SB 305

Department of Legislative Services

Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
Third Reader

Senate Bill 305 (Senator Hettleman, *et al.*)

Budget and Taxation Judiciary

Qualifying Nonprofit Organizations - Incarcerated Individual Training and Reentry Grant Fund - Extension

This bill extends by one year (through fiscal 2029) the authorization for the Governor to include an appropriation of $1.0 million in the annual budget bill to be used solely as an operating grant to qualifying nonprofit organizations for the purpose of providing training to formerly incarcerated individuals in automotive repair. **The bill takes effect July 1, 2026.**

Fiscal Summary

State Effect: Although funding is discretionary, this analysis assumes that general fund expenditures increase by $1.0 million in FY 2029 to support the operating grants. Revenues are not affected.

(in dollars)	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Revenues	$0	$0	$0	$0	$0
GF Expenditure	0	0	1,000,000	0	0
Net Effect	$0	$0	($1,000,000)	$0	$0

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: Chapter 892 of 2024 authorizes the Governor, for fiscal 2026 through 2028, to include each year in the annual budget bill an appropriation of $1.0 million to be used

solely as an operating grant to qualifying nonprofit organizations for the purpose of providing training to formerly incarcerated individuals in automotive repair. The Governor's Office of Crime Prevention and Policy (GOCPP) must administer the grant funds in accordance with existing provisions related to GOCPP grant programs. A qualifying nonprofit organization that receives a grant pursuant to the bill must submit, for each fiscal year, specified information to the Executive Director of GOCPP. The authorization terminates June 30, 2028.

An eligible qualifying nonprofit organization that receives a grant from the fund must submit, for each fiscal year, the following information to the Executive Director of GOCPP: (1) proof of the expenditure of the grant funds and the purposes for which the funds were expended; (2) the total number of incarcerated and formerly incarcerated individuals who received services; and (3) any related outcome-based performance measures.

A nonprofit organization that receives funding from the fund must also comply with any data sharing and reporting requirements established by GOCPP as a condition of receiving funding.

"Qualifying nonprofit organization" means an organization that (1) provides training and reentry assistance for incarcerated and formerly incarcerated individuals; (2) provides training for at least 50 incarcerated or formerly incarcerated individuals per year in automotive repair; (3) is able to provide an automotive repair certificate from a nationally recognized automotive repair organization to eligible participants; and (4) demonstrates a minimum of a 50% employment placement rate for eligible participants in a paid automotive repair job.

State Expenditures: The fiscal 2025 budget included $500,000 in general funds for GOCPP for the purpose of providing an operating grant to Vehicles for Change Inc., and the fiscal 2026 budget includes $150,000 for such grants; however, no funding for the grants is included in the fiscal 2027 budget as introduced. Although the bill does not mandate funding in fiscal 2029 to support the operating grants, the bill explicitly extends by one year – through fiscal 2029 – the authorization for the Governor to include in the annual budget bill an appropriation of $1.0 million for the operating grants. Although funding for such grants is discretionary, consistent with the bill's intent, this analysis assumes that, in fiscal 2029, $1.0 million in general funds is provided to support the operating grants. Actual expenditures will vary with the amount of any discretionary funding included in the budget bill and ultimately passed by the General Assembly.

GOCPP can implement the bill with existing staff.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: HB 507 (Delegate Ruff, *et al.*) - Judiciary.

Information Source(s): Governor's Office of Crime Prevention and Policy; Department of Budget and Management; Department of Legislative Services

Fiscal Note History: First Reader - January 29, 2026
caw/lgc Third Reader - March 13, 2026

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