

Chapter 89

(House Bill 226)

AN ACT concerning

**Department of Disabilities – Housing Programs and Affiliated Foundations –
Establishment**

FOR the purpose of requiring the Department of Disabilities to establish affordable and accessible housing programs; authorizing the Department to establish affiliated foundations to work with certain programs and units of the Department to solicit and accept funds, partner with individuals and entities, and promote certain activities that support certain projects; prohibiting an affiliated foundation from influencing certain determinations made by the Department; and generally relating to the establishment of housing programs and affiliated foundations by the Department of Disabilities.

BY repealing and reenacting, with amendments,
 Article – Human Services
 Section 7–114(b)
 Annotated Code of Maryland
 (2019 Replacement Volume and 2025 Supplement)

BY adding to
 Article – Human Services
 Section 7–117
 Annotated Code of Maryland
 (2019 Replacement Volume and 2025 Supplement)

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

Article – Human Services

7–114.

(b) The Department shall oversee and administer the following programs and units:

- (1) constituent services and ombudsmen programs;
- (2) the Assistive Technology Guaranteed Loan Program under Subtitle 6 of this title;
- (3) the Office of Personal Assistance Services, including the Attendant Care Program under Subtitle 4 of this title;

- (4) Telecommunications Access of Maryland under Subtitle 8 of this title;
- (5) Telecommunications Devices and Distribution of Accessible Information for Disabled Individuals under Subtitle 9 of this title;
- (6) the Office of Disability Employment Advancement and Policy; [and]
- (7) the Maryland Assistive Technology Program under Subtitle 14 of this title; AND
- (8) **AFFORDABLE AND ACCESSIBLE HOUSING PROGRAMS.**

7-117.

(A) IN ACCORDANCE WITH § 7-114 OF THIS SUBTITLE, THE DEPARTMENT MAY ESTABLISH ONE OR MORE AFFILIATED FOUNDATIONS TO WORK WITH THE MARYLAND ASSISTIVE TECHNOLOGY PROGRAM, THE ASSISTIVE TECHNOLOGY GUARANTEED LOAN PROGRAM, THE OFFICE OF DISABILITY EMPLOYMENT ADVANCEMENT AND POLICY, AND THE DEPARTMENT'S AFFORDABLE AND ACCESSIBLE HOUSING PROGRAMS.

(B) THE PURPOSE OF AN AFFILIATED FOUNDATION IS TO:

(1) SOLICIT AND ACCEPT FUNDS AND PARTNER WITH INDIVIDUALS, CORPORATIONS, AND OTHER ENTITIES TO SUPPORT INNOVATIVE PROJECTS DESIGNED TO MAINTAIN, EXPAND, AND ENHANCE THE PROGRAMS AND UNITS SPECIFIED IN SUBSECTION (A) OF THIS SECTION; AND

(2) PROMOTE ACTIVITIES THAT:

(I) ENHANCE AWARENESS OF, ACCESS TO, AND EFFECTIVE USE OF ASSISTIVE TECHNOLOGY, ACCESSIBLE INFORMATION TECHNOLOGY, AND ENVIRONMENTAL ADAPTATIONS THAT ALLOW INDIVIDUALS WITH DISABILITIES TO PARTICIPATE IN EMPLOYMENT, EDUCATION, HOUSING, TRANSPORTATION, PUBLIC SAFETY, RECREATION, HEALTH CARE, AND OTHER ASPECTS OF DAILY LIFE;

(II) SUPPORT TRAINING, TECHNICAL ASSISTANCE, AND REASONABLE ACCOMMODATIONS THAT PROMOTE THE HIRING AND RETENTION OF INDIVIDUALS WITH DISABILITIES IN PRIVATE AND PUBLIC SECTOR EMPLOYMENT; AND

(III) CREATE OPPORTUNITIES FOR INTEGRATED, AFFORDABLE, AND ACCESSIBLE HOUSING FOR INDIVIDUALS WITH DISABILITIES TO LIVE IN THE COMMUNITIES OF THEIR CHOICE.

(C) (1) THE DEPARTMENT SHALL:

(I) DEVELOP POLICIES FOR OPERATING EACH AFFILIATED FOUNDATION THAT THE DEPARTMENT ESTABLISHES, INCLUDING THE AFFILIATED FOUNDATION NAME; AND

(II) SUBMIT EACH POLICY DEVELOPED TO THE OFFICE OF THE ATTORNEY GENERAL AND THE STATE ETHICS COMMISSION FOR REVIEW AND, IF APPROPRIATE, APPROVAL IN ACCORDANCE WITH PARAGRAPHS (2) AND (3) OF THIS SUBSECTION.

(2) THE OFFICE OF THE ATTORNEY GENERAL SHALL:

(I) REVIEW THE POLICIES THE DEPARTMENT DEVELOPS UNDER PARAGRAPH (1) OF THIS SUBSECTION FOR FORM AND LEGAL SUFFICIENCY; AND

(II) IF APPROPRIATE, APPROVE THE POLICIES FOR USE IN GOVERNING THE DEPARTMENT'S RELATIONSHIP WITH THE AFFILIATED FOUNDATION.

(3) THE STATE ETHICS COMMISSION SHALL:

(I) REVIEW THE POLICIES THE DEPARTMENT DEVELOPS UNDER PARAGRAPH (1) OF THIS SUBSECTION THAT PERTAIN TO CONFLICTS OF INTEREST; AND

(II) IF APPROPRIATE, APPROVE THE POLICIES FOR USE IN GOVERNING AN OFFICIAL OR EMPLOYEE OF THE DEPARTMENT WHO ALSO SERVES AS A DIRECTOR OR AN OFFICIAL OF THE AFFILIATED FOUNDATION.

(D) (1) AN AFFILIATED FOUNDATION MAY SOLICIT AND RECEIVE CONTRIBUTIONS FROM BUSINESSES, GOVERNMENTAL ENTITIES, NONPROFIT ORGANIZATIONS, AND INDIVIDUALS INTERESTED IN THE PROMOTION OF PROGRAMS AND UNITS ADMINISTERED OR SUPPORTED BY THE DEPARTMENT.

(2) IN ACCORDANCE WITH § 7-113 OF THIS SUBTITLE AUTHORIZING THE SECRETARY TO RECEIVE FUNDS FROM ANY PUBLIC OR PRIVATE SOURCE TO CARRY OUT THE POWERS AND DUTIES OF THE DEPARTMENT, THE SECRETARY

SHALL RECEIVE AND DEPOSIT FUNDS FROM AN AFFILIATED FOUNDATION INTO A SEPARATE SPECIAL FUND.

(E) (1) AN AFFILIATED FOUNDATION ESTABLISHED UNDER THIS SECTION MAY NOT:

(I) BE CONSIDERED AN AGENCY OR INSTRUMENTALITY OF THE STATE OR A UNIT OF THE EXECUTIVE BRANCH FOR ANY PURPOSE;

(II) MAKE, INFLUENCE, OR PARTICIPATE IN DETERMINATIONS REGARDING ELIGIBILITY FOR ANY PROGRAM, BENEFIT, OR SERVICES ADMINISTERED OR SUPPORTED BY THE DEPARTMENT; OR

(III) ESTABLISH, INFLUENCE, OR IMPLEMENT PUBLIC POLICY, PROGRAM STANDARDS, PRIORITIES, OR ELIGIBILITY CRITERIA FOR THE DEPARTMENT.

(2) A FINANCIAL OBLIGATION OR LIABILITY OF AN AFFILIATED FOUNDATION ESTABLISHED UNDER THIS SECTION MAY NOT BE CONSIDERED A DEBT OR AN OBLIGATION OF THE STATE OR THE DEPARTMENT.

(F) (1) NOTWITHSTANDING §§ 5-501 THROUGH 5-504 OF THE GENERAL PROVISIONS ARTICLE, AN OFFICIAL OR EMPLOYEE OF THE DEPARTMENT MAY BECOME A DIRECTOR OR AN OFFICIAL OF AN AFFILIATED FOUNDATION ESTABLISHED UNDER THIS SECTION.

(2) AN OFFICIAL OR EMPLOYEE OF THE DEPARTMENT WHO SERVES AS A DIRECTOR OR AN OFFICIAL OF AN AFFILIATED FOUNDATION ESTABLISHED UNDER THIS SECTION:

(I) MAY NOT BE COMPENSATED, DIRECTLY OR INDIRECTLY, BY THE AFFILIATED FOUNDATION; AND

(II) MAY BE REIMBURSED FOR BONA FIDE EXPENSES INCURRED IN THE PERFORMANCE OF ACTIVITIES UNDERTAKEN ON BEHALF OF THE AFFILIATED FOUNDATION AS AUTHORIZED BY THE DEPARTMENT AND THE BOARD OF DIRECTORS OF THE AFFILIATED FOUNDATION.

(3) (I) THE DEPARTMENT SHALL NOTIFY THE STATE ETHICS COMMISSION IN WRITING WHENEVER THE DEPARTMENT ALLOWS AN OFFICIAL OR EMPLOYEE OF THE DEPARTMENT TO SERVE AS A DIRECTOR OR AN OFFICIAL OF AN AFFILIATED FOUNDATION.

(II) WITHIN 30 DAYS AFTER RECEIPT OF THE NOTICE UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE STATE ETHICS COMMISSION SHALL NOTIFY THE DEPARTMENT OF ANY OBJECTIONS OR CONCERNS PERTAINING TO THE JOINT SERVICE IDENTIFIED IN THE NOTICE.

(III) ON RECEIPT OF A NOTICE FROM THE STATE ETHICS COMMISSION UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE DEPARTMENT SHALL REEXAMINE THE JOINT SERVICE IDENTIFIED IN THE NOTICE.

(4) ON OR BEFORE SEPTEMBER 1 EACH YEAR, THE DEPARTMENT SHALL REPORT TO THE GOVERNOR, THE LEGISLATIVE POLICY COMMITTEE OF THE GENERAL ASSEMBLY IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, AND THE STATE ETHICS COMMISSION ON:

(I) THE NAMES OF THE OFFICIALS AND EMPLOYEES SERVING AS A DIRECTOR OR AN OFFICIAL OF AN AFFILIATED FOUNDATION; AND

(II) HOW THE POLICIES ADOPTED UNDER SUBSECTION (C) OF THIS SECTION HAVE BEEN IMPLEMENTED IN THE PRECEDING CALENDAR YEAR.

(G) (1) EACH YEAR, THE DEPARTMENT SHALL HIRE AN INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT TO:

(I) AUDIT AN AFFILIATED FOUNDATION ESTABLISHED UNDER THIS SECTION; AND

(II) SUBMIT TO THE DEPARTMENT A REPORT ON THE AUDIT OF THE AFFILIATED FOUNDATION.

(2) NOTWITHSTANDING SUBSECTION (D) OF THIS SECTION, IF AN AFFILIATED FOUNDATION HAS NOT BEEN AUDITED WITHIN THE PAST YEAR:

(I) THE AFFILIATED FOUNDATION MAY NOT SOLICIT AND RECEIVE CONTRIBUTIONS; AND

(II) THE DEPARTMENT MAY NOT ACCEPT CONTRIBUTIONS FROM THE AFFILIATED FOUNDATION.

(H) CONTRIBUTIONS ACCEPTED BY THE DEPARTMENT FROM AN AFFILIATED FOUNDATION ESTABLISHED UNDER THIS SECTION ARE SUPPLEMENTAL TO AND ARE NOT INTENDED TO TAKE THE PLACE OF FUNDING THAT OTHERWISE

WOULD BE APPROPRIATED IN THE ANNUAL BUDGET BILL OR CAPITAL BUDGET BILL FOR THE DEPARTMENT.

(I) THIS SECTION MAY NOT BE CONSTRUED TO LIMIT OR RESTRICT THE AUTHORITY OF THE DEPARTMENT OR OTHER AUTHORIZED GOVERNMENTAL ENTITIES TO DETERMINE ELIGIBILITY OR MAKE POLICY DECISIONS.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2026.

Approved by the Governor, April 14, 2026.