional allowance under § 168(k) of the  
5 Internal Revenue Code; and

6 [(ii) item (i) of this item does not apply to property placed in service  
7 by a manufacturing entity on or after January 1, 2019;]

8 **(II) FOR A MANUFACTURING ENTITY, AN AMOUNT IS ADDED TO**  
9 **OR SUBTRACTED FROM FEDERAL ADJUSTED GROSS INCOME TO REFLECT THE**  
10 **DETERMINATION OF THE DEPRECIATION DEDUCTION PROVIDED UNDER § 167(A) OF**  
11 **THE INTERNAL REVENUE CODE AND THE ADJUSTED BASIS OF PROPERTY BY**  
12 **LIMITING THE ADDITIONAL ALLOWANCE UNDER § 168(K) OF THE INTERNAL**  
13 **REVENUE CODE TO 20% OF THE ADJUSTED BASIS OF THE QUALIFIED PROPERTY;**

14 (2) AN AMOUNT IS ADDED TO OR SUBTRACTED FROM FEDERAL  
15 ADJUSTED GROSS INCOME TO REFLECT THE DETERMINATION OF THE  
16 DEPRECIATION DEDUCTION PROVIDED UNDER § 167(A) OF THE INTERNAL  
17 REVENUE CODE AND THE ADJUSTED BASIS OF PROPERTY WITHOUT REGARD TO THE  
18 ADDITIONAL ALLOWANCE UNDER § 168(N) OF THE INTERNAL REVENUE CODE;

19 (3) an amount is added to or subtracted from federal adjusted gross income  
20 to determine the net operating loss deduction allowed under § 172 of the Internal Revenue  
21 Code without regard to an election under § 172(b)(1)(H) of the Internal Revenue Code for a  
22 carryback period of up to 5 years;

23 [(3)] (4) (i) except as provided in item (ii) of this item, an amount is  
24 added to or subtracted from federal adjusted gross income to reflect the determination of  
25 the maximum aggregate costs that the taxpayer may treat as an expense under § 179 of  
26 the Internal Revenue Code for any taxable year without regard to any changes made to  
27 that section after December 31, 2002:

28 1. increasing above \$25,000 the dollar limitation set forth in  
29 § 179(b)(1) of the Internal Revenue Code; or

30 2. increasing above \$200,000 the phase-out threshold set  
31 forth in § 179(b)(2) of the Internal Revenue Code; and

32 (ii) item (i) of this item does not apply to property that is placed in  
33 service by a manufacturing entity on or after January 1, 2019;

34 [(4)] (5) an amount is added to or subtracted from federal adjusted gross  
35 income to reflect the recognition of income from discharge of indebtedness and the  
36 allowance of any deduction with respect to original issue discount without regard to § 108(i)  
37 of the Internal Revenue Code; and



1 \$1,038,910 from the Dedicated Purpose Account established under § 7–310 of the State  
2 Finance and Procurement Article for the following purposes:

3 (1) \$355,760 for domestic violence centers;

4 (2) \$201,292 for assisted living centers;

5 (3) \$152,732 for the State Police Gun Center;

6 (4) \$101,537 for police departments to coordinate task forces that cross  
7 jurisdictional boundaries;

8 (5) \$100,001 for the Center for Neuroscience of Social Justice;

9 (6) \$75,988 for violence prevention and interruption organizations; and

10 (7) \$51,600 for the Greater Baltimore Regional Integrated Crisis System.

11 SECTION 8. AND BE IT FURTHER ENACTED, That, notwithstanding any other  
12 provision of law, on or before June 30, 2027, the Governor may transfer to the General Fund  
13 \$6,700,000 from the Maternal and Child Health Population Health Improvement Fund  
14 established under § 19–210 of the Health – General Article.

15 SECTION 9. AND BE IT FURTHER ENACTED, That, notwithstanding any other  
16 provision of law, on or before June 30, 2027, the Governor may transfer to the General Fund  
17 the following, with the funds for related projects to be replaced with General Obligation  
18 Bonds:

19 (1) \$70,000,000 from the Bay Restoration Fund established under §  
20 9–1605.2 of the Environment Article;

21 (2) \$13,068,000 from the Waterway Improvement Fund established under  
22 § 8–707 of the Natural Resources Article; and

23 (3) \$188,844 from the Program Open Space Local Funds that reverted to  
24 and are held in a special account by the Department of Natural Resources under §  
25 5–905(b)(7) of the Natural Resources Article.

26 SECTION 10. AND BE IT FURTHER ENACTED, That the fiscal year 2026 General  
27 Fund appropriation of \$3,000,000 for Facility Operations Administration and Support  
28 (V00E01.02) within the Department of Juvenile Services restricted for the purpose of  
29 reopening the Alfred D. Noyes Children’s Center as an adolescent drug treatment center  
30 may be instead used to provide drug treatment services at other child–serving facilities and  
31 to reopen the Alfred D. Noyes Children’s Center as a facility for children.

32 SECTION 11. AND BE IT FURTHER ENACTED, That, notwithstanding any other  
33 provision of law, no amounts may be expended in fiscal year 2027 to pay increases over the

1 rates in effect on January 21, 2026, for providers of nonpublic placements under § 8–406 of  
2 the Education Article.

3 SECTION 12. AND BE IT FURTHER ENACTED, That, notwithstanding any other  
4 provision of law, no amounts may be expended in fiscal year 2027 to pay increases over the  
5 rates in effect on January 21, 2026, for providers with rates set by the Interagency Rates  
6 Committee under § 8–417 of the Education Article.

7 SECTION 13. AND BE IT FURTHER ENACTED, That, notwithstanding any other  
8 provision of law, the Interagency Commission on School Construction may reallocate  
9 federal funding awarded from fiscal years 2022 and 2023 for heating, ventilation, and  
10 air-conditioning upgrades for public school buildings to ensure compliance with the  
11 provisions of the American Rescue Plan Act of 2021.

12 SECTION 14. AND BE IT FURTHER ENACTED, That Section 3 of this Act shall be  
13 applicable to all taxable years beginning after December 31, 2025.

14 SECTION 15. AND BE IT FURTHER ENACTED, That Sections 2 and 3 of this Act  
15 shall take effect July 1, 2026.

16 SECTION 16. AND BE IT FURTHER ENACTED, That, except as provided in  
17 Section 15 of this Act, this Act shall take effect June 1, 2026.